
Dissertation report

A Study on Rural Entrepreneurship in Barwara Block of District Katni, Madhya Pradesh.

Submitted to

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MBA- Rural Management (2020-22)

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Abbreviations

BMI	Body Mass Index
CI	Confidence Interval
CNS	Central Nervous System
CPU	Central Processing Unit
GDP	Gross Domestic Product
HIV	Human Immunodeficiency Virus
IP	Internet Protocol
IT	Information Technology
MRI	Magnetic Resonance Imaging
OR	Odds Ratio
RN	Registered Nurse
SD	Standard Deviation
VLE	Virtual Learning Environment
VLE	Village Level Entrepreneur
VLE	Volumetric Laser Endo microscopy
WHO	World Health Organization

Declaration by Student

I declare that this dissertation titled A Study on Rural Entrepreneurship is a genuine record of my original research work. I declare that it has not been submitted to any other University or Institution for the award of any degree or diploma. The information obtained from the published or unpublished works of others is duly acknowledged in the text.

Ram Singh Gond

Name Of the Student

Date: 13th July 2022

Certificate

It is certified that the dissertation titled A Study on Rural Entrepreneurship is a record of the research work done by Ram Singh Gond in partial fulfilment of the requirements for the award of MBA (Rural Management) degree from IIHMR University, Jaipur under my guidance and supervision and his approach towards research studies has been honest, scientific, and analytical.

Faculty Guide

Dr. Goutam Sadhu

Professor, IIHMR University, Jaipur

Date: 13th July 2022

Acknowledgement

This acknowledgement is not a merely a catalogue of names but an expression of my learning and understanding the things what I have learnt and giving a gratitude to all those who have helped me in completing report.

First of all, I want to thankful BRLF (Bharat Rural Livelihood Mission Foundation) who has given this opportunity for doing MBA in rural management and supporting tribal people for a better growth in our community.

And secondly, I want to thankful IIHMR University for giving us such an opportunity where the university and faculty members are so supportive .in every situation always they are there for the help. i want to thankful our Dean Prof.Rahul Ghai was always there for us and giving such a motivation for our better growth .and then I want to thankful my guide Dr.Goutam Sadhu, Professor for giving opportunity for his support and guidance in my dissertation work.

Thirdly I am thankful to MJVS organization who has given opportunity to work with them especially Mr.Nirbhay singh (Secretary) and Mr.Chandrapal (program Executive) of the organisation.

Thank you all for being pillars of strength and standing throughout the time during my dissertation period.

1. About the Rural Entrepreneurship

India is a nation of village rural entrepreneurship is given good contribution and major opportunity and to develop for the people with necessarily migrate from rural areas or semi – urban areas to urban areas. It is also a fact on the contrary that the majority of rural entrepreneurs are facing many problems due to non availability of primary amenities in rural areas especially in developing countries like India. Financial problems, lack of education, insufficient technical and conceptual ability at present it is too difficult for the rural entrepreneurship to establish industries in rural areas. Certainly the economic development of our country largely depends on the development of rural areas and also the standard of living in its rural mass. For the economic development of a country and of regions within the country rural entrepreneur is surely one of the most important to have decent livelihoods and better life.

2. Introduction

Rural Entrepreneurship refers to the development of a new enterprise which pioneers new products and service, creates a new market for its offerings or uses advanced technology in the rural area. In simple terms, the entrepreneurship which spring up in non –Urban areas is termed as rural entrepreneurship, this leads to the establishment of industrial units in rural areas. The spirit of entrepreneurship is primarily believed to be of an innovative economic organization for profit or growth under situations of risk and uncertainty. This enterprising spirit is much prevalent both in urban and rural India. While on the one hand, micro, small, and medium –Scale entrepreneurship is proven to help reduce the plaguing poverty issues in the country, enhancing the numbers of middle –class people. On the other hand, urban enterprise significantly contribute to fuel the machine of economic and social development across the world. Entrepreneurship is an important driver of economic growth, productivity, innovation, and job creation and as a key aspect of economic dynamism.



India is a country of village about three –fourth of India ‘s population are living in rural areas out of which 75 percent of the labour force is still earning its livelihood from agriculture and its allied activities. Land being limited is unable to absorb the labour force in agriculture. Mahatma Gandhi rightly said the future of India lies in its villages therefore there is a need to development rural industries to solve rural unemployment and rural migration to cities. Rural development is connected to entrepreneurship. Institutions and individuals promoting rural development now see entrepreneurship as strategic development intervention that could increase the rural development process. Entrepreneurship is increasingly recognized as an important driver of economic growth , productivity, innovation, and job creation.

3. Details about the Dissertation and Objectives of the Study

- a) Organisation Name : Manav Jeewan Vikas Samiti
- b) Head Office Address : Bijauri, Post Office Majhagwan (Barhi Road), Distt. Katni *M.P.*
Pin Code – 483501. Telephone: +91-7626-275223,275232.
- c) Objectives of the Study:
 - 1. **Objective 1:** To study the problems and challenges faced in growth of rural entrepreneurship in India.
 - 2. **Objective 2:** How beneficial is rural location for entrepreneurship.
- d) Duration : The study duration is going to be from the month of (March21 to 18 June 2022).
- e) Under the Guidance : Prof. (Dr.) Goutam Sadhu, IIHMR University, Jaipur

4. Brief About the Manav Jeewan Vikas Samiti



Manav jeevan vikas samiti is a social non-Government organization, formed in the years 2000. The organization has been effectively working for the past 22 years being conscious of the its objectives and tirelessly working for the underprivileged in rural areas.

The alternative livelihood in village Entrepreneurship, it was launched in 2013, providing training to women of weaker section widows and socially oppressed in different trades like book binding, sewing-cutting tailoring, knitting, toy making, painting, leather work, pickle, making food preservation of jam and jelly for their economic development by livelihood promotion and income generation activities to the women. It also provide market, trade, training in and for procedures generated at village and at rural level, specially handicrafts and non-timber forest produces. To promote importance of forestry forests and forest products in rural poverty alleviation for national growth.

By organizing capacity building training programs for its office staff, field workers, the underprivileged rural communities and promoting organic farming and generating sustainable livelihood for them, the institution has made sustained effort to mainstream the common man. The organization major work domains include livelihood, Education, health, Environment, conservation, women leadership, advocacy, and more.



- Strive to protect the livelihood, prosperity, rights and honor of the forest dwellers.
- Promote efforts to make a healthy and pollution free environment.
- To make farming profitable, adopt organic methods and plantation promote.
- To develop science, education, literature and fine arts.
- Strive for the creation of the environment according to the all -round development of children.
- To pave the way for peace and non- violence.
- To provide just and fair rights to the displaced.
- To promote education, knowledge and science to promote respect and rights of women.
- To work for social welfare by doing constructive work and awakening public consciousness against injustice and exploitation.

5. Methodology Used for the Dissertation

The data has been collected from two major sources which are primary and secondary . The primary sources used for this study are oral interviews conducted within the covered by the research while some secondary research has been conducted to unbdertand the research questions and objectives of the study.

• Data collection procedure

The stakeholder have been interviewed through a questionnaire face to face to collect the data in semi-structured questionnaire for Qualitative and checklist have been prepared for quantitative data need for the study.

• Statistical tools of analysis

The primary data collected with the help of the schedule are analysed using MS EXCEL . Various analysis like frequency Distribution , cross –tabulation, percentages, graphs, etc. is prepared for a better understanding of the results.

The methods used to answer the key research questions has been shown schematically as follows:

• Key Research Question

- What are the main challenges and opportunities that entrepreneurs encounter in rural areas?
- How beneficial is rural location for entrepreneurship

• Sampling Techenique

- Simple random sampling technique was used for this study.

- Sample size: The study was conducted in 50 sample size.

- **Ethical consideration**

Throughout the study, all study participants was informed and their consent has been taken before collecting data. Appropriate efforts have been taken to ensure data security privacy and confidentiality.

- **Implications of research**

The findings of the study will help village people to identify and to plan their enterprenurship ability for better income and livelihood. It will also help cost in a the organisation and policy makers for better policy making.

6. Literature Review

Sukamal de (april-june,2012) this study is carried on rural entrepreneurship a perspective with special reference to Arunachal Pradesh an empirical study which stated that entrepreneurship has proven to be an exceptionally fertile concept within economic theory, indeed this term has played such a valuable role within economics that each era has adapted it to meet the innovations and spirit of the times. Though consensus on a precise definition of entrepreneurship may be impossible, what cannot be denied is the economic power of entrepreneurship and its way of inspiring creative individuals to pursue opportunities and take risk. It is necessary to extend the facilities to the rural areas to promote agro-based and locally available raw material based industries in the locality and ensure markets for their products therefore the authority should conduct research surveys to guide the prospective entrepreneur. The holds much prospect and affords good opportunities for the rural entrepreneurship to flourish in the state for intrinsic reasons it is difficult to set up large scale industry but on the contrary, there is much opportunity to set up village industries.

Jayadata (2017) highlighted that in recent days rural entrepreneurship have suffered a lot of problem in own business and recently with the effect from the pandemic problems also with major effects from the business.

Edwards (1998) analysed that in the trade and other factors concludes that greater open accelerates economic growth and the large departures from free trade dampen it.

Michael et al (1991) in his findings based on the evidence suggests that liberalizing countries outperforms from those who failed liberalization attempts.

In contrast Helleiner (1986) has suggested that a certain level of national development is very much necessary before the objective of export led growth can be realized. Series of deliberations and emergence of the WTO under the Uruguay round have changed the world economic order.

However, there is no doubt that new businesses are important for national and regional economic development (Stathopoulou, Psaltopoulos & Skuras, 2004).

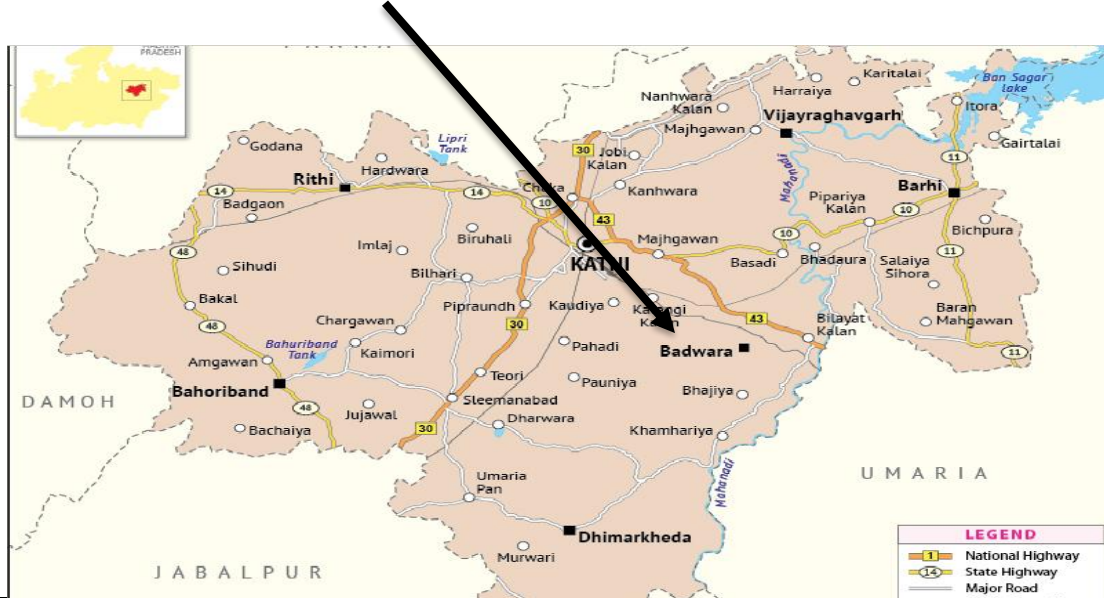
In regional development entrepreneurship is the most fundamental feature. Various government programmes are created to develop the entrepreneurship in rural areas in order to create economic and employment growth (Bergmann, 2002).

Entrepreneurship is a broad subject, which can be seen from different angles. Even though a great deal of literature is relating to this subject, rather small research has been done on the role of rural entrepreneurship, challenges, and opportunities encountered by entrepreneurs. There is the general agreement between researchers Frazier, Niehm and Stoel (2012), and Fuller-Love, Midmore, Thomas and Henley (2006), that one of the most crucial components of local economic development strategy is rural entrepreneurship.

However, there is a lack of information in the literature on rural entrepreneurs: who they are, what type of businesses they have, what problems they have faced (Salleh & Sidek, 2011).

7. Study Area, Results and Findings

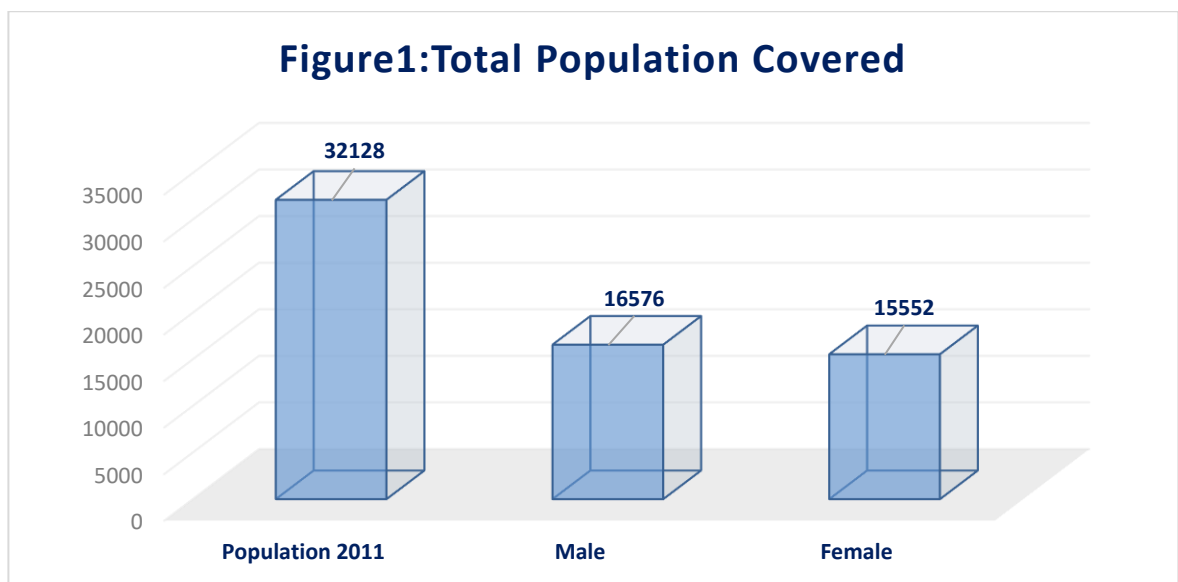
7.1. Map showing Badwara Block, Katni district



Locations/Villages	Population 2011	Male	Female	Households
Majhgawan	3,664	1,897	1,767	816
Nanhwara Khurd	875	423	452	204
Nanhwara Kalan	1,434	751	683	375
Bhaduara	825	433	392	187
Amadi	1,218	642	576	313
Banhari	419	197	222	102
Bijauri	981	493	488	191
Atariya	373	203	170	73
Pathra	1,349	698	651	313
Banahra	1,172	603	569	273
Pondi	709	354	355	172
Chapahni	930	470	460	201
Manpur	0	0	0	0

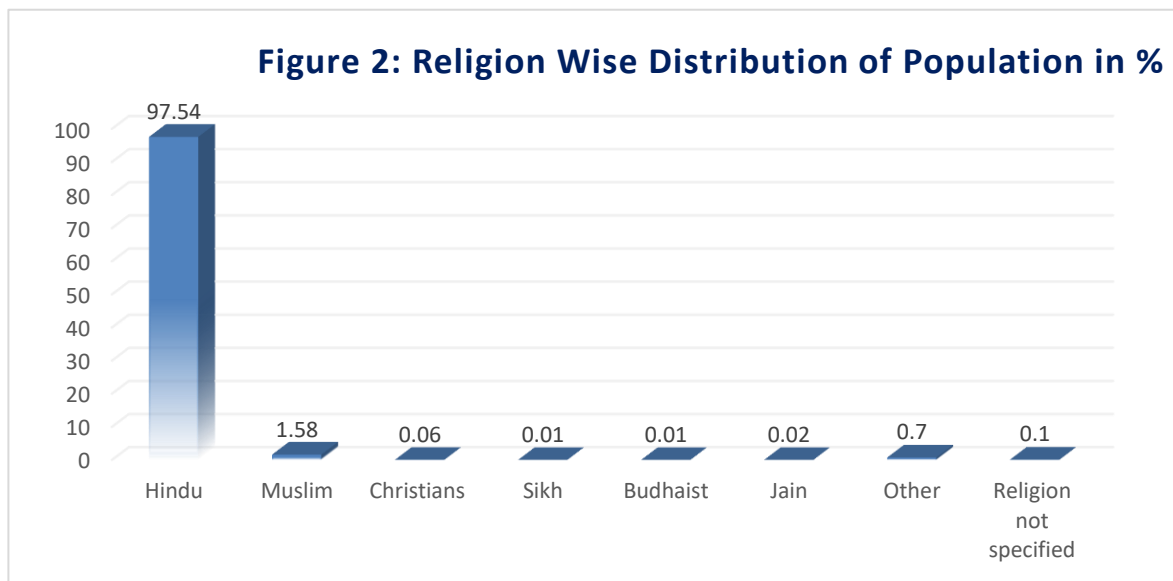
Locations/Villages	Population 2011	Male	Female	Households
Umariya	1,357	689	668	310
Badwara Kalan	4,068	2,170	1,898	798
Badwara Khurd	601	313	288	128
Bajarwara	282	150	132	67
Badera	1,328	702	626	285
Rupond(Rupaund)	2,178	1,110	1,068	577
Jhinhari	1,178	599	579	238
Bachharwara	215	114	101	48
Chiruhali	603	321	282	138
Bachhauri	517	253	264	107
Bamhanganvan	398	184	214	88
Bhaganwara	898	458	440	201
Nanhwara	1,472	742	730	339
Chandan	688	366	322	140
Badagaon	1,578	824	754	336
Bichpura	159	78	81	37
Sejha	659	339	320	123
	32128	16576	15552	7180

Badwara block having total 106 villages, Above is the population table listing as per the last census of 2011 showing male, female and household information in the Katni district.



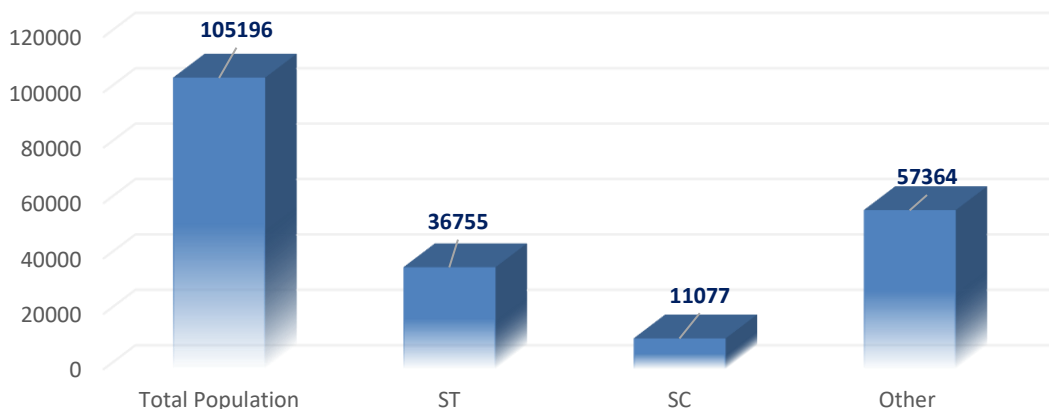
7.2. Religion wise distribution of population

Hindu	101631	97.54
Muslim	1643	1.58
Christians	61	0.06
Sikh	13	0.01
Budhaist	15	0.01
Jain	17	0.02
Other	686	0.7
Religion not specified	130	0.1
	104196	



The above figure 2 depict that majority of the population (97.54%) population believe on Hindu Religios where as 1.54 percentage population are the followers of islam where as Sikh, Budhaist, Jain, Christans consist of less than fraction.

Figure 3:Caste Wise Distribution of Population



7.3. Caste wise distribution

According to Census 2011, total population in Badwara block was 105196 in which 36755 belong to svchedule caste, 11077 fall in the category of Schedule Caste while 57364 comes under the general category(Fig-3)

7.4. Alternative livelihood in village entrepreneurship

District	Block	No of enterprenurs
Katni	1	121
Dindauri	5	600
Mandala	6	720
balaghat	1	60
Damoh	2	80
Satna	1	01
Umariya	1	05
Raisen	1	03
Panna	1	20

Sehor	1	10
Mouraina	1	03

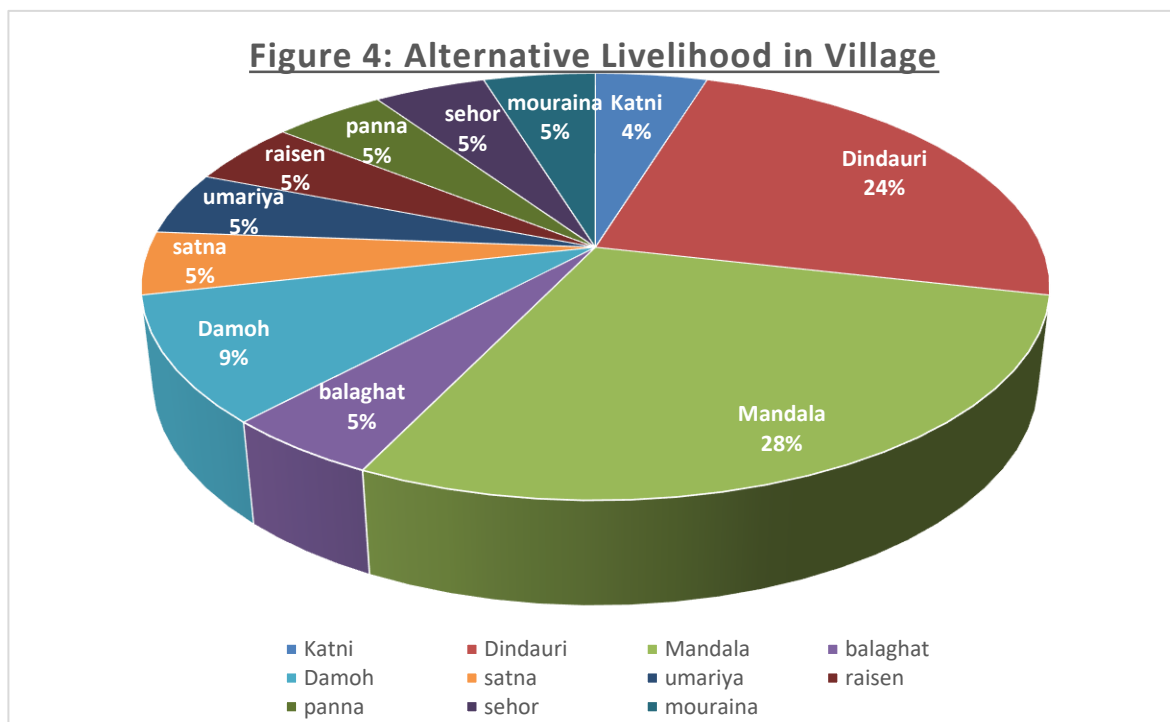


Figure 4 depict the village wise no of enterprenurs. It clearly reflect that out of total enterprenurs Mandla (28%) and Dindauri (24%) cover more than one-fourth each respectively followed by Damoh (9%) and rest of the villages cover around 5 percent.

7.5. Challenges of Rural Entrepreneurs

Factor	Mean score	Rank
Competition from Urban Markets	3.525	1
Lack of family support	3.35	2
Marketing Issues	3.2	4
Difficulty in availing Govt. Grants	3.225	3
Lack of Entrepreneurship Skill	2.775	6
Lack of Training	2.725	7
Lack of Transportation	3.125	5
Lack of Availability of Resources	3.175	8

Figure 5: Challenges of Rural Entrepreneurs

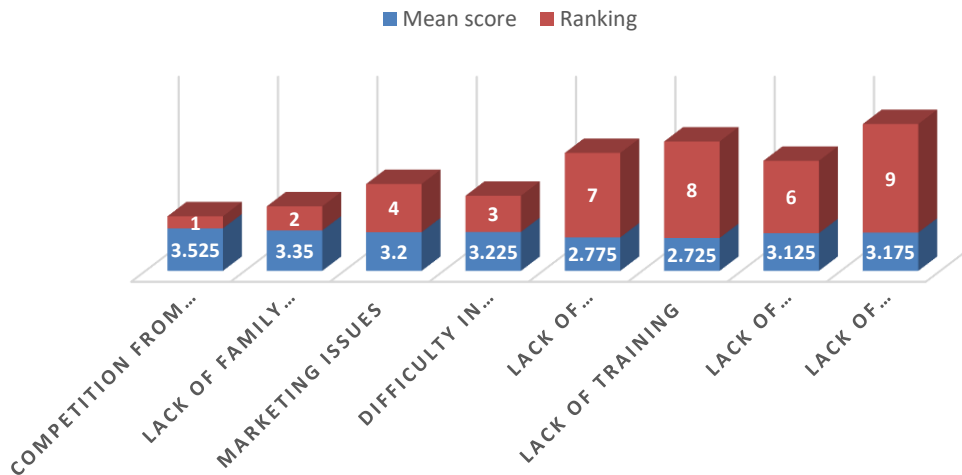


Figure 5 reflect the different cahllenges faced by the rural enterpreneurs in carrying out their activities.

In-depth analysis of the data suggest that competition with the urban market, lack of family support, difficulties in geeting government support were the first three challenges faced by them. The other challenges are marketing of their product, lack of transportation, further enhancement of skill, and available resources are also the challenges faced by the enterprenurs.

7.6. Analysis of Entrepreneurship Skill Based on Demographic Variables

Factor	Category	Mean	F value	Sig Value
Entrepreneurship Skill	AGE		40.275	0.000
	Below25	1.00		
	25 TO 35	1.57		
	35 TO 45	2.92		
	45 TO 55	4.50		
	ABOVE 55	5.00		
	Educational Qualification		142.913	0.000
	SSLC &Below	1.60		
	PLUS TWO	3.63		
	DEGREE/DIPLOMA	4.13		
	PG& Other Professional Qualification	5.00		
	Year of Experience		49.267	0.000
	UP to 5 Years	1.40		
	5 to 10 Years	3.07		
	10 to 15 Years	4.45		
	More than 15 Years	5.00		

Figure 6: Age Wise Mean

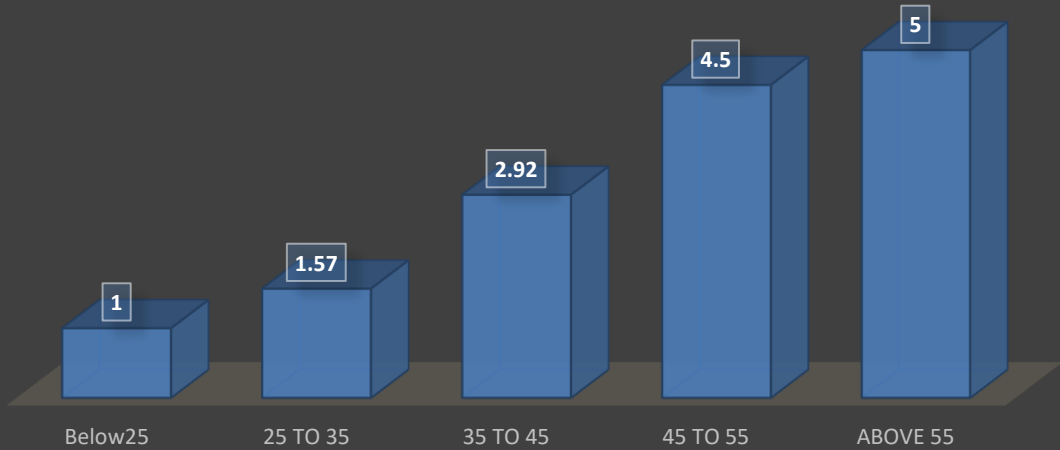


Figure 7: Education Wise Mean

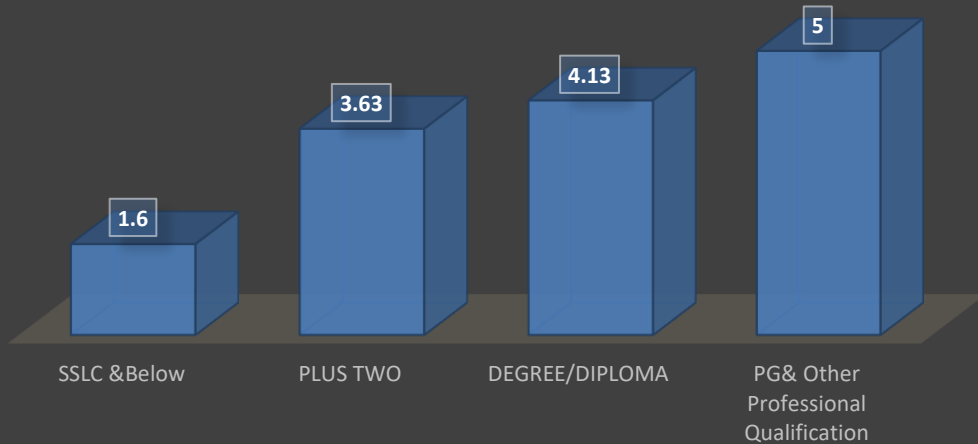


Figure 6 and 7 reflect the age wise mean and educational credential wise mean of the entrepreneurs. It depicts that majority of the entrepreneurs are graduated and above. Some of them having professional qualifications.

Age wise classification also reflects that entrepreneurs belong to every age group that is from below 25 to more than 55 age.

Figure 8: Year of Experiences (Mean)

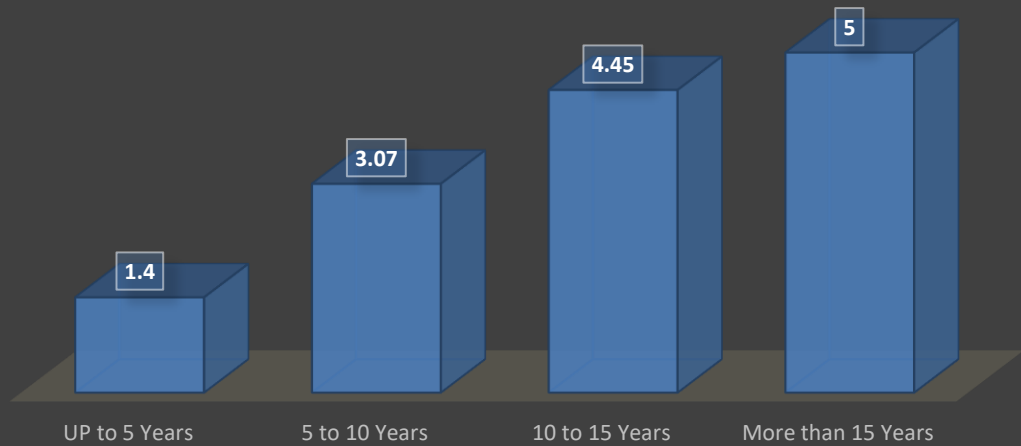


Figure 8 reflect the year of experiences of rural entrepreneurs. It stated that majority of the entrepreneurs of having more than 15 years of experiences.

8. Discussion

- Rural Entrepreneurship in India-who should necessarily be capable of making use of the government schemes and policies for the betterment of rural people.
- Rural Entrepreneurship in Changing Environment- The changing global environment raises many questions about the ability of traditional, small scale businesses in rural areas to share the potential benefits which is offered by the changing environment.
- Rural Entrepreneurship and Development of Villages Rural entrepreneurship certainly implies entrepreneurship emerging in rural areas. In other words establishing the industry in rural areas is referred to as rural entrepreneurship.
- Better distribution of farm produce which results in rural prosperity.
- Entrepreneurial occupation for rural youth resulting in reduction of disguised employment opportunities and alternative occupations for rural youth.
- For optimum and maximum utilization of farm produce formation of big co-operatives.
- Optimum utilization of local resource in entrepreneurial venture by rural youth.

9. Conclusion

Conclude certainly rural entrepreneurs are act as key figure in economic progress of india. They could play a vital role in converting developing country into developed Nation provided the challenges faced by them should be overcome through the support of Goverenment and respective department.

The study also suggest that Government is supporting skill development program, start-up and several program so that youth should start up the enterprise and more and more rural and urban youth are coming forward to take the advantage of the cionducive environment to atart their enterprenur for their livelihood and also to create the employment opportunities for others.

Even than major challenges entrepreneurs face in rural areas are: government financing, employee integration, social relations, limited market and low skilled workforce. All the respondents from different firms agreed on some main challenges their businesses face in rural areas; some of the most important were small size of the market (few customers) and lack of skilled labour.

Hence study suggests that economic policy of a country should also enable entrepreneur to provide magic touch to an organization irrespective of public, private or joint sector in achieving innovationess speed, flexibility and also strong sense of self determination as rural entrepreneurship however is the best answer for removal if rural poverty in india.

10. Suggestions

After doing the dissertation and exposure to the reality of rural enterprenurship following are the suggestions to develop a conducive environments for the enterprenurs.

- Central and State Goverenments should create autonomous bodies which could support rural enterprises in funding, technical know how, forward and backward linkages.
- Rural entrepreneur's could be engaged with the latest trends and technologies via television, mobile, or internet to upgrades their needs and progress with local as well as global.
- State & Central Government must initiate more awareness and special training programs throughout the calendar requirements.
- More vocational course in the school and colleges in rural area should be introduce to develop skill of rural youth so that they could start their enterprise.

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