

Major Opportunities and Challenges of Rural Entrepreneurs in Chikkaballapur District.

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Abstract:

Entrepreneurship is the procedure of creating, introduction, and operating a startup, such as a product, system, or business. The article attempts to identify the major opportunities and obstacles that rural entrepreneurship faces in order to determine its promise. It also seeks to focus on the following issues that entrepreneurs encounter, particularly in the areas of marketing and sales, water supply, electrical availability, transportation facilities, necessary power, as well as economical conveniences. In light of this, this study efforts on the primary issues and difficulties that exist in the Chickaballapur district as well as the opportunities and prospects that exist within, in order to become capable and successful entrepreneurs. Rural entrepreneurship is now a significant possibility for persons who must relocate from rural or moderately areas to metropolitan ones. On the other hand, the majority of rural businesses face several challenges owing to the lack of basic utilities in rural regions.

Keywords: Rural Entrepreneurship, Employment, Risk, Innovation, Business, Economy, etc.

1. INTRODUCTION

Rural entrepreneurs are critical to the country's overall economic success. Rural industry development encourages self-employment, increases the dispersion of economic and industrial operations, and maximizes the use of locally accessible raw materials and labor.

Rural Entrepreneurship as an Idea: Rural Entrepreneurship has arisen as a conceptual tool in recent years. "Entrepreneurship that originates at the village level and can occur range of grounds of exertion such as commerce, commercial and farming, functioning as a potent driver of growth," according to the definition of rural enterprise. In comparison to former times, land reform has been tied to entrepreneurs. It's not simple to define entrepreneurship. Among some, entrepreneurship involves largely invention, while to others, it entails taking risks? Others see it as a market stabilizing factor, while others see it as the process of founding, operating, and owning a small firm. An entrepreneur as an innovator who even creates combinations of factors innovative streams of supply, production techniques, and new organizational forms, or a risk-taker, or a user who decreases disruption in both economic development and pricing by gathering future markets, or a person who currently owns a company.

2. REVIEW OF LITERATURE

- **Mr. T Vignesh and Dr. G. Yoganadan ⁽⁰¹⁾(2020)**, top five challenges of entrepreneurs, using a mixed-methods approach, the researcher identified some of the problems faced by social entrepreneurs from the standpoint of various investors. There is no question that entrepreneurs play a vital role in monetary progress.
- **Jayadatta S ⁽⁰²⁾ (2017)**major challenges and problems of rural entrepreneurship in India, the article also attempts to identify the obstacles and issues that rural entrepreneurship faces in order to determine its promise. In light of this, this study focused on the primary issues and problems that exist in the Indian market, as well as the opportunities and expectations for becoming a capable and number of corporate.
- **Israr Ahmed ⁽⁰³⁾ (2017)**,Entrepreneurship Development And Challenges Faced By Entrepreneurs In MSME Sector: A Study Of J&K,Successful entrepreneurs are frequently seen to possess crucial leadership qualities such as management ability and strong team-building abilities. As a result, economic growth has become a major priority in all developing and developing countries throughout the world.
- **Harish N ⁽⁰⁴⁾(2017)** Rural Entrepreneurship in India: Challenges and Problems, Financial difficulties and a lack of education Due to a lack of mechanical and intangibleskills, it is too tough for rural entrepreneurs to start businesses in rural areas. The goal of this study is to figure out what issues and obstacles rural businesses encounter. It also focuses on the core issues that rural companies face, such as brand management, financial facilities, and other basic necessities like power, water supply, transportation, and vital labour.
- **K.Lohitkumar et. al ⁽⁰⁵⁾ (2016)** Challenges Faced by New Entrepreneurs, there are several difficulties that aspiring entrepreneurs confront, such as a lack of common sense in addressing problems, a lack of continuous enthusiasm, an inability to dream and employ the subconscious, and so on.
- **R.S. Kanchana et. al ⁽⁰⁶⁾ (2013)** Challenges faced by new entrepreneurs Young entrepreneurs today, on the other hand, face a number of challenges, including a lack of common sense when dealing with issues, a lack of constant excitement, an inability to imagine and use the subconscious, etc.
- **Dr. Kavita Suri ⁽⁰⁷⁾ (2013)**Rural Entrepreneurship Development And Women In Jammu And Kashmir, the research concentrated on entrepreneurial development initiatives in Jammu and Kashmir, as well as the participation of women in these programs in Jammu and Kashmir. The papers aim to investigate the rural entrepreneurship development programs for women launched by the J&K government and its various agencies.

3. OBJECTIVES OF THE STUDY

1. To Know the Theoretical Background of the Study.
2. To assess the major benefits from rural Entrepreneurship.
3. To analyze the various opportunities available for rural Entrepreneurs.
4. To identify the major challenges faced by rural Entrepreneurs in Chikkaballapur.
5. To suggest the major remedies to overcome the challenges faced by the rural Entrepreneurs.

4. SCOPE OF THE STUDY

The study will allow for a sector-by-sector and investment-by-investment distribution in the business of entrepreneurs in the context of an analysis of the business conditions that influence the establishment of new businesses, with a special focus on rural entrepreneurship in Chikkaballapur District.

5. RESEARCH METHODOLOGY

Research methodology refers to the methods or tactics used to locate, select, process, and analyse information on a certain topic. The current study employs an Analytical, Descriptive, and Comparative research approach. The material for this study was compiled using both primary and secondary sources.

6. MAJOR FINDINGS

6.1 Opportunities of Chikkaballapur Rural Entrepreneurs

- **Native people's support and inspiration:** People in rural areas are always encouraging and supporting entrepreneurs to expand their businesses in order to better the social position of both rural and urban residents.
- **Low Establishment Cost:** Rural businesspeople have always organized with a lower budget and waste in mind as compared to metropolitan locations.
- **Competitive advantages:** The bulk of rural folk work in agriculture, but because they earn less money and have less social status, some move as unskilled and semiskilled labour.
- **Government policies and subsidies:** The Government is always working to build sustainable policies and principles in order to suit the needs of global markets. For example, low-interest loans and subsidies announces the government for Promoting the rural Entrepreneurship.
- **Availability of raw materials:** In each manufacturing process, raw materials are a critical component. The allocation of funds on-time is difficult to achieve because to market risk and supply chain management, as well as transit and floatation costs.
- **Cost of production:** When compared to public sectors, the cost of manufacturing for rural entrepreneurs is quite cheap. Because the manufacturing elements are inexpensive, the cost of production is similarly inexpensive. As a result, rural businesses may sell their products and services at a lower price.
- **Optimum utilization of produces:** Only rural tourism allows for the most efficient use of farm products. The majority of rural enterprises rely on agricultural products as a supply of raw materials.
- **Employment generation for rural youth:** Businesses are the sole source of employment for rural youngsters. If the rural entrepreneurs succeed in their endeavour, the influx of refugees from farms to cities will be halted to the greatest extent possible.
- **Promotion cost:** There are no advertising costs for rural enterprises, so there's less market. For their products, there is no need for advertising or other promotional strategies.
- **Potential customer:** Rural villages in the twenty-first century are economically robust and densely inhabited. This large number of people can be turned into

prospective consumers. That is why, because of their capability, all MNCs are concentrated in rural communities.

- **Building the goodwill:** Rural enterprises have a lot of room to improve their reputation. Rural entrepreneurs, for the most part, have ethical ideals and do not operate just for profit.
- **Creation of finance cells** To make it simpler for rural enterprises to acquire loans, banks and financial institutions that lend to entrepreneurs should create distinct divisions.
- **Concessional rates of Interest:** Loans with low interest and simple repayment should be made available to rural businesses. Complicated documentation should be stopped at all costs when giving loans to rural businesses.
- **Offering training facilities:** Educating is critical to a company's overall success. It also helps rural entrepreneurs thrive in their businesses by equipping them with the skills they need to run them.
- **Power supply of raw materials:** On a precedence basis, rural enterprises would stand assured of adequate supplies of unusual fresh resources. Subsidies may be granted from time to time to make rural entrepreneurs' products more affordable and competitive.
- **Setting up marketing co-operatives:** In developing an effective marketing cooperatives, rural firms need to be provided enough support and encouragement.

6.2 Major Challenges faced by rural entrepreneurship in Chikkaballapur District

- **Family challenges:** Individuals find it difficult to influence others to indicate corporate completed a trade. Initial point to compare with generate more money in your own firm or as a successor to a family business. It's at this point that persuading yourself that you can make more money doing what your father does with your passion is nearly impossible.
- **Social challenges:** Even difficult family issues are always at the top since they are the most essential, but societal challenges are equally crucial at times. Consider the case until you and a colleague both get your diplomas at the same time Your friend picked a career path, whereas you went into business for yourself.
- **Technological challenges:** The learning structure waits well behind the employment market as a whole, but it lags even farther behind after it arises to internet entrepreneurship. The question that entrepreneurs must solve is What innovation might be ideal, how else would you use it quickly and effectively
- **Financial challenges:** Because you're just starting out as an entrepreneur, avoid venture capital and instead go for small- to standard size business financing. Because many nontechnical business people are unfamiliar with internet business concepts as a whole, obtaining first startup finance from them can be difficult. Another alternative that businesses may consider is a loan, although bank loans are not a possibility for new internet entrepreneurs in Chikkaballapur District.
- **Policy challenges:** Occasionally, the government's policies do not alter. Policy problems are posed by TRIMS and TRIPS issues. Major challenges include obtaining raw materials, acquiring equity capital, undesirability of aboriginal and

obsolete equipment, rising pollution, natural difference, and manipulation of lesser & developing nations, among others.

7. SUGGESTIONS

- **To provide loans at concessional rate of Interest:** Rural enterprises should be able to obtain financing at low interest rates and with simple payback terms. In addition, time-consuming processes should be avoided when approving loans for rural enterprises.
- **Creation of finance cells:** Financial institutions and banks must establish special financing cells to give rural enterprises with quick access to capital.
- **Setting up marketing co-operatives:** In order to develop marketing cooperatives in rural areas, rural entrepreneurs need be offered support and assistance. Co-operatives can undoubtedly aid in getting low-cost inputs as well as assisting in the fair selling of their product. Rural entrepreneurs may receive the benefits of business by avoiding brokers.
- **Encouraging with Entrepreneurship Development Programs:** As a result, agriprenurship and new agricultural job possibilities are needed to prevent rural migration and promote rural upliftment. As a result, entrepreneurship in food processing and food value addition might result in a surge in employment in rural regions.
- **Offering high quality training facilities:** Entrepreneurship development requires a great deal of training. Because appropriate training gives the necessary skills to manage a business, rural entrepreneurs are able to succeed in their endeavours. Programmed FICCI (NGOs).
- **Integrated Rural Development Programme (IRDP):** The Integrated Rural Development Programme (IRDP) sought to provide rural poor people with self-employment opportunities by acquiring fecundresources or relevant assistances that would create additional income on a long-term basis, allowing them to escape poverty. Subsidies and bank credit were offered as forms of assistance.
- **Swarnjayanti Gram Swarozgar Yojna (SGSY):** SGSY is a long-running programme that encourages rural impoverished people to work for themselves. Swarnjayanti Gram Swarozgar Yojna was formed from the amalgamation of all self-employment programmes (SGSY).
- **Rural Employment Generation Programme (REGP)** The Rural Job Generation Programme (REGP) was developed by the Indian government through the Khadi & Village Industries Commission to provide new job possibilities to people in rural areas of the country.
- **Prime Minister's Rozgar Yojna: (PMRY)** Prime Minister Rozgar Yojna wants to analyse entrepreneurial development among educated jobless youngsters around the country.

8. DIRECTIONS FOR FUTURE RESEARCH AND CONCLUSION

This study is aimed to identify the major opportunities and obstacles that rural entrepreneurship faces in Chikkaballpur district. The same study can be extended to other districts of Karnataka and also a comparative study can be undertaken between rural entrepreneurship and urban entrepreneurship. The study can be carried out by comparing the rural entrepreneurship of Karnataka and other states of the country to

identity the differences among them. Rural population skill development is acknowledged as an essential requirement of the day in order to decrease rural migration and attain a fair living. Despite the fact that the government has undertaken a number of strategic initiatives to help rural residents earn a fair living through entrepreneurship development, India is still classified as an industrially undeveloped country. The general public is unaware of these government programs. As a result, it is vital to enhance rural people's knowledge of government schemes and initiatives aimed at promoting rural entrepreneurship. The mass media play a critical role in disseminating fresh knowledge to the general public. The influence of electronic media on the audience is significant. However, electronic media like as television, radio, the internet, and mobile phones are not actively involved in disseminating information about government schemes and initiatives to encourage rural business. As a result, the use of effective media for rural entrepreneurship encouragement and promotion should be encouraged. The demand for technically trained workers has grown as technology has progressed. The majority of individuals in rural areas lack technical skills. As a result, rural people's technical skills must be developed urgently in order to close the skill gap. Women and youth face a lack of appropriate employment opportunities. Youth and women should be encouraged to engage in the nation's economic growth by starting businesses in their communities. Traditional vocational courses for rural development should be replaced with modern technology-based vocational courses.

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