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Rural entrepreneurship: Need of the day

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Abstract

Rural entrepreneurship refers to the promotion of a new enterprise which develop new products/services generates new market to offer and uses latest technology in rural/remote areas. In another words such entrepreneurship which develops in non-urban areas is said to be rural entrepreneurship. Rural entrepreneurship minimizes the intensity of unemployment in rural part by participating women in economic activities. It can be of various types such as Farm entrepreneurship, Tribal entrepreneurship, Artisanhip entrepreneurship etc.

Keywords: Economic development, innovator, opportunity, government schemes, entrepreneurship

Introduction

There is no denying of the fact that development of entrepreneurship has emerged as a national movement because of its strengths to solve the problems of unemployment and poverty. The fact is this that the need for development of spirit of enterprise among the targeted population intensified more during the nineties with the feature of the trickledown theory to percolate the development benefits to the masses at grass root level. The economic development of India largely depends on the development of rural area and standard of socio economic climate of rural population but the process of LPG has introduced the various challenges and hence rural entrepreneurship is a major opportunity for the people of rural area of India.

Rural entrepreneurship is a way of converting the rural area as par with the living standards of urban people. Near about 70% of Indian population lives in villages. Indian economy mainly based on rural development where land being limited is unable the labour force in agriculture. The gap between rural and urban disparities should be less ended. Government has continuously assigning increasing importance and support for the growth of rural entrepreneurship but not positive outcome has come out till date. India is a country of villages. About three-fourth of India's population are living in rural areas out of which 75% of the labour force is still earning its livelihood from agriculture and its allied activities. Land being limited is unable to absorb the labour force in agriculture. Therefore, there is a need to develop rural industries to solve rural unemployment and rural migration to cities. Growth and development of rural economy is an essential pre-condition to development of the nation as a whole. The gap between rural urban disparities should be lessened. The standard of living of the rural people should be increased. Entrepreneurship in rural sector provides as answer to the above problems. Indian rural sector is no longer primitive and isolated. Therefore, entrepreneurship in the rural and tribal areas looms large to solve the problems of poverty and unemployment

Rural Entrepreneurship

In simple terms "entrepreneurship" is the act of being an entrepreneur, which can be defined as "one who undertakes innovations, finance and business acumen in an effort to transform innovations into economic goods". The problem is essentially lopsided development which is a development of one area at the cost of development of some other place, with concomitant associated problems of underdevelopment. For instance, we have seen underemployment or unemployment in the villages that has led to major influx of rural population to the cities. At present what is needed is to create a situation wherein the migration from rural areas to urban areas comes down. Migration per se is not always undesirable but is should be minimum as far as employment is concerned. Indeed the situation should be such that people should find it worthwhile to shift themselves from towns and cities to rural areas because of realization of better amenities and opportunities there.

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Rural Entrepreneurship in Indian Scenario

Who should necessarily be capable of making use of the government schemes and policies for the betterment of rural people? Some individual who happen to be NGO's and local leaders and also who are committed to the cause of the rural people have certainly been the catalytic agents for development. Though their efforts need to be recognized and lauded, yet much more needs to be done to reverse the direction of movement of people i.e., to attract people to rural areas which means not only stopping the outflow of rural people but also attracting them back from towns and cities where they had migrated. Despite all the inadequacies and in competencies in rural areas one should assess their strengths and also build upon them to make rural areas places of opportunities. But due to various complications they change their minds and join the bandwagon of job seekers. Enabling the public to think positively, creatively and engaging them purposefully in entrepreneurship activities is most important for the development of rural areas. Young people with such perspective and also with the help of rightly channelized efforts would certainly usher in an era of rural entrepreneurship. Some of the basic principles of entrepreneur which can be applied to rural development are:

- Optimum and full utilization of local resources in an entrepreneurial venture by rural population
- Better distributions of the farm produce results in rural prosperity
- Entrepreneurial occupation opportunities for rural population to reduce discrimination and also providing alternative occupations as against the rural migration
- To activate such system as to provide basic Manpower, money materials, management, machinery and market to rural population.

Rural Entrepreneurship and Villages Development

Rural entrepreneurship certainly implies entrepreneurship emerging in rural areas. In other words establishing the industry in rural areas is referred to as rural entrepreneurship. This means that rural entrepreneurship is synonymous with rural industrialization. Many such examples of successful rural entrepreneurship can already be found in literature. Diversification into non-agricultural uses of available resources such as blacksmithing, catering for tourists, carpentry, spinning etc. as well as diversification into activities other than those solely related to agricultural usage like use of resources other than land such as water, woodlands, buildings, local features and available skills all fit into rural entrepreneurship. The entrepreneurial combinations of these resources are for example tourism, sport and recreation facilities, professional and technical training, retailing and wholesaling, industrial applications (engineering, crafts), servicing (consultancy), value added (products from meat, milk, wood etc.) and the possibility of off-farm work. Equally entrepreneurial are new uses of land resources that which enable a reduction in the intensity of agricultural production, for example, organic production.

On the contrary, Indian agriculture is characterized by low productivity, flood, and exposure for vagaries of nature like drought, other natural disasters and weaknesses like mismatch between agricultural and cash crops, inadequate infrastructure to provide for value addition, wide disparity which exists between private partnership in agricultural

development. Land being limited is unable to absorb the entire labour force throughout the year leading to large scale under employment and unemployment. Rural people, in search of jobs and better livelihood opportunities often migrate to urban centers creating unwanted slums and also live in unhygienic conditions of living.

After over more than seven decades of independence and industrialization in our country, still a large population lives in rural areas. Rural regions face major issues in comparison to other regions which are more serious in the peripheral regions. According to report rural areas are affected by major challenges like unemployment or under employment in primary industries, lack of infrastructure, market, financial access, and migration of young population to urban areas in search of employment opportunities. The solution of these problems lies in the development of rural areas with entrepreneurial development. Entrepreneurial activities contributes to economic development with increased rural income, exercising multiplier effect by raising the demand for products and services resulting in growth of employment opportunities. Demonetization has led to closure of many micro and small enterprises, leaving millions of people unemployed. It has severe effects on the poor section of the society especially small scale entrepreneurs & employees, agriculturists, daily wage workers. This caused to migration of people back to rural areas, creating additional burden on already unemployed rural sector. To overcome these problems and support rural entrepreneurship development the government has initiated new schemes besides the old ones. On 2019, the Finance Minister presented Budget in Parliament focusing on reviving traditional industries such as Khadi bamboo through a cluster-based approach.

Rural entrepreneurs are such rural farmers, willing to take business risk. In India Rural Entrepreneurs are changing the shape of the landscape, not matter the size or focus of their endeavours. Entrepreneurs at the grass-root levels have not only established successful profitable, innovative businesses but also have paved the way for social entrepreneurship, providing economical solutions to social, cultural and environmental issues. Entrepreneurship is an endeavor that must be applauded. There are few risk taking rural entrepreneurs who have immensely contributed towards uplifting India. They are

1. Chintakindi Mallesham
2. Gyanesh Pandey
3. Mansukh bhai Prajapati
4. Dadaji Khobrade
5. Madanlal Kumawat
6. Kailash Katkar
7. PC Mustafa etc.

Types of Rural Entrepreneurship

Indian rural sector is no longer primitive and isolated, hence when entrepreneurship are encouraged in the rural and tribal society in large, in order to overcome the problems of poverty, economic disparity, unemployment, living standards of people etc.

The main types are:

1. Individual entrepreneurship.
2. Group entrepreneurship.
3. Cluster formation entrepreneurship.
4. Co-operative entrepreneurship.

Government Schemes

Saud Ilahi (2018) explained the current scenario of rural entrepreneurship in India, the different schemes of government for reviving traditional industries and rural entrepreneurship has been explained to develop and support the rural industries, to provide financial assistance, skill development training, infrastructure development and marketing assistance. The various scheme discussed are

1. **SFURTI:** Scheme of Fund for regeneration of Traditional Industries
2. **ASPIRE:** A Scheme for Promoting Innovation, Rural Industries and Entrepreneurship.
3. **CGTMSE:** Credit Guarantee Scheme for Micro and Small Enterprises,
4. **CLCSS:** Credit Linked Capital Subsidy Scheme

The issue and challenges for rural entrepreneurship development in India and as a conclusion indicated that providing the right information, adequate credit and continuous motivation at the right time through rural monitoring programme by the government, bankers, panchayats leaders, and voluntary organization would support the rural entrepreneurship to grow

Every nation's growth strongly depend on the different sectors and their development, to develop any sector, there is a need for innovation and business. In a developing country like India, largely with rural and semi-rural areas, there is a great opportunity to grow and develop. Hence, rural entrepreneurship is an essential and the paper reviewed the papers of different authors about the rural entrepreneurship that is there are some challenges and problems faced by rural entrepreneurs, qualities required to become a successful rural entrepreneur, remedial measures to overcome the problems, the advantages of rural entrepreneurship, gross-rooting innovators, various schemes of Government and the opportunity available in rural entrepreneurship.

Advantages of rural entrepreneurship

Broadly speaking Rural Entrepreneurship can give solution for various issues of rural India, these are stated below-

1. It provides employment opportunity through the development of agro-based industries.
2. It can control migration of rural people for search of job to Metro, Urban and Semi urban part of country.
3. It can promote diversification of job.
4. It can control economic disparity between urban and rural part of the country.
5. It can promote Human Resource awareness.
6. It can promote cottage industrial activity.
7. Entrepreneurship Development Industries Scheme.
8. Rajiv Gandhi Udyami Mitra Yojana.

Problems faced by rural entrepreneurship

In day to day work it faces various problems these are follows:

1. Problem of fund in the form of loans through financial in situations and Banking System.
2. Low purchasing capacity of rural area.
3. Competition form Big Business houses.
4. Exploitation by intermediaries in marketing of product.
5. Problems of Agriculture Product Storage.
6. Fear of investment in Business.
7. Poor infrastructure facilities.

8. Lack of Security.
9. Lack of Information.

Conclusion

Instead of doing everything ineffectively, the government should encourage private organization and industry associations to play a significant role in the technological enhancement and other related area or rural entrepreneurship. There should be proper coordination among various institutions. For providing the various categories of assistance on time. Special cells must be created for providing concessional and essay finance to rural entrepreneurs, to overcome their biggest fear. The procedure of providing support should be made simple, transparent and less time consuming, taking into consideration the condition of rural entrepreneurs. Rural entrepreneurs should be provided proper encouragement and assistance for setting up marketing co-operatives, which are vital in fetching reasonable rate of their products. The training programmes should be more structural taking into account the social and economic background of rural entrepreneurs. Rural entrepreneurship is inevitable in the economic growth of development of the country, especially for a country like India, whose majority of population live in villages. Rural entrepreneurship contributes to the development of backward regions by generating employment opportunities and development of rural entrepreneurship but could not attain the desired results. There is need to appraise the rural entrepreneurship development schemes and programmes by the government in order to get the desired result in rural areas. The rural population must be given proper awareness regarding various government schemes.

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