

# Challenges for countryside entrepreneurs and efforts to solve them in Indian scenario

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■ **ABSTRACT :** The monetary development of our country mainly depends on the development of rural areas and the living standard of people. Therefore, countryside entrepreneur is one of the main inputs in the economic development of a country. It helps in removal of rural poverty in India. For that reason, there ought to be more stress on involved rural development programmes. Rural youth should be confident to take up entrepreneurship as a career, with training and sustaining support systems along with necessary assistance. There is also needs to have a well-organized keeping up market and government's support in this ambience.

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**A**griculture is a back bone of rural development and Indian economy. A large proportion of holdings are organized by small and little farmers resulting in overcrowding on the agricultural land and retreating farm produce. This results in separation of farm worker in large numbers to the urban areas. In the two cases, the population remains under poverty line. Entrepreneurship can play a key role in rural development. An entrepreneur means one who creates product on his own consideration, who ever undertakes on his own a trading enterprise where people work. If entrepreneurs actually encouraged in country area it will help in solving the issues of unemployment, poverty, monetary disparity, poor utilization of rural capacity, low level of quality lifestyle (Patel and Chandra, 2013). For the development of country, it is needed to develop villages and make them ready to take step on rural

entrepreneurship at large scale. Hence, business and people should be encouraged to enhance rural community enterprises.

## Countryside entrepreneurship :

This establishing industry in rural areas makes allusion to rural entrepreneurship. Diversity into activities like use of resources other than land such as normal water, woodlands, buildings, available skills and native features, all robust into rural entrepreneurship by establishing agro-based market, textile sector, chemical and industry based industry.

Entrepreneurship can boost up economy by:

- Efficient distribution of farm produces resulting in the agricultural prosperity.
- Pioneering up-and-coming occupation (employment) for country youth.

– Establishment of big co-operatives like Amul for better utilization of dairy produces.

Thus, countryside entrepreneurship plays great role in the enhancement of Indian economy and also in the enhancement of quality life style and literacy rate of countryside people.

### **Objectives :**

- To examine the problems occurred in regarding rural entrepreneurs.
- To find out the remedies to solve the down sides of countryside entrepreneurs.

### **Significance of rural business people in economic development :**

The entrepreneurs using their ability to scan analyze and identify opportunities in the globe and enhance them into business proposal through creation of economical entities. Through effective and efficient utilization of country wide resources, they act as catalysts for economical development and agents of interpersonal transformation and change (Saxena, 2012). They play a critical role for the monetary development of a country through-

#### *Formation of capital:*

This is possible by the operation of profitable business. Consequently, the cost savings are invested resulted multifold effect to the process of creation.

#### *Regional development:*

The business owners plays great role in the opportunities in the environment. They will capitalize on the opportunities of government's concessions, financial aid and facilities to arrange their enterprises in undeveloped areas. The establishing of steel plant at Sagar (M.P), petro-chemicals at Jamnagar (Gujarat) have resulted in the development of Good Township and regional development.

#### *Career:*

This is a real attraction to be an entrepreneur. They are not the job seekers but job creators and job providers to others in different sectors.

#### *Improvement in standard of living:*

Employment generation brings new progressive and varying quality products at the competitive rates which

makes man's life easier and comfortable.

#### *Increase in per household income:*

Successful entrepreneurs wisely use resources e.g; land, labour and capital in to the services. Consequently, it increases the per capita income of the person in the country.

#### *Distribution economic electrical power:*

Financial power is the natural outcome of specialized and business activity. Industrial development can result in concentration of economical power in few hands resulting in the development of monopolies. The growing number of entrepreneurs assists with spreading of monetary electric power into the hands of many efficient managers of new enterprises. Therefore, placing up of a massive quantity of enterprises helps in turn down the evil effects of monopolies. Thus, the business owners are stepping to the creation of new corporations that energies the overall economy and rejuvenate the founded enterprises that make up the inexpensive structure.

### **Rewards from rural entrepreneurship:**

#### *Offer employment opportunities:*

Expansion of professional units in country areas through rural entrepreneurship has elevated possible employment generation and income making (Saxena, 2012).

### **Examine on migration of country population to urban area:**

It can fill up the big gap and disparities in income countryside and urban people. Countryside entrepreneurship will develop infrastructure facilities like power, highways, bridges etc. It can help to check the migration of men and women from rural to downtown areas in search of jobs.

### **Balanced regional development :**

Countryside entrepreneurship can pass the awareness of specialized units in urban areas and promote regional development in a balanced way.

### **Check into social evils :**

The development of countryside entrepreneurship can reduce the social evils like poverty, growth of slums, and pollution in urban centers.

**Awaken the gardening youth :**

Countryside entrepreneurship can wake up the rural children and representation them to various avenues to take up entrepreneurship and present it as a career.

**Improved quality lifestyle :**

Countryside entrepreneurship will also lift the literacy rate of rural people. Their education and self-employment will do well the community, thus increasing their standard of living.

**Problems to rural entrepreneurs :**

Entrepreneurs are playing very important role in the introduction of economy. They will face various problems in day to day work (Patel and Chandra, 2013). Some of the major problems faced by countryside entrepreneurs are as follows.

*Financial challenges :**Scarcity of funds :*

All countryside entrepreneurs fail to get exterior funds due to deficiency of solid security and credit in the market. The procedure to avail the loan facility is actually time consuming that it is often delay and disappoints the countryside entrepreneurs. Local government authorities are giving subsidies to countryside areas but due to high cost of financing, these subsidies are not giving good results. Significant sources of finance in rural areas are lending options from regional rural financial organizations but their rate of interest is very high. Moreover, governments have many corporations for this purpose but the results are upto the mark (Saxena, 2012).

*Lack of infrastructural facilities :*

The development of countryside entrepreneurs is not very strong in spite of efforts made by government due to the lack of proper and satisfactory infrastructural facilities.

*Risk element :*

Countryside entrepreneurs have less risk bearing capacity due to not enough financial resources and external support.

*Advertising problems (marketing) :**Competition :*

Countryside business people visage severe

achievement from large sized organizations and urban entrepreneurs. They get high cost of conception due to high insight cost. Chief problems experienced by marketers are the condition of standardization and opposition from mass units. They will face the challenge in correcting the principles and keeping to them. Completion from large scale units also creates complexity for the survival of new projects.

*Middle men :*

Middle men make use of non-urban entrepreneurs. The agricultural business owners are greatly prejudiced by middle men for making with their products whose pocket enormous profit. Storage amenities and poor means of transfer is also marketing problems in countryside areas.

*Supervision problems :**Lack of knowledge of I.T. :*

Data technology is not a very ordinary in countryside area. Entrepreneurs communicate on periphery linkages that encourage the flow of products, services, information and ideas. The intensity of personal affiliation in rural areas can sometime be helpful. However, they may also nearby obstacles to effective business relationship.

*Legal formalities :*

Countryside entrepreneurs find it enormously difficult in complying with a variety of legal rules and regulations in obtaining licenses due to illiteracy and unawareness.

*Purchase of raw materials :*

The procurement of raw material is actually difficult task for countryside entrepreneurs. They may finish with low quality organic materials, may also look the situation of storage and warehousing.

*Lack of specialized knowledge :*

Countryside entrepreneurs face the problem of technical knowledge, lack of training facilitates and extension services in order to establishing rural entrepreneurship.

*Poor quality of goods :*

Another important problem is the growth of countryside entrepreneur is the stumpy quality of products

produced, standard equipments, tools and poor quality of crude rubbish.

Low capability of workers :

The majority of the entrepreneur of countryside areas cannot find employees with high skills. Therefore, the turnover rates are also high. They need to be provided by job training. Training is also a serious problem for countryside entrepreneur as they are uneducated.

Negative frame of mind :

The environment the family, society and maintain product is not encouraging to persuade rural people to take up entrepreneurship as a career. It could be due to lack of consciousness and knowledge of entrepreneur opportunities. In case of rural employees, the young and well educated generally leave continuous determination.

**Remedies to solve these types of problems :**

Aforesaid problems can be solved by the establishment of finance cells, low rates of interest, appropriate supply of raw materials, submission training facilities, location of marketing co-operatives

The following recommendations were made in order to enhance the entrepreneurship in countryside:

- Govt. should provide separate financial finance of rural entrepreneur.
- We should provide special infrastructure facilities whatever they deed.
- Govt. should arrange special training programmes of rural entrepreneurship
- Govt. should facilitate top ranker rural's entrepreneur.
- Rural entrepreneur should more competitive and efficient in the local and international market.
- Invite successful rural business owners from all other states of country.

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