



PROBLEMS AND INNOVATIVE IDEAS OF RURAL DEVELOPMENT IN INDIA

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ABSTRACT

In the era of globalization, entrepreneurship expansion in the rural situation is a challenge. According to the 2011 Census, 68.84% of individuals are the sources of revenue in rural areas of India. People in rural areas suffer from being without an occupation, poor infrastructure, amenities which may be solved with the growth of the rural entrepreneurs. "Rural Entrepreneurship can be defined as entrepreneurship talented at rural community altitude, which can take a position in a variety of fields of effort such as business, industry, cultivation, and acts as an efficient factor for cost-effective improvement". But these rustic entrepreneurs are suffering from different problems like panic of risk, lack of investment, illiteracy, and competition from the urban entrepreneurs. Rural entrepreneurs amplify the criterion of living and purchasing power of the people by offering employment opportunities to the populace in villages. This paper is an attempt to appreciate the problems and challenges for rural entrepreneurship in the context of rustic improvement in India and possible suggestions to surmount the problems.

Keywords: Life Insurance, Lack of Investment, Startups, Rural Education.

1. INTRODUCTION

Rural development is the progress of getting better the quality of life and economic well-being of the populace living in rural areas. Today, Inclusive rustic improvement is an extra specific concept than the notion of pastoral growth of earlier, in broader terms, comprehensive rustic enlargement is on improving the quality of life of all rural people. More specifically, general pastoral growth covers three dissimilar but unified extent: Economic facet, Social aspect, and Political aspect. Economic feature encompasses providing both aptitude and opportunities for the destitute and low-income households in exacting, benefit from the financial growth. The social aspect supports the societal growth of poor and low-income households, promotes gender egalitarianism and women's empowerment, and provides social safety nets for susceptible groups. The political dimension improves the opportunities for the poor and low-income people in rural areas to efficiently and equally participate in the supporting processes at the rural community level.

2. REVIEW OF LITERATURE

Ashish Mathur (2011)¹, in his article entitled "The Dimensions of Indian Rural Development: Issues and Challenges" Observed that specialists clarified financial climate and the non-monetary climate. Each country ought to rely upon the climate. The economies are influenced by the public and the all-inclusive condition. The non-financial condition involves the socio-social condition, trademark fragment physical, and the universe of legislative issues. The money-related segments of the commonplace condition, direct put an impact on the Indian business promote. The business needs to understand the prerequisites of the commonplace condition and change as demonstrated by the rural business sectors to improve the motivating force to the overall population.

Dr. S. Vijay Kumar (2018)², in his article entitled "Rural Development in India – A Way Forward" Observed that country improvement undertaking ought to combine establishment headway, training, wellbeing organizations, interest in agriculture, and the progression of rural non-farm practices in which women and the common people can attract themselves. Common improvement and natural business ventures are the technique for changing over the shaping country into the made country. The headway of country business undertaking is basic for doing valuable work and decreasing the expanding fluctuation between the natural and metropolitan. Checking commonplace improvement programs by giving the correct information at the fortunate time, giving promising and adequate credit and constant motivation of dealers, Panchayat affiliation pioneers, and conscious help affiliations will incite the progression of natural business and accordingly country improvement.

Thomas G. Johnson (2001)³, in his paper entitled "Rural Economy in a New Century the Rural Economy in A New Century" Featured that Disconnected natural organizations will regularly exist in huge great ways from metropolitan core interests. These social classes will be those that have persevered through a period of basic commonplace cementing that is, the reduction of a couple and changes of others. Most of these organizations will be in the upper fields and western zones, notwithstanding the way that pockets of withdrawal will exist altogether areas.

3. OBJECTIVES OF THE STUDY

- ✓ To study rural development strategies in India.



- ✓ To examine the innovative ideas for rural development in India.
- ✓ To determine the problems faced by rural development in India

4. METHODOLOGY

This research is mainly descriptive in nature. Secondary sources of data have been used for this Secondary data has been together from dissimilar published sources like books, journals, newspapers and magazines, and web sites.

5. RURAL DEVELOPMENT STRATEGIES IN INDIA

- Grant MSP (Minimum Support Price) for a variety of crops to the farmers, separately from as long as Crop Insurance.
- Irrigation amenities to all the farming fields should be provided.
- Provide Life Insurance to all the farmers who are essentially performing agriculture.
- Instead of bountiful direct cash into the hands of farmers, the Government has to offer free of cost all requisite inputs like eminence seeds, fertilizers, and pesticides, etc.
- For purchasing Tractors, Electric Motor Water Pumps, etc. On subvention, the Government should provide a loan facility to the farmers.
- Electricity for farmers should be abounding on subsidy rates.
- In the event of monsoon malfunction and crop failure due to floods, etc., The Government must come to the liberation of the farmers.
- As there are no other activities apart from agriculture in rural areas, the Government must nearby loan facility to the interested erudite youth for initial Startups to decrease unemployment.
- Make stronger and make bigger the existing Agricultural Markets in accumulation to the establishing new Agricultural Markets.
- Establish the latest agricultural godown in adding up to the existing godowns.
- Agricultural research, extension of rural learning, and training programs for farmers should form a part of association edifice activities.
- Infrastructure house activity related to the growth of irrigation, transport, interactions, and health facilities.
- Programs to get better agricultural production and promotion should be organized.
- Updated information on policies related to land residence, agricultural yield, prices, etc. Have to be provided to the farmers.
- Frequent weaving of agricultural loans for supporting mileage is not good for the financial system as it gives incorrect signals to those farmers who repay their agricultural loans punctually.

6. INNOVATIVE IDEAS FOR RURAL DEVELOPMENT IN INDIA

Utilization of Local Resources: For example: If there are water resources like rivers and tanks nearby the villages, in the summer itself, engagements must be made to tap this resource by removing tear in the tanks, constructing new reservoirs, bunds, canals, and simultaneously support the existing ones, so that the water cannot go waste. Similarly, if there are any mines like iron, coal, and granites, they should be excavated so that restricted inhabitants can be provided employment.

Establishment of Rural Industries: All the village industries come under the following broad categories: There is a wide range of services including mobile repair, agriculture equipment servicing, etc., Which are organically undertaken under this category.

Startups: They are entrepreneurial ventures, which are only just emerged businesses aims to assemble marketplace need, want or problem by developing a possible business model approximately products, services, processes or platforms. For example, Agriculture, Supply Chain, Trading in Agricultural manufacture, Processing Agricultural produces Fisheries - Both traditions and Trading, Rural Micro Finance, Rural Health - Rural Primary Health Cared and Rural Education, etc.

Computer & Internet Services: Providing Computer education and Repairing Services, Internet-based commerce like E-Commerce, Rail & Bus Ticket booking, Digital Marketing Agency – Examples: Social Media Marketing, Email Marketing, etc.

Encourage Rural Entrepreneurship: They may be of the following types:

- a) **Individual Entrepreneurship** - It is only ownership of the venture.
- b) **Group Entrepreneurship** - It mainly covers partnership, private limited business, and public limited business.
- c) **Cluster Formation Entrepreneurship** It covers NGOs, VOs, CBOs, SHGs, and even networking of these groups. These also faces official and non-formal society of a group of individuals based on social group, employment, profits, etc.
- d) **Cooperative Entrepreneurship**- It is an independent company of persons united willingly for a frequent purpose.

The basic main beliefs of Tycoon Applied to the Rural Development are

- Optimum exploitation of local capital in an entrepreneurial venture by rural population - Better distributions of the ranch produce results in rustic prosperity.



- Entrepreneurial activity for the rural population to reduce favoritism and as long as another occupation as against the rustic relocation.
- To make active such system to afford manpower, capital, material, machinery, executive, and market to the rustic populace.

7. THE PROBLEMS FACED FOR RURAL DEVELOPMENT IN INDIA

Some of the problems faced for rural development in India are as follows:

1. The monetary, labor, and managerial assets given to the execution of country advancement programs are deficient.
2. Better usage of provincial improvement projects can be guaranteed just if those answerable for genuine execution are paid sensibly well, properly prepared, and adequately inspired. Be that as it may, this has not been done at this point.
3. It is as a rule progressively saw that the destinations of one program struggle with those of others, and there are no institutional instrument for accommodating them. Thus, numerous projects completely bomb in satisfying their destinations. What's more, they additionally influence different projects.
4. Much of the time, instruments of country advancement are not appropriately chosen, and their levels are not steady with the goals they try to accomplish. The is brings about the wastage of important public assets, and pointless deferrals in accomplishing the goals.
5. Trustworthiness, difficult work, helping other people, frugality, and such different excellencies by implication help in the financial turn of events. In the Indian setting, very little consideration has been paid to this part of improvement.
6. Recognition of customs, absence of reasonable choices in monetary issue, spending colossal measures of cash on marriage, birth or passing functions, the predominance of the standing framework and the joint family framework in the provincial regions, and ignorance are a portion of the elements which capture the rustic advancement in India.
7. The ideological groups have an essential task to carry out in a provincial turn of events. Be that as it may, tragically this job has not been viably acknowledged by any just ideological group up until now. The ideological groups, today, are guided more by party interests as opposed to by public interests.

In fine, the expulsion of these issues will quicken the interaction of rustic advancement in India. The part of legislative and non-administrative associations in such a manner as, in fact, excellent. In any case, many remaining parts to be finished. If we as a whole work along with full focus toward this path we can doubtlessly make progress. The India of Gandhiji's fantasy would be a reality. We are living with that trust.

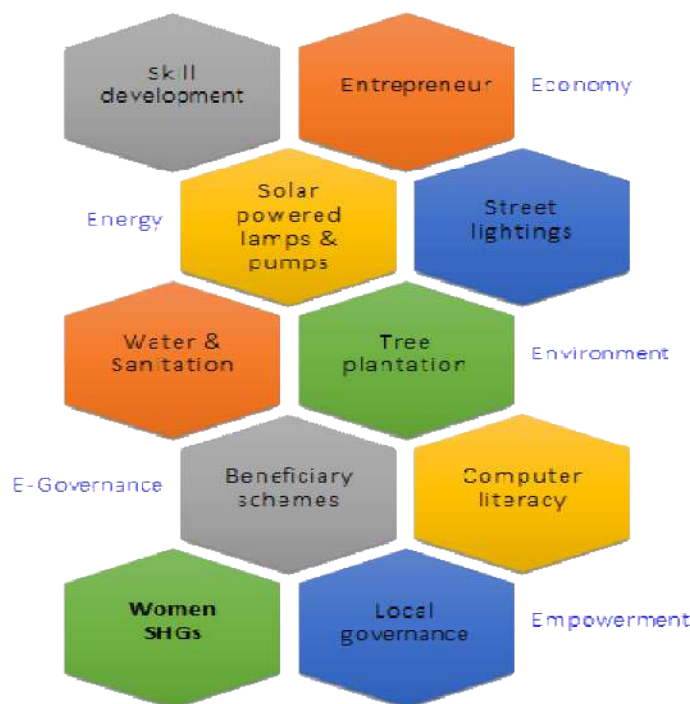


8. SUGGESTIONS

- ✓ **Labour Intensive Techniques:** As there is disguised redundancy in our agriculture sector, labor rigorous techniques should be adopted in rural manufacturing units.
- ✓ **Educate the Rural Entrepreneurs:** Government and NGOs accessible different schemes and prospects to the rustic entrepreneurs. But, they are uninformed of these schemes and opportunities due to their illiteracy. So they should be knowledgeable by conducting workshops and seminars associated with their industry.



- ✓ **Offer finance with a low rate of interest:** Financial institutions akin to ICICI, SIDBI, IDBI, IFCI, and SFC should grant investment to rustic entrepreneurs with low rate of interest and partial guarantee security with moderate terms and circumstances.
- ✓ **Government Role:** Government must take steps to given infrastructure, warehousing facilities, offer support to promotion, and export the goods of rural entrepreneurs to overseas countries.
- ✓ **Exploitation of Village resources:** For example, where ever there is a possibility of wind and solar energy, can be fully demoralized for rustic electrification.
- ✓ **Ancillary units:** These are those, which assemble parts and components to be used by larger industries. Several subsidiary units should be recognized in rustic areas which will guide to better output of numerous manufacturing industries.
- ✓ **Microcredit schemes:** Necessities should be made to microcredit arrangements like SHGs to the rural entrepreneurs who will increase up the cost-effective development and employment creation of the rustic poor.
- ✓ Past experiences and other explanations should be careful to build up pastoral private enterprise.
- ✓ Market information of changed products and inventive knowledge should be publicly announced by the executive to get its receipt among the rustic entrepreneurs.
- ✓ Infrastructure conveniences like land, power, raw materials, and economics should be provided to the rustic entrepreneurs at concessional rates.
- ✓ Credit Information of the rustic entrepreneurs has to be residential to facilitate them to get an adequate amount of a loan from the banks at a realistic rate of interest.
- ✓ **SWOT Analysis:** Strengths, Weaknesses, Opportunities, and Threats of small trade men have to be identified and properly skilled to inspire them to befall entrepreneurs.
- ✓ The Innovators club should be established in villages to sustain the great collection of youth who are involved in attractive trade as an occupation.
- ✓ Marketing management skills should be enhanced among the rustic entrepreneurs to visage the problems of entrepreneurship.
- ✓ Management training is to be imparted to generate knowledge of modern spirit among the rustic entrepreneurs. Wards should be agreed to persons entrepreneurs who demonstrate extraordinary success. Entrepreneurship expansion cell should be established at all the rural community level to provide guidance and counselling to inspire the rural entrepreneurs concerning the use of current technology. Separate economic funds for pastoral entrepreneurs should be provided by the Government. At the same time, they should be provided with sufficient and timely financial assistance from all the financial institutions and banks.





- ✓ Special preparation programs for rural entrepreneurs in exacting and in common for rustic populace should be efficient by the Government to get better their information and occupational skills.
- ✓ Rural infancy needs to be stimulated to take up entrepreneurship as an occupation, with instruction and satisfying support systems providing all essential support.
- ✓ **Finance for Modernization:** Adequate investment must be given to refashion their outdated technology, tools, and equipment to facilitate them to contend with the large extent industries.
- ✓ Rural entrepreneurs should be additional aggressive and competent in the local & international market. Successful bucolic entrepreneurs should illustrate a path for other rustic entrepreneurs.
- ✓ Several schemes and tactics of direction should be strongly executed at diverse levels for the support of rustic entrepreneurs.
- ✓ Interest-free utilization credit should be provided by the Government, Banks, and other monetary institutions to give confidence in buying the products formed by rural entrepreneurs.
- ✓ Agriculture diversification by exploring the opportunities by agriculture completely a new range of grains, fruits, or vegetables.
- ✓ Establishing agro-food dispensation units or related units like purple production, juice production, and several others.
- ✓ Non-farm product business concern by promoting local rustic artisan work. OPS (Opportunities, Problem identification & Solution) Approach: This approach helps an entrepreneur mainly neo-rural entrepreneurs to search for opportunities include the scanning of the situation to explore the possibilities to open the new mission or to sustain the already established business more professionally. Identifying the precise nature of the problem (External to the Organization or internal to the Organization? If the problem of the trade is related to government strategy it is external and if it is interior, it may be associated with the strategic issue or operational issue or related with practical issues to set up an industrial unit), after classification of the problem, it is easier to exploit the opportunities available in the market to explore further.
- ✓ Encouraging the accomplished and expert people who have left the pastoral area to come back.
- ✓ NRIs and rich people of their respective villages should establish/ assist rural industries.
- ✓ There should be a competent keeping upmarket for the promotion of bucolic products.
- ✓ Grading, standardization should be promoted and promotional deeds should be improved for the advantage of rural industries.
- ✓ To aid to expand flexible manufacturing networks of co-operatives, micro, and other developed businesses.
- ✓ To develop and create an exacting product that none of the firms could produce alone i.e. there should be a connection between them in the assemble of that product.
- ✓ To develop the ways and means by which expand the product lines, markets and develop sharing waterway.
- ✓ To encourage co-operation between small firms in the set-up, thus promoting their spirited competence.
- ✓ To contribution altered services in the areas of investment, promotion, examine and maturity
- ✓ To endow with common services of daily matters in production and administration to condense transaction costs.

CONCLUSION

Apart from strengthening the agricultural sector, rural entrepreneurship plays a vital role in the financial development of India, particularly in the rural economy. It helps in generating employment opportunities in the rural areas with low capital, raising the real income of the people, contributing to the development of agriculture by reducing disguised unemployment, underemployment, unemployment, poverty, migration, and economic disparity. Rural entrepreneurship finds it difficult to take off is due to a lack of capital addition, risk-taking, and innovation. The rural development programs should unite infrastructure development, education, health services, investment in agriculture, and the promotion of rural nonfarm activities in which women and the rural population can engage themselves. Rural development and rustic entrepreneurship are the route of converting developing people keen on urbanized countries. Encouragement of countryside entrepreneurship is extremely important in the context of producing gainful employment and reducing the widening disparities between the rural and urban. Monitoring rural development programs by supplying the right information at the right time, providing timely and adequate gratitude, and relentless motivation of bankers, Panchayat is blending leaders and giving service humanity will lead to the expansion of rustic entrepreneurship and in turn rural development.

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