

UGC APPROVED REFEREED JOURNALS

(Notification No.F.1-2/2016 (PS) Amendments dated 10th January, 2017)

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RBD

International Refereed Social Sciences Journal

www.researchersworld.com

RESEARCHERS

JOURNAL OF ARTS,
SCIENCE & COMMERCE WORLD

ISSN : 2231-4172

Impact Factor (IBI) : 3.19

Volume - VIII

Issue - 1(1)

January 2017

Indexing

ProQuest, (UK)
Cabell's Periodicals (USA)
Directory of Open Access Journals(Sweden)
Georgetown University Library (USA)
Index Copernicus International (Poland)
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E-International Scientific Research Journal Consortium (Philippines)
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Asian Education Index (Korea)
Google Scholar.
CNKI Scholar, China
Crossref DOI: 10.18843
Indian Citation Index (ICI)

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Publications

INTRODUCTION:

Mahatma Gandhi has rightly said that "India lives in villages". In villages resides the core of Indian society and present the real India. Rural entrepreneurs are those who carry out entrepreneurial activities by establishing industrial and business units in the rural sector of the economy. In other words, establishing industrial and business units in the rural areas refers to rural entrepreneurship. Entrepreneurship can play an important role in rural development. Agriculture continues to be the back bone of rural society.

India is a country of villages. About three-fourth of India's population are living in rural areas out of which 5% 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.

The standard of living of the rural people should be increased. Entrepreneurship in rural sector provides an answer to the problems. Indian rural sector is no longer primitive and isolated.

Entrepreneurship emerging at village level which can take place in a variety of fields of practice such as business, industry, agriculture and acts as a potent factor for economic development.

Entrepreneurship stands as a vehicle to improve the quality of life for individuals, families and communities and to sustain a healthy economy and environment. The majority of the rural population depends, directly and indirectly, on agriculture, fishery, animal husbandry or rural wage labour associated with plantations and ranches, along with ancillary activities linked to rural townships. (Ghosh, 2011)

OBJECTIVES OF THE STUDY:

- To study concept of rural entrepreneurship.
- To know the types rural entrepreneurs.
- To know the types of Rural Industries.
- To know basic principles of entrepreneur applied to the rural development.
- To study scope of rural entrepreneurship and rural Industries.

CONCEPT OF ENTREPRENEURSHIP:

Rural Entrepreneurship can be defined as entrepreneurship emerging at village level which can take place in a variety of fields of endeavour such as business, industry, agriculture and acts as a potent factor for economic development". (G.Jayabal, 2016)

Entrepreneurship is process to develop business plans, acquire men, machines, material, money and other required resources. Entrepreneurship is commencement of a business by taking risk. (Priyanka patil, 2016).

Rural entrepreneurship has an important role to play in the development of Indian economy.

Lack of education, financial problems, insufficient technical and conceptual ability, it is too difficult for the rural entrepreneurs to establish industries in the rural areas. The present paper focuses on opportunities and challenges of rural entrepreneurship in India. (G.Jayabal, 2016).

Entrepreneurship means the pursuit of opportunity without regard to resources currently controlled means that entrepreneurship is a particular type of managerial behaviour that is available to virtually all managers in organizations of all kinds and sizes. (Monika Sharma, 2013)

METHODOLOGY:

The study is purely based upon the secondary data collected through the literature available and the problems discussed herein are the opinions of various authors. The data were collected from books, journals, website and annual reports.

Importance of Rural Entrepreneurship:

Entrepreneurship development is essential for the first generation entrepreneurs, particularly in the rural areas. Promotion of rural entrepreneurship is important for generating employment. The importance of rural entrepreneurship is briefly highlighted as follows:

Reduction of Poverty and increase employment: Through entrepreneurship development programme, unemployed people can opt for self-employment. In this respect, several programmes like National Rural Employment Programme (NREP), Integrated Rural Development Programme (IRDP), etc. are in operation in India to help the potential entrepreneurs.

- ii. **Equal Regional Development:** By setting small scale units in remote areas, successful entrepreneurship development programmes can help in achieving balanced regional development.
- iii. **Utilizing Locally Available Resources:** Entrepreneurship development programme can help in harnessing the locally available resources by training and educating the prospective entrepreneurs.
- iv. **Reduction of Social problems:** Entrepreneurship development programmes defuse social tension by providing self –employment careers to the talents of the educated youth.
- v. **Capital Formation:** Entrepreneurs who supply their own and borrowed funds for setting up enterprises are taken as the organizers of factors of production. This all results in the process of capital formation.
- vi. **Economic Independence:** Entrepreneurs can produce different types of better quality goods and services at competitive prices of imported goods which help in promoting economic independence.
- vii. **Overall Development:** Efficient and effective use of limited resources by the entrepreneurs leads to overall economic development of an area.

Roles of Rural Entrepreneurs in Economic Development: The entrepreneurs with their ability to scan, analyze and identify opportunities in the environment transform them into business proposition through creation of economic entities. They by channelizing the resources from less productive to move productive use create wealth. Through efficient and effective utilization of national resources, they act as catalysts for economic development and agents of social transformation and change.

According to Meir and Baldwin, development does not occur spontaneously as a natural consequence when economic conditions in some sense are right. A catalyst is needed which results in entrepreneurial activity to a considerable extent. The diversity of activities that characterizes rich countries can be attributed to the supply of entrepreneurs. They play a vital role for the economic development of a country in the following ways.

Formation of Capital: Entrepreneurs by placing profitable business proposition attract investment to ensure private participation in the industrialization process. The otherwise idle savings are channelized for investment in business ventures which in turn provides return. Again the savings are invested giving a multiplier effect to the process of capital formation.

Equal Regional Development: The entrepreneurs always look for opportunities in the environment. They capitalize on the opportunities of governmental concessions, subsidies and facilities to set up their enterprises in undeveloped areas. The setting up of steel plant at Tata nagar, Reliance Petrochemicals at Jamnagar (Gujarat) have resulted in the development of Good Township and peripheral regional development. Thus entrepreneurs reduce the imbalances and disparities in development among regions.

Increase in General Employment: This is the real charm of being an entrepreneur. They are not the job seekers but job creators and job providers. With the globalization process the government jobs are shrinking leaving many unemployed. In the circumstances, the entrepreneurs and their enterprises are the only hope and source of direct and indirect employment generation. Employment is generated directly by the requirement of the large enterprises and indirectly by ancilliariation and consequential development activities.

Improvement in Standard of Living: Entrepreneurial initiative through employment generation leads to increase in income and purchasing power which is spent on consumption expenditure. Increased demand for goods and services boost up industrial activity. Large scale production will result in economies of scale and low cost of production. Modern concept of marketing involves creating a demand and then filling it. New innovative and varying quality products at most competitive prices making common man's life smoother, easier and comfortable are the contribution of entrepreneurial initiative. (G.Jayabal, 2016)

Problems faced by the Rural Entrepreneurs: The factors that act as constraints to rural development are identified below:

- Limited scale and scope of local market opportunities.
- Limited access to financing, both for start-ups and expanding enterprises.
- Difficulties for women entrepreneurs to get access to support and financial services.
- Low share in the domestic market and almost no share in the external markets.
- Lack of expertise in the area of domestic and external marketing.
- Political and economic instability.
- Excessive regulations and formalities.
- Problems relating to acquisition of inputs.
- Little specialization and training.
- Lack of organization and integration to undertake associative projects.

STUDY OF RURAL DEVELOPMENT THROUGH ENTREPRENEURSHIP IN INDIA

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ABSTRACT

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 engaged in traditional farm operations and is almost inactive. Less labour force is absorbed in agriculture because of limited income or it used entrepreneurship which is rising in village level which can take place in a variety of fields of practice such as business, industry, agriculture and such as a important and one of the way to economic development.

Entrepreneurship acts as motivating factor to improve the quality of life for individuals, families and communities and to sustain a healthy economy and environment. This paper is attempt to study concept of Rural entrepreneurship, Importance of rural entrepreneurship, Problems faced by entrepreneurs in rural level and types of rural entrepreneurship and rural industries.

Keywords: rural Entrepreneurship, rural economy, unemployment.