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Rural Industrialisation through Rural Entrepreneurship

K.P.Vishnu, Sanalkumar P. S & Dr. A.S.Ambily

^{1,2}Research Scholar, ³Assistant Professor (SG)

^{1,2,3}Department of Commerce and Management, Amrita Vishwa Vidyapeetham,
Amrita School of Arts and Sciences, Kochi, Kerala, INDIA.

Abstract: The development of the Indian economy largely depends on the development of rural areas and the standard of living of its rural people. Economic development can only happen when there is a large scale rise in the development of rural areas. Rural entrepreneurs lack a huge problem of education, shortage of finance, marketing ideas and lack of technology in those areas which is the major cause for lack of development in Rural Entrepreneurship. But now various social based institutions have taken huge initiative in the development of rural Entrepreneurs. Through these ways these entrepreneurs can use scarce resources to its maximum utilization and produce various products. Promotion of rural entrepreneurship is a key to develop rural areas and remote towns. This paper focuses on the developments happening within the rural sectors which inversely lead to a rise in rural entrepreneurship. Suitable case studies have been included within the study.

Key Words: Entrepreneurs, Rural entrepreneurs, Rural Industrialisation

I. Introduction

India has a population of around 1.22 billion out of which .854 billion people live in rural areas and .366 billion people live in urban areas. According to this census 70 percent of total population belonging to rural area among which less than 17 percent are have been exposed to rural entrepreneurship.

As we compare the Northern & Southern regions of India, the southern rural areas (especially in Kerala) are yet to acquire rural entrepreneurship in a fully fledged manner.

Entrepreneurship that arises in village levels can take place in various sectors such as business industry, agricultural, traditional handicraft industries etc. that promotes and contributes to economic development of the country as a whole.

According to the Khadi and Village Industries Commission (KVIC) “Village industry or rural industry means any industry located in rural area, population of which does not exceed 10000 or any other similar figure which produces goods or power where the fixed capital investment or head of an artisan or worker does not exceed a thousand rupees.”

Thus by relying on the above concept, the researcher has examples such as Peruvamba in Palakkad Dist. and Kuttampuzha in Ernakulum Dist. to bring insights for development of rural Entrepreneurship within the state of Kerala.

Among the traditional instruments manufactured in Peruvamba, Palakkad, the chenda, Dakka, Edakka etc. produces a percussion sound that attracts people; for example Panchavadyam, a well known cultural event, inevitably performed by a group during the extravagant festival of Thrissur Pooram includes all the aforementioned instruments. As mentioned earlier, this instrument has been produced in a rural area of Kerala in a small scale.

Besides this, the research also concentrates on utilization of green building materials such as “Bamboo” which is most commonly available in kuttampuzha, the local village in Ernakulum district. Bamboo based entrepreneurship also act as a solution to environmental problems which is indeed an apt example of the proverb “think globally and act locally”.

Rural entrepreneurship also provides activities which are eco friendly in nature, moreover keeping the old tradition in the verge of not being extinct.

II. Importance of the study

The rural entrepreneurship is of enormous significance for the development of rural industries in state like Kerala. The vital importance of the rural industrialisation in improving the income of people and generating employment in rural areas has been accepted. So rural industrialization becomes all the more significant in view of the fact that the percentage share of contribution to GDP and the percentage of population engaged in this sector have been plummeting all over the world. The southern region of India, Kerala cannot deviate from this trend. This study tries to guide the entrepreneurs in identifying entrepreneurial opportunities, by suggesting two of the local villages in Kerala and assisting them, in order to start new entrepreneurial ventures in the state of Kerala.

III. Scope of the Study

The scope of the study confined to the areas of Peruvamba in Palakkad district and Kuttampuzha in Ernakulam district, bring insights for development of rural Entrepreneurship within the state of Kerala.

In the case of Peruvamba in Palakkad district, which is well known for production of various traditional instruments like Chenda, Dakka, Edakka etc. are commonly used in various cultural events and festivals all across Kerala. These instruments have been produced in the rural area of Kerala in a small scale, so in order to contribute to the progress of the rural industrialisation it is required to encourage the mass production of these instruments by spreading rural entrepreneurship.

The entrepreneurs are not born they can be originated through providing proper education, training and experience. So the Bamboo based entrepreneurial development in the Kuttampuzha Panchayath promotes the process of rural development in this local village, and it enhance the Potential economically viable Rural enterprises which can utilize this Green Building Materials in a more better way.

The study further emphasises the need to develop rural entrepreneurs to achieve rural development through rural industrialisation.

IV. Methodology

The study is mainly based on case studies within the rural local areas of Palakkad and Ernakulam. This research concentrates on the lifestyle of people who pursue this type of Rural Entrepreneurship and have a mentality to keep the traditional business alive for a long time.

V. Findings and Analysis

CASE STUDY-1

The first study is about the rural entrepreneurship in Palakkad. Here the study have concentrated on traditional instruments that are mainly used for festivals in the southern part of India.

Initially, the two producers for traditional instruments within Palakkad are Mr. P. Rajan and Mr. Paramashwaran (otherwise known as Kannan).

They have been supported by NABARD (National Bank for Agriculture and Rural Development), which contains over 74 members in Palakkad District. They have allotted around 10 lakh rupees to aid their business. The government have also provided Health cards and workshops in addition to the financial aid.

Mr. P. Rajan is well known for making traditional instruments, mainly Mridangam. He has inherited the skill from his older generations, starting from his great grandfather. During his childhood, he had no financial support for education and hence had no choice other than to continue with their ancestral profession. When asked about his job satisfaction, Rajan replied "We are proud of our job since it uniquely helps us save our tradition like no other profession".

Fortunately, the two have various plans for expansion as NABARD (National Bank for Agriculture and Rural Development) have agreed to fund their business and run as a group and keeping their traditions alive for a long time.

Talking about their product, the 'Mridangam' is a percussion instrument from India of ancient origin. It is the primary rhythmic accompaniment in a Carnatic music ensemble. Alternate spellings include "mrudangam", "mrdangam", "mritangam" and "miruthangam in Tamil". The mridangam is also played in Carnatic concerts in countries outside of India, including Sri Lanka, Singapore, Malaysia, Australia, United Kingdom, Canada, and the United States. During a percussion ensemble, the mridangam is often accompanied by the ghatam, kanjira, and the morsing. The mridangam is nicknamed as the "King of Percussion".

The artisans have huge sales for their product. The cost they incur for making the instrument is Rs.7000 for the teak wood and Rs.3000 for the skin of buffalo and goat which will lead to total cost of around Rs. 10,000 for a pair of mridangams. Thereafter, they sell the finished product at a price of Rs.11, 000 where Rajan prioritizes customer satisfaction and minimal financial profit.

The personals required for this type of business is limited to two and not more where they should have ample experience and skill in order to retard chances of aberration in the authentic sound of the instrument which may occur due to minor flaws in manufacturing.





Mr. Parameshwaran on the other hand is well known for making 'chenda' and sticks which is a cylindrical percussion instrument used widely in the state of Kerala for various festivals. This business was started by his father and then followed by his brother. After the demise of his brother, Mr. Parameshwaran was forced to continue this profession. Additionally, he said that he would continue with his profession until the passion for these percussion instruments ends".

As far as the raw materials are concerned, they use purely natural materials, such as buffalo and goat skins, rice and teak wood and absolutely no machines for their production.

The cost that he incurs is around Rs. 400 per pair and the price at which he sells is Rs.600, which would well explain his minimal profit.

CASE STUDY-2

The research also concentrates on utilization of green building material "Bamboo", which is most commonly available in Kuttampuzha, a local village in Ernakulam district. This study on bamboo reeds and its entrepreneurial utilisation extremely

points towards quality reeds utilisation, which is commonly found in Kuttampuzha Panchayath.

The people who belong to various rural communities in Kuttampuzha panchayath mainly engage themselves in bamboo based life style. To meet the necessities and needs, the people belonging to these communities try to produce various handicrafts and other related products by using bamboo. Even though there is a greater availability of this green building material and well educated young generation, people are yet to show the entrepreneurial potential for the up growth of this business. For the optimum utilisation of this material, an entrepreneurial development in Kuttampuzha panchayath is absolutely essential.

Bamboo industry belongs to the traditional rural industries of Kerala. Its beginning may be delineated to the time when our forefathers engaged in cultivation of paddy and other food crops thousands of year back. Bamboo industry pioneered with the creation of articles such as murams, mats, baskets made out of reeds are widely used for packing of vegetables, leaves, fish, fruits and many other commodities. Gradually, in due course of time, it adopted the making of various value added products like flattened bamboo board, bamboo flooring files, laminated bamboo ply boards and many others.

Bamboo industry has a separate entity which no other cottage industry has except the coir industry. The industrial contribution of widespread employment opportunities with relatively small volume of investment and focused eco-friendly product make it more attractive. The major participants in bamboo industry comprises of KERALA STATE BAMBOO CORPORATION.LTD (KSBC), ASSAM PLYWOOD, MARINE PLYWOOD, ASSAM MATS. They chiefly engaged in three separate operations such as:-

- i) Cutting and collection of reeds from the forest.
- ii) Transportation of reeds to the centre of production.
- iii) Making of products at factory.

The bamboo reeds are collected from the deep forest of Kuttampuzha by specialised workers from scheduled caste communities and hill tribes. The forest authorities issue passes to the specialised workers for cutting the reeds from the forest. The labourers go deep into the forest, cut the reeds and they bundle it. Thereafter these bundles are negotiated through the Periyar River and its tributaries along the direction of the stream. In Kuttampuzha bamboo corporation (KSBC), the collected bundles are transported to the production areas in Angamaly, Thrissur, Kalady, Malayatoor etc. There have been forty vehicles carrying bamboo to the aforementioned places per month. The bamboos are then converted into variety mats, which are used as an input for producing ply woods and furniture. These mats have been used by the Cinema industry substantially for creating artificial location and to display advertisements.

Nowadays eco-friendly value added products have greater demand, so the call for this bamboo products and bamboo based entrepreneurship is not much longer. It acts as a solution to environmental problems and is an apt example of the renowned proverb "think globally and act locally".

VI. Conclusion

The major conclusion asserted from both the entrepreneurs is that they are satisfied with the job in spite of their minimal financial profit and so are their customers. Whereas the bamboo based enterprises being labour intensive serve, will generate employment, regular income and support and uplift the weaver sections of the society. Rural industrialisation through rural entrepreneurship is one of the most desirable ways of pursuing the

process of rural development. Hence, both of these Panchayaths necessitates the process of rural development in local village.

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