



## **A STUDY ON THE RURAL ENTREPRENEURSHIP IN COIMBATORE DISTRICT**

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### **Abstract:**

Rural entrepreneurs play a very important role in the national economy, particularly in our countries. Data are gathered from the secondary sources in order to know types of entrepreneurs and their problems faced during their introduction stage. So, the rural entrepreneurs are not only important as a means of generating employment opportunities in the rural areas, they can make the solutions to poverty reduction, less migration, balanced economy, no unemployment ability and it results development in rural areas and backward regions.

**Key Words:** Performance, Problems, Rural Industries, Rural Entrepreneurs, Rural Development.

### **Introduction:**

India is a democratic country with the second largest population status when compared to all other countries in the world. Major population of our country is from villages. As said by the Mahatma Gandhiji village is the back bone of the country. Entrepreneurs play a very important role in the economic development. A well recognized entrepreneur can easily handle the factors of productions like land, labour, capital and organization. Entrepreneurship has grown phenomenally during the past five decades besides playing a important role in the fulfilling of our socioeconomic objectives. They have developed in a systematic way since the beginning of Industrial Revolution in Europe. The development of entrepreneurship is essential for rapid economic development and has engaged the attention of economists, sociologists, and psychologists to study the phenomenon in the developed and developing countries in recent years. Rural entrepreneur is one of the most important inputs in the economic development of a country and of regions within the country. Rural entrepreneurs are those who carry out entrepreneurial activities by establishing Industrial and business units in the rural sector of the economy. Establishing industrial and business units in the rural areas refers to rural entrepreneurship. Rural entrepreneurship can be considered one of the solutions to reduce poverty, migration, economic disparity, unemployment and develop rural areas and backward regions. According to Government of India, "Any industry located in rural areas, village or town with a population of 20,000 and below and an investment of 3 crores in plant and machinery is classified as a village industry".

### **Definition of Entrepreneur:**

The term 'entrepreneur' has been defined as one who detects and evaluates a new situation in this environment as a successful one and he directs the making of such adjustments in the economic systems as he deems necessary.

### **Meaning of Entrepreneurship:**

Entrepreneurship refers to a process of action; an entrepreneur undertakes to establish the enterprise.

### **Objectives of the Study:**

- ✓ To know the various types of rural entrepreneurs.
- ✓ To study the problems of rural entrepreneurship.

### **Methodology:**

The present study is based only on secondary data. The data were collected from books, journals, website and annual reports.

### **Types of Rural Entrepreneurship:**

Rural industry or village industry can be broadly classified into the following categories:

- ✓ Agro Based Enterprises
- ✓ Forest Based Industries
- ✓ Mineral Based Industry
- ✓ Textile Industry
- ✓ Handicrafts
- ✓ Engineering and services

### **Performance of Village or Rural Industries:**

#### **Enterprises (As Per Statistics of Year 2013 - 2014) Rural Urban:**

a. Number of Agricultural. Enterprises: 76320 10178

b. Number of Non Agricultural Enterprises: 112310 207332

c. No. of Enterprises : i. With Premises : 168370 198302 ii. Without Premises: 20260 19208

The highly diversified economy of the city comprises light engineering, auto components, pumps and motors, castings, gears and gear boxes, textile machines, Textiles, Hosiery, Cement, Wet Grinders, Solar heaters, Safety Valves, Stabilizers various type of Electrical and Non Electrical machines, Animal Feed, Steel rolling, Paper, Sugar, Flour Mills, Dairy, Soya, Ancillary Machinery, Electrical switchgears and panels, etc.

**Opportunities for Growth of Enterprises in Coimbatore:**

**Existing Sector:**

- ✓ Textiles and Garments
- ✓ Software
- ✓ Electronic products
- ✓ Wet Grinder
- ✓ Jewellery
- ✓ Motor and Pumps
- ✓ Wind mill – power generation

**Vendorisation / Ancillarisation of the Industry:**

- ✓ Fabrication
- ✓ Electrical machinery components/parts
- ✓ Textile Machinery parts
- ✓ Motor & Pump components
- ✓ Windmill Components
- ✓ Wet grinder Components
- ✓ Electronic components.

**Service Sector:**

- ✓ Consultancy service for pollution Control Equipments, foundries & Dying units
- ✓ Powder coating
- ✓ Interior Decoration
- ✓ Security services
- ✓ Housekeeping
- ✓ Cell Phone servicing
- ✓ Repairing of Electro-medical Equipments
- ✓ Domestic repairing services
- ✓ Technical consultancy
- ✓ Marketing consultancy
- ✓ Entrepreneurship Development Institutions
- ✓ Internet Browsing
- ✓ Data Base services
- ✓ Cyber Marketing
- ✓ Industrial Laundry
- ✓ Documentary Film making
- ✓ Beauty Parlours
- ✓ Sporting and other recreational activities
- ✓ Safety disposal of hospital / medical waste
- ✓ Postal and Courier activities
- ✓ Cable TV
- ✓ Freight transport
- ✓ Printing and book Binding
- ✓ Auto Four / Two wheeler service centres
- ✓ Recharging and reconditioning of batteries
- ✓ Hotels and hospitality services
- ✓ Educational institutions
- ✓ Creche
- ✓ Fitness centres.

Source: Compiled from various issues of MSME annual reports [2]

**Significance of Rural Entrepreneurship is Briefly Highlighted as it Follows:**

- ✓ Provides employment opportunities
- ✓ Check on migration of rural population
- ✓ Balanced regional development
- ✓ Balanced regional development
- ✓ Promotion of artistic activities
- ✓ Check on social evils
- ✓ Awaken the rural youth

- ✓ Improves standard of living
- ✓ Proper utilization of local resources
- ✓ Earnings of foreign exchange
- ✓ Improvement in per capita income
- ✓ Produces goods of consumers' choice

**Problems of Rural Entrepreneurship:**

Following are the list of problems meet by the entrepreneurs;

- ✓ Lack of finance
- ✓ Lack of knowledge
- ✓ Lack of technical know-how
- ✓ Absence of enterprising skill
- ✓ Lack of infrastructural facilities
- ✓ Adverse social, cultural and industrial environment
- ✓ Lack of market information due to poor communication facility
- ✓ Non availability of skilled labours
- ✓ Low quality products
- ✓ Fear to invest in the business
- ✓ Competition
- ✓ Middleman [3]

**Suggestions:**

From the above problems, the following suggestions are given to develop the rural entrepreneurs:

- ✓ Financial assistance for rural entrepreneurs should be increased by the state or central Governments.
- ✓ Rural entrepreneurs should be provided adequate and timely financial assistance by the financial institutions.
- ✓ Training programmes should be arranged for the rural entrepreneurs by the Government or private agencies to improve their knowledge and skill.
- ✓ Rural entrepreneurs must be provided with adequate infrastructural facilities by the local government.
- ✓ The rural educated youth should come forward to use the Modern technology, it is very much essential in this modern world.
- ✓ Rural entrepreneurs have to produce the good quality of products in order to compete with the large scale industries.

**Conclusion:**

Entrepreneurs play a vital role in our national economy, particularly in the rural economy. Rural entrepreneurship are generating employment opportunities in the rural areas with low capital cost and raising the people standards who are residing in their area. Rural entrepreneur should come forward to make their contribution in the agriculture also. Without rural industrialization, it would not be easy to solve the problem of unemployment in rural areas. So, the rural entrepreneur can make the solutions to poverty reduction, less migration, balanced economy, no unemployment ability and it results development in rural areas and backward regions.

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