

PROBLEMS AND CHALLENGES FOR RURAL ENTREPRENEURS IN GLOBAL SCENE WITH SPECIAL REFERENCE TO RURAL MAHARASHTRA

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ABSTRACT

Today's world is changing very fast. There is huge growth in small and medium types business. Multinationals also growing in every country but all these are developed in and around urban area. There are huge opportunities of developments entrepreneurship in rural area, where huge resources are available. It is observed that, the resources like man power, ample and chief land, raw material like agro product are the important factors available at large scale in season and become waste, because of improper use of the same. There are very few industries in rural India and they are facing many problems. Today rural entrepreneurs are growing fastly because of privatisation and changes in global scene. The rural entrepreneurs has to face many problems like competition, lack of infrastructures, lack of modern technology etc.

In this paper attempt has been made to find out problems and challenges of rural entrepreneurs in India. This paper gives information about the opportunities of entrepreneurs in rural part of India and problems faced by them to set up and manage their own business in competitive world of business entrepreneurs.

KEYWORDS: *Rural Entrepreneurship, small and medium business, multinational, privatization, Economic growth*

OBJECTIVES OF THE RESEARCH PAPER

1. To study the concept of rural entrepreneurs.
2. To find out the problems and challenges relating to rural entrepreneurship in India
3. To find out the opportunities for rural entrepreneurship.
4. To study the present situation and development of rural entrepreneurship in India
5. To provide solution to the proper growth of entrepreneurship in rural India.

IMPORTANCE OF THE STUDY

If we observed development of entrepreneurship in any country we find that, it mostly developed in and around the urban area. It has given birth to several problems like urbanization, high cost of living, problems of housing, and pollution. The Govt. also providing many facilities and infrastructures to the small entrepreneurs in rural. But they are not growing, and the huge resources that were available in

rural become a waste. The rural entrepreneur has to face many problems like shortage of power, lack of water, road and other required infrastructure. In this paper an attempt has been made to find out the issues and challenges for rural entrepreneurs in global scene with reference to rural part of the Maharashtra.

Important concepts

- i) **Economic growth**-It means growth of industries and sources of income to the people.
- ii) **Entrepreneur**- It means a person engaged in production of goods and services to the society.
- iii) **Rural Entrepreneurship**- It means the entrepreneur using rural resources and working in rural.
- iv) **Small and medium business**- It means business having investment below 5 crores.

RURAL ENTREPRENEURSHIP IN MAHARASHTRA

Entrepreneurship emerges from an individual. Creative spirit into long term business workshop, job creation and economic security. Economic globalisation encouraged the expansion of rural ownership. It is observed that many industries are situated around the cities, e.g. there are many small industries situated at New Mumbai, Panvel, Pen and Thane region, which is connected by road, rail with the capital of Maharashtra i.e. Mumbai. like in Pune district, most of the small and medium scale industries situated in the area like Pimpri, Chinchvad, Chakan, Ranjangaon, Pirangut, the area which very nearer to Pune City and now it become a part of Pune City. Same thing is found regarding the Aurangabad, Nagpur and Nasik but still some districts and tahasil level town like Solapur, Malegaon, Jalana, Usmanabad, Amravati are not developed at par level.

Importance of rural entrepreneurship

The big cities like Mumbai, Delhi and pune are facing many problems like over population, lack of transport facilities, high cost of land, high cost of living and scarcity of water etc. Because of centralization of all types of industries in that area. If we successful in developing rural entrepreneurship it will help to economic development of the nation. The following points will help to explain the importance of rural entrepreneurship-

- i) Development of rural entrepreneurship will help to reduce the problem of rural unemployment
- ii) It will help to stop migration of rural people to the big cities
- iii) Rural entrepreneurship also help to make rural development
- iv) Particularly in India, rural entrepreneurship helps to development of agricultures
- v) Rural entrepreneurship help to reduce the cost of product because of low cost labour force, availability of raw material and low cost of land and building in rural India
- vi) There is huge opportunities to develop industries like Dairies, Fruit Product, Jam & Jelly Product, Cloths & Garments and all agro based product.

In short, if we become successfully in developing rural entrepreneurship, we will be able to solve many problems like, unemployment, high cost of labour, high cost of land, housing & rural development.

Problems and issues of rural entrepreneurship in Maharashtra

1. No Adequate Training Institution available to provide training of business.
2. No Proper Financial institutions for providing finance
3. No Business Initiative available in Maharashtrian people.
4. Risk avoiding Mentality if Maharashtrian people.
5. No Managerial and leadership capability available in the people of Maharashtra.

CHALLENGES OF RURAL ENTREPRENEURSHIP

Though the rural entrepreneurship is important to economic development and rural development there are many problem and challenges in India.

1) Lack of education

In India, still there is huge percentage of illiteracy and only 4% people have taken higher education. Though, there are many higher educational institutes in rural the quality of rural education is comparatively less.

2) Lack of Training

There is challenge of adequate training in rural India. Most of training institutions are situated in big cities like Pune and Mumbai. In India we find that there are number of educational institutions but no training institution like IITs. Training Institutions are also not providing, practical training of the business.

3) Lack of innovative entrepreneurship

In rural, we find that most people start business, which is existed in the same area of locality rural entrepreneurs are not ready to take new risk. They are not aware about the new happening and new invention in particular subject.

4) Lack of infrastructure

Rural entrepreneur face the many problems like scarcity of raw material, power and electricity, inadequate roads and transport facilities, non-availability of skilled workers etc.

5) Traditional Techniques of Production

In rural area most of the entrepreneurs depend upon traditional technique of production. They depend upon man power rather than mechanism. It makes effect on quality of production.

6) Competition

Now it is observed that the whole world become a single village. The production made in any part of the world gets available everywhere. So rural entrepreneurship has to face competition with the entrepreneurs in the world. The rural entrepreneur has to compete with product of other countries.

7) Foreign Market

Because of globalization, the world market become available to all entrepreneurs in the world, but for this, the entrepreneur has to produce quality product which will fulfill the norms of foreign market. So there is need to produce goods according to the requirement of foreign markets.

OPPORTUNITIES TO RURAL ENTREPRENEURSHIP

The state of Maharashtra is growing vastly in every sector like education, industries, trade, agriculture etc. There are also less problems of unemployment, poverty and infrastructure like roads, transport, electricity and communication as compare to other state. The followings are the important opportunities available to the rural entrepreneurs in maharashtra.

1) Ample agro product

The state of maharashtra is producing several agro product like sugarcane, rice, wheat, turmeric, groundnuts etc. there is huge chances to start small as well as medium business depends on that agro product.

2) Adequate infrastructure

There is good infrastructure to all types of industries in Maharashtra. All cities are connected by road, rail, and air. The government is also providing facilities like water, tax concessions etc to new entrepreneurs. The government has also formed industrial development corporations to the development of rural maharashtra.

3) Credit facilities

There are number of banks and financial institutions like national and commercial banks ready to provide loan to the entrepreneurs. The Government of maharashtra has also

formed special institutes for providing credit facilities to the business and commercial organizations.

4) Skilled and unskilled Man power

The Maharashtra is number one state in India, where all types of education is available. So, all types of worker are available in urban as well as rural area. The rural entrepreneur can use this work force to development of the business.

5) Global market

Now-a-days, it became very easy to supply product to the any part of the world through different modes of communication and collect the money of business. One can sale the product in any part of the nation producing it in any rural part.

6) Technical know How

The technical know How available in the world can be used in any part of the world through the modern technique. So, now it is very easy to use modern technique in rural part of India. Technicians also get available in rural area.

In short, there is huge opportunity to develop entrepreneurship in rural India.

REMEDIES TO STRENGTHENING THE RURAL ENTREPRENEURSHIP

In India still more than 55% population is living in rural area. There are many problems like unemployment, low wages, non-availability of transport facilities etc. The economic development is not possible without the full use of available resources in rural India. There is ample land available in cheap rates, tremendous work force and huge agro product. The Economist should use these available resources for the development of nation. Following are the important suggestions to promote rural entrepreneurship in rural India:-

1) Infrastructure

The Govt. should provide adequate infrastructure to the rural entrepreneurs like land, roads, power and continues electricity etc.

2) Working Capital with low rate of interest

It is also observed that rural entrepreneurs has facing problems like capital, the financial institutions and banks should provide them working capital in low rate of interest.

3) Training

In India we always observed that there are very few training institutions, who are engaged in entrepreneurship training and industrial training, and that too in urban areas. Even some of the training institutions are not able to provide required training to the entrepreneurs. The government should form special training institutions to train entrepreneurs

4) Promote Agro-based Industries

In India there is huge production of Tomato, Potato, Mango and Grain also in season. Such type of product not get adequate price but farmers have to throw away such types of product. If Agro-based industries are developed in rural part of the India it will help to develop agricultural sector also.

5) Use Modern Technology

Rural industries are not able to face competition because of traditional technology. The Govt. and other institutions should provide and encourage rural entrepreneurs to use modern technology in their day to day work.

6) Development of Industrial Zones at taluka level

The Govt. should promote industrial areas like MIDC at taluka level instead of district level.

CONCLUSION

There has not been enough development in rural area. One of the reasons can be that management modes used were largely governmental. Those who were responsible for rural development were either bureaucrats or technocrats, who were using only the schemes as the motivation for developing entrepreneurs, without providing the necessary training for running an enterprise. There should be private training institution to provide training of entrepreneurship situated in rural parts of Maharashtra.

There are vast opportunities to the growth of rural entrepreneurship, there is ample water, in rain season but it could not be used systematically. There is huge labour force available in rural India. It could not be used by the entrepreneurs. If we developed rural industries, through the development of rural entrepreneurs the nation became able to make economic development and the problems like rural poverty rural development would be easily solved. So there is need to promote and develop rural entrepreneurship in India.

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