



ROLE OF RURAL ENTREPRENEURS IN ECONOMIC DEVELOPMENT

Dr P. L. Harale

Assistant Professor of commerce, Shri L. K. Khot College of Commerce Sankeshwar

ABSTRACT Rural entrepreneurship has to develop in villages or it may imply rural industrialisation. The need of the hour is to develop rural entrepreneurship because this is the solution of various problems. Rural entrepreneurship plays a vital role in the economic development of India particularly in the rural economy. The sooner they are established the better it would be for the entrepreneurial development in the rural sector and the economic growth of the country.

KEYWORDS : Rural entrepreneurship, classification of rural industries, Role of rural entrepreneur.

INTRODUCTION

In India the rural areas are mostly featured with poverty and unemployment. It is because of over dependence on agriculture for employment had led to large scale unemployment in rural areas, resulting in heavy migration of rural poor to the urban areas. In order to check this phenomenon, there is a need to generate a large number of jobs in the rural areas, especially in the decentralised rural non farm sector (RNFS) comprising of small tiny cottage village industries and rural artisans. It is essential to provide credit and other infrastructure facilities proper motivation guidance and skill training to rural youth for taking up enterprises in rural areas for this purpose establishment of rural entrepreneurship is essential.

Objectives of the study

The main object of the study are as follows

- To understand the concept of Rural entrepreneurship
- To discuss Government schemes for Rural entrepreneurship
- To examine Role of Rural entrepreneurs.

METHODOLOGY

The present study is based only on secondary data. The data were collected from Books, Journals and website concept Rural entrepreneurship is the creation of a new organisation that introduces a new product, service, or creates a new market or utilises a new technology in a rural area. Establishing industrial units in the rural areas refers to rural entrepreneurship, Rural industries are generally associated with agriculture. According to the khadi and village industries commission (KVIC) "Rural industry means any industry located in rural area, population of which does not exceed 10000 or such other figure which produces any goods or renders any services with or without use of power and in which the fixed capital investment per head of an artisan or a worker does not exceed thousand rupees According Government of India "Any industry located in rural area, Villages or town with a population of 20000 and below and an investment of Rs 3 Crores in plant and machineries

Classification of Rural Industries

All rural industries have been classified in the following seven categories

1. Mineral based industries
2. Forest based industries
3. Agro based industries
4. Polymer and chemical based industries
5. Engineering and Non conventional industries
6. Textile Industry (Including Khadi) and
7. Service Industry

Government Schemes for Rural Entrepreneurship in India

Some of Government schemes for the development of rural entrepreneurship in India are listed below.

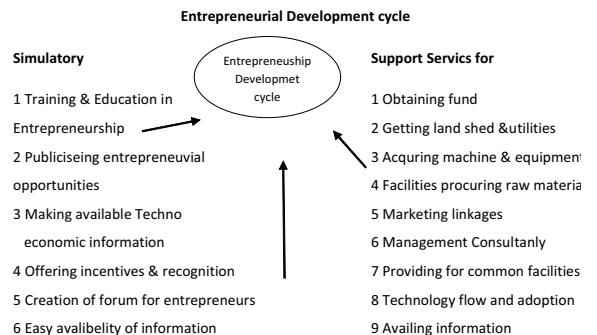
- Entrepreneurship Development Institution scheme
- Rajiv Gandhi Udaymi Mitra Yojana (RGUMY)
- Performance and credit Rating scheme (Implemented through National small Industries Corporation) (NSIC)
- Product Development, Design Intervention and packaging (PRODIP)
- Khadikarigar Janashree Bima Yojana for khadi Artisans
- Marketing Assistance Scheme

- Provision of urban Amenities to rural areas (PURA)

Role of Rural Entrepreneurs

Rural entrepreneurs play a vital role in economic development of a country in the following ways.

- Decentralised Industrial Development, Better distribution of wealth and investment.
- Reduction of poverty and unemployment
- Check on migration of rural population
- Helps in Capital formation
- Balanced Regional Development
- Promotion of artistic activities
- Improves standard of living
- Promotes national self reliance
- Increasing the foreign exchange earnings through exports.
- Rural industrialisation to foster economic development in rural areas.



Sustaining

1. Facility for growth & expansion
2. Diagnostic and consultancy services
3. Refinancing Facility
4. Legal & policy modification
5. Deferred repayment interest

CONCLUSION

Rural Entrepreneurship plays a vital role in the economic development of India particularly in the rural economy. It helps in generating employment opportunities in the rural areas. Promotion of Rural entrepreneurship is extremely important in the context of producing the widening disparities between the rural and urban. However, the development of rural entrepreneurship is plagued by some major challenges for which remedial measures are found for developing rural entrepreneurship.

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