PERFORMANCE OF RURAL ENTERPRISES IN MIZORAM

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C E R T I F I C A T E

This is to certify that the Thesis incorporates P. Lalthanmawia bonafide research and this has not been submitted for award of any degree in this or any other University or Institute of Learning.

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DECLARATION

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I **P. LALTHANMAWIA,** hereby declare that the subject matter of this thesis is the record of work done by me, that the contents of this thesis did not form of the award of any previous degree to me or to do the best of my knowledge to anybody else, and that the thesis has not been submitted by me for any research degree in any other universities/institutions.

This is being submitted to the Mizoram University for the **Degree of Doctor of Philosophy in Extension Education and Rural Development.**

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(P. LALTHANMAWIA)

CONTENTS

LIST OF TABLES

LIST OF FIGURES

LIST OF ACRONYMS

ADC	autonomous district council
BPL	Below Poverty Line
CADC	Chakma Autonomous District Council
DICs	District Industries Centres
EAS	Employment Assurance theme
EDPs	Entrepreneurship Development Programme
FY	Financial Year
GDP	Gross Domestic Product
IAY	Indira Awas Yojna
ICICI	Industrial Credit and Investment Corporation of India
IFCI	Industrial Finance Corporation of India
IRDP	Integrated Rural Development Programme
I.T	Information Technology
JRY	Jawahar Rozgar Yojna
KVK	Krishi Vigyan Kendra
LADC	Lai autonomous District Council
MADC	Mara Autonomous District Council
MNP	Minimum needs Programme
MNP	Minimum needs Programme
MSMEs	Micro Small and Medium Enterprises

MSMED	Micro Small and Medium Enterprises Development
NABARD	National Agriculture Bank and Rural Development
NERLP	Northeast Rural Livelihood Project
NFFW	National Food for Work
NREGA	National Rural Employment Guarantee Programme
NREP	National Rural Employment Programme
NSAP	National social insurance Programme
PMRY	Prime Minister Rozgar Yajna
RD	Rural Development
RED	Rural Entrepreneurship Development
RLEGP	Rural landless Employment Guarantee Programme
SGSY	Swarnjayanti Gram Swarozgar Yojna
SGRY	Sampoorna Grameen Rozgar Yojna
SISIs	Small Industries Service Institutes
SIDBI	Small Industries Development Bank of India
SPSS	Statistical Package for Social Sciences
TRYSEM	Training of Rural Youth for Self Employment

CHAPTER – 1

INTRODUCTION

The present study “Performance of Rural Entrepreneurship in Mizoram” has identified the performance of rural entrepreneurs, motivational factors, sustainability of the enterprises, problems and impact of economic development through rural enterprises in Mizoram.

This chapter deals with the significance of entrepreneurs, entrepreneurship and the importance of rural entrepreneurship, the chapter further presents entrepreneurship in the state, start-up enterprises, the present status of MSMEs in Mizoram, scope of the study and the objective of the study etc, are also clarified in this chapter.

1.1 Definition of Entrepreneur and Entrepreneurship

Usually, anyone who runs a business is called an entrepreneur. The more precise meaning of entrepreneur creates his own business, i.e., a person who organizes, operates and assumes the risk of a business venture. An entrepreneur is a person who perceives a need and then brings together manpower, material and capital required to meet that need.

Entrepreneurship creates employment opportunities and extracts the use of human resources. Entrepreneurship is breaded by self-employment and contributes much towards the national income of a country and leads to economic growth. The word “entrepreneur” is derived from the French word “enterprendre” which means “to undertake”. This refers to those who “undertake” the risk of new enterprises. An enterprise is created by an entrepreneur. It means the process of creation is called “entrepreneurship” (Chandrahasa, 2016).

Entrepreneurship is a process of actions of an entrepreneur who is a person always in search of something new and exploits such ideas into gainful opportunities by accepting the risk and uncertainty with the enterprise (Chintan, 2016).

An entrepreneur is an individual who starts and runs a business with limited resources and planning and is responsible for all the risks and rewards of his or her business venture. The business idea usually encompasses a new product or service rather than an existing business model (Shobhit, 2017).

According to Joseph Schumpeter, entrepreneurship is a creative activity and an entrepreneur is one who innovates i.e. carries out new combinations or enterprises.

Adam Smith describes an entrepreneur as an individual who forms an organization for commercial purposes. He/she is a proprietary capitalist, a supplier of capital and a manager who intervenes between labour and consumer.

An entrepreneur is an innovator, a visualizer, an initiator, a risk taker, a leader, an administrator, a planner, a decision maker, and an organizer. Entrepreneurship is the process of innovation in which an entrepreneur takes initiative in an organized manner and plans successful performance. He/she engages himself/herself in producing and marketing an innovation (Salunkhe, 2015).

Heberton (1949), “Entrepreneurs are persons who initiate, organize, manage and control affairs of a business unit that combines factors of production to supply goods and services, whether the business pertains to agriculture, industry, trade or profession”.

Usually, anyone who runs a business is called an entrepreneur. The more precise meaning of entrepreneur is one who creates his own business, i.e., a person who organizes, operates and assumes the risk of a business venture. Entrepreneurship is a creative and innovative response to the environment and processing of setting up a new venture and a composite skill that is a mixture of many qualities and traits (Vipin, 2005).

Entrepreneurs create enterprises. The creation and growth of enterprises generate more and more jobs for people in the society thereby ensuring sustenance to a large number of families. Along with the creation and distribution of wealth, socio-economic development is also achieved through entrepreneurship. Elimination

of poverty, improvement in infrastructural facilities, better standard of living, and social stability are some of the innumerable benefits of entrepreneurship.

Entrepreneurship is a creative and innovative response to the environment. It is also the process of setting up a new venture. Entrepreneurship is a composite skill that is a mixture of many qualities and traits such as imagination, risk-taking, and ability to harness factors of production, i.e., land, labour, technology and various intangible factors. Entrepreneurship implies a set of values, norms and traits that are conducive to the growth of a business enterprise. It is the organisational culture that focuses on new opportunities and the creation of an organisation where these opportunities can be perused earnestly.

Entrepreneurship is the active process of recognizing an economic demand in an economy and supplying the factors of production (land, labour and capital) to satisfy that demand usually to generate a profit, (Sanjay 2013).

1.2 Definition of Rural Entrepreneur and Rural Entrepreneurship

A Rural entrepreneur is someone who is prepared to stay in the rural area and contribute to the creation of local wealth by recognizing a business or self-employment opportunity in the rural or village context and using entrepreneurial principles to organize, create, and manage a venture assuming risk and rewards.

A rural entrepreneur is an individual who establishes and manages a business venture in a rural area, utilizing local resources, skills, and opportunities to generate economic activities and employment. Rural entrepreneurs often focus on agriculture, handicrafts, small-scale industries, agro-based industries, rural tourism, and service-based businesses that cater to the needs of rural communities.

Rural entrepreneurship refers to the process of initiating, organizing, and managing a business venture in a rural area to enhance economic development, generate employment, and improve the standard of living in rural communities. It involves identifying local opportunities, utilizing available resources, and implementing innovative ideas to create sustainable business models that contribute to rural growth.

Rural entrepreneurship plays a vital role in reducing rural-urban migration, promoting self-reliance, and fostering inclusive development in rural areas.

A Rural entrepreneur is someone who recognizes a business or self-employment opportunity in the rural or village context and uses entrepreneurial principles to organize, create, and manage a venture assuming risk and rewards (John 1993).

Rural entrepreneurship is very sophisticated but with greater opportunity in returns due to the larger scope of inclusion. Rural entrepreneurs are those who carry out entrepreneurial activities with a vision to transform the rural economic sector and to bridge a gap between the urban areas thus contributing to the inclusive growth of the country (Pavan and Raman, 2018).

Rural entrepreneurs are those who carry out entrepreneurial activities by establishing industrial and business units in the rural sector. In other words, establishing industrial and business units in rural areas refers to rural entrepreneurship. In simple words, rural entrepreneurship implies entrepreneurship emerging in rural areas. Or, rural entrepreneurship implies rural industrialization (Kaur and Gill, 2015).

1.3 Importance of Rural Entrepreneurship

Rural entrepreneurs are from rural areas i.e. from villages. Rural entrepreneurship is gaining more and more importance in today's scenario. The majority of India still lives in villages. We have an agriculture-based rural economy which necessitates improvement in the lives of farmers and other rural people. It is very important to promote local industry and to protect basic fundamental industries like food, agriculture, etc. It can reduce skewed distribution towards urbanization. It creates jobs at the local level. Almost every location has some specialty. There is a need to identify and promote specialties at various locations. Rural artisans can earn their living at the local level by practicing their basic skills. The creation of enterprises brings out overall improvement in rural life by making them provide easy access to basic healthcare facilities, education and without making they lose their

traditional skills and culture. Rural entrepreneurship is a tool to improve life and infrastructure.

According to Sanjeeb (2013), entrepreneurship is the active process of recognizing an economic demand in an economy and supplying the factors of production (land, labour and capital) to satisfy that demand usually to generate a profit. High levels of poverty combined with slow economic growth in the formal sector have forced a large part of the developing world's population to shift to self-employment and informal activities. But this is not necessarily negative, micro enterprises contribute significantly to economic growth, social stability and equity. The sector is one of the most important vehicles through which low-income people can escape poverty. With limited skills and education to compete for formal sector jobs, these men and women find economic opportunities in micro-enterprises.

Rural entrepreneurship plays an important role in economic development in developing countries like India. Rural entrepreneurship helps in the development of backward regions and removes poverty. Rural entrepreneurs need support for infrastructure development, investment in agriculture, promotion of non-farm rural activities, education, and health services, etc.

Entrepreneurship is an effective instrument of social and economic development for the rural people. It helps generate employment for several people with their own social system through the enterprises. This entrepreneurship is more effective for rural people to enable them to add the family income while taking care of their own homes and strengthening self-reliance, women's empowerment and removing gender inequalities. The micro-entrepreneurship promotes small-scale business enterprises and its major aim is to remove poverty by income generating activities among rural people and for achieving self-sufficiency.

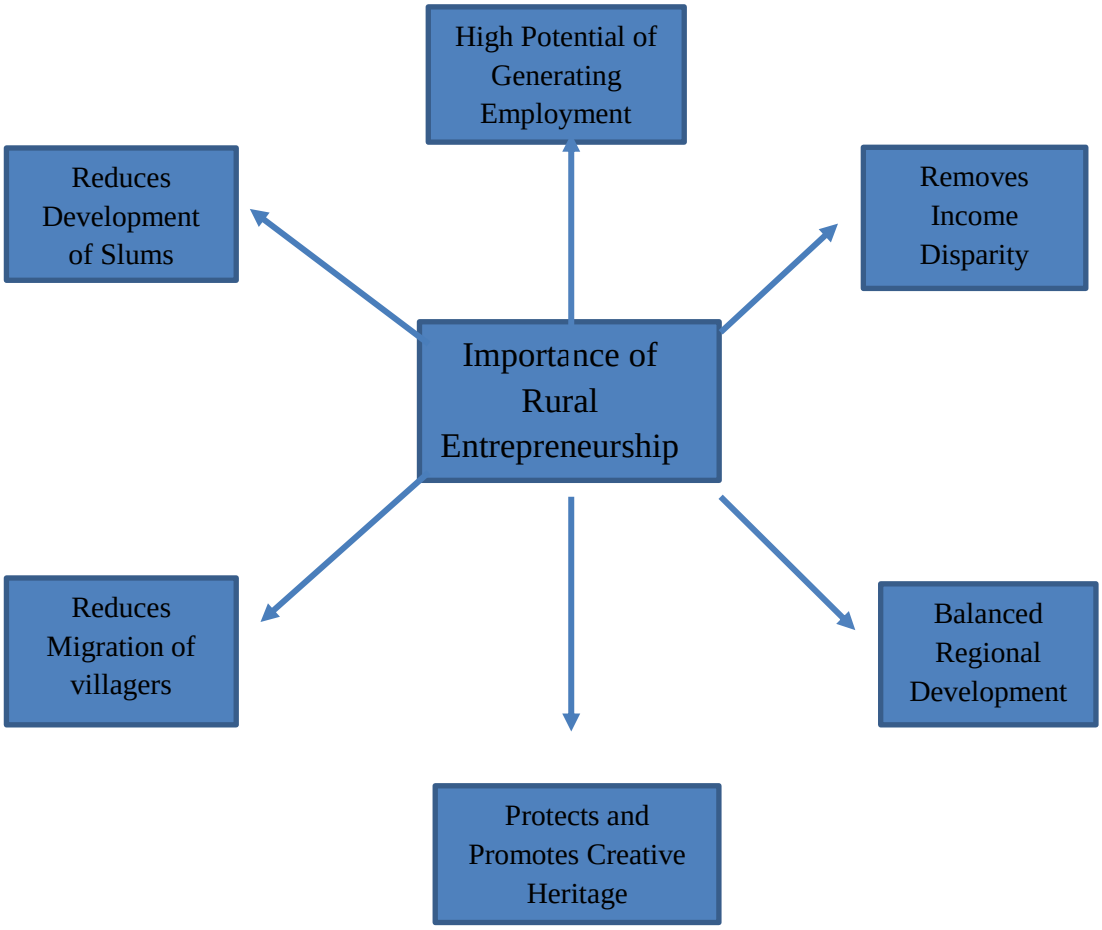

Figure 1.1: Importance of Rural Entrepreneurship.

Entrepreneurs play an important role in the economic development of underdeveloped countries. The rural people have skills and knowledge, talents and abilities in business, and a compelling desire of wanting to do something positive. Entrepreneurship plays an important role in developing the society of a fast-developing country like India. Nowadays it has been realized that enterprising of rural people have vast entrepreneurial talents which could be harnessed to convert them from the position of Jobseekers to Job givers.

1.4 Role of development in Rural Entrepreneurship

Rural entrepreneurship contributes immensely to the economic growth and thereby plays a vital role in the development process. It sows the seeds of development and that, in turn, facilitates the growth and spread of entrepreneurship.

As society moves gradually from underdevelopment to the phase of development, market opportunities widen and individuals acquire more finance, purchasing power, skills, abilities and motives. As a result, the social and economic environments tend to become more conducive to growth as well as further expansion of entrepreneurship. Putting more simply, throughout time the cumulative effect of development helps to generate increasing entrepreneurial activities. Therefore, governments should start creating an economy for micro-entrepreneurs that would employ the modern trends and tools such as the sharing economy that are powered by novel technologies and approaches. All of these would lead to the creation of a new class of sustainable and digital micro-enterprises and would result in increasing energy efficiency and the transition to a green economy.

1.5 Entrepreneurship in Mizoram

Entrepreneurship in Mizoram is growing steadily, driven by government initiatives, the availability of local resources, and the enthusiasm of young entrepreneurs. Due to its unique geographical and socio-cultural context, entrepreneurship in Mizoram is mainly centered on agriculture, handloom & handicrafts, food processing, and small-scale industries.

The state of Mizoram is one of the most backward states in the country due to the absence of many prerequisite factors for industrial development. Still, despite the natural disadvantages in terms of geographical location, difficult topography, financial constraint and lack of technology faced by the State. But the industry department plays an important role in the economic development of the state; according to an economic survey in Mizoram, the industry sector has shown a steady since the past few years with a growth rate of 17.07 percent showing in 2018-19 only lower than 2.72 percent in agriculture and allied activities. In terms of employment generation the contribution of the industry sector is commendable. The flow of investment and employment generated under the industry sector is 4505 lakh of investment, unit register of 235 and employment generated of 1635 (Economic Survey Mizoram, 2019-20).

The entire state has been notified as a ‘No Industry State’ according to Shailaja, and there is a predominance of tiny, household and small-scale enterprises

in the state. The people have preferred a government job due to a lack of skill development and institutional support for the entrepreneur. The government officials claim that they do try to provide a better exposure to entrepreneurs by taking them to trade fairs and expos, but the entrepreneurs apparently have not been able to capitalize on these opportunities. Almost all of Mizo's entrepreneurs are first generation entrepreneurs. The enterprises are mainly sole proprietorships where the proprietor along with his family members manages all aspects of his business himself - right from product development to finance and marketing.

Table 1.1 Status of District Industries Centre During 2007-2019 in Mizoram

Year	No. of unit registered during the year	Investment during the year (` in lakh)	Employment (No)
2007-2008	594	593.00	594
2008-2009	487	866.30	4113
2009-2010	457	1978.29	3977
2010-2011	200	2164.50	1328
2011-2012	131	1072.98	906
2012-2013	122	1432.20	930
2013-2014	213	2323.12	1440
2014-2015	120	600.00	420
2015-2016	169	1178.75	922
2016-2017	71	284.00	902
2017-2018	504	5418.86	851
2018-2019	235	4505	1635

Source: *Economic survey 2019-20. Department of Planning and Programme Implementation, government of Mizoram.*

Though, finance is one of the major constraints for entrepreneurs, but they show much greater reliance on their own sources of finance rather than institutional sources, entrepreneurs seem to show a positive attitude towards work and want to be

on their own in business. The positive factor to becoming of entrepreneur is, being an own manager, we can say that these motivational factors are pull factors. Most of the entrepreneurs proudly say that they do not want to work under anyone or anybody rather than they want to take on their own responsibilities and be independent. Drying up government jobs in the state, therefore the literate youth have to look for other profitable options for employment (Shailaja, 2014).

Entrepreneurship in Mizoram has great potential to drive economic growth, generate employment, and improve rural livelihoods. With better infrastructure, skill development, and financial support, Mizoram can become a hub for sustainable and innovative entrepreneurship.

1.6 Entrepreneurship & Start-up in the State

Mizoram is witnessing the emergence of a young business class with sharp entrepreneurial acumen and a drive for success. The entrepreneur potential and contributors to the economy need to be encouraged and supported, and the spirit of entrepreneurship needs to be promoted further, especially among the youth of the State. With this perspective, the Mizoram Entrepreneurship & start-up Policy, 2019 has been formulated to build a better environment in which entrepreneurs can innovate and commercialize the results of their creativity, and in which businesses and start-ups can thrive to create jobs and wealth.

There has been a marked increase in entrepreneurial activity since the implementation of the Entrepreneurship Development Scheme in 2017. Awareness of entrepreneurship programmes has covered all the districts of Mizoram and are conducted as a stand-alone or in combination with other entrepreneurial events regularly. Contributory funding total of rupees 241.08 lakh has been granted to 57 start-ups that were selected through open competition mode. Of these, 32 are women-led start-ups. 60 other promising start-ups have been identified by winning business plan contests organized in collaboration with IIM Calcutta Innovation Park. Two incubation centres have sprung up viz. Mizoram University Incubation Centre and BioNEST Incubator, with the former currently incubating 13 start-ups. The Economic Survey of India 2019-20 has identified Mizoram among 6 other states (and

the only one in the NER) as having the highest overall entrepreneurial activity (Economic Survey of Mizoram 2019-20).

The Mizo's societies have their own unique social, economic, cultural and political institutions that influence various spheres of their activities, including their entrepreneurial behaviour as well. According to Mizoram Entrepreneurship & Start-up Policy (2019), An Entrepreneurship development centre (EDC) has been set with the mission to become a catalyst in facilitating the emergence of a competent group of entrepreneurs and providing hand-holding support for entrepreneurs through spreading awareness on entrepreneurship, promote innovation and novelty, impart skills necessary to prepare the youth to start and run their ventures successfully through training & workshops, facilitate consultation meetings, provide mentoring and facilitate networking to potential and early-stage entrepreneurs, and channel micro-financing for start-ups. It bases its activities on the belief that–Mizoram is witnessing the emergence of a young business class with sharp entrepreneurial acumen and a drive for success. The entrepreneur potential and contributors to the economy need to be encouraged and supported, and the spirit of entrepreneurship needs to be promoted further, especially among the youth of the State. With this perspective, the Mizoram Entrepreneurship & start-up Policy, 2019 has been formulated to build a better environment in which entrepreneurs can innovate and commercialize the results of their creativity, and in which businesses and start-ups can thrive to create jobs and wealth.

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• Entrepreneurship is a vital tool that facilitates inclusive growth of society.

• Entrepreneurship education, training & counselling can hasten the emergence of progressive entrepreneurs.

• Entrepreneurship encourages youth to seek innovations & challenges thus leading to optimal utilization of the State demographic dividend, resources & wealth creation.

Jegadeeswari et.al (2020) in their study observes that MSME entrepreneurs at all times strive to explore and exploit opportunities, encourage effective resource mobilization of capital and skill, bring in new products and services and develop markets for the growth of the economy. In this way, they help increase the gross national product as well as the per capita income of the people in a country. MSME entrepreneurs play a key role in increasing the standard of living of the people by adopting the latest innovations in the production of a wide variety of goods and services on a large scale that too at a lower cost. MSME entrepreneurs also help in promoting a country's export trade, which is an important ingredient of economic

development. They produce goods and services on a large scale for the purpose of earning huge amounts of foreign exchange from exports to combat the import dues requirement.

Udyam Registration is a new enterprise registration declared by the ministry of Micro Small and Medium Enterprises (MSMEs) for businesses. As per the notification of the Ministry, all existing Indian companies and enterprises shall file and register as Udyam on or before 31st March 2021. The Udyam registration portal is a self-declaration basis portal without adding or uploading any document or certificate. Udyam can be filed online by local entrepreneurs from all places of the state without any problem. More than 2637 Entrepreneurs from Mizoram have filed online Udyam till date. The flow of micro, small and medium under the Industries sector as per the Udyam filed at DICs is shown below:-

Table 1.2 No. of Udyam Registered in Mizoram

Sl. No	Classification	No of Registered
1	Micro	2567
2	Small	62
3	Medium	8
	Total	2637

Source: *Economic survey of Mizoram 2021-22.*

Entrepreneurship and start-ups in Mizoram are on a promising growth trajectory, driven by local resources, cultural heritage, and government initiatives. The state's rich biodiversity, skilled artisans, agricultural potential, and tourism prospects provide a solid foundation for entrepreneurial ventures. The rise of agro-based industries, handloom and handicrafts, food processing, eco-tourism, and digital enterprises indicates a shift towards a more self-reliant and innovation-driven economy.

However, challenges such as inadequate infrastructure, market access, and financial constraints still hinder rapid growth. To sustain and accelerate entrepreneurship in Mizoram, there is a need for:

- ✓ Improved infrastructure and logistics to enhance business operations.
- ✓ Better financial support and investment opportunities for start-ups and MSMEs.
- ✓ Capacity building and skill development programs to equip entrepreneurs with modern business knowledge.
- ✓ Stronger market linkages and digital transformation to expand business reach beyond the state.

With continued support from government schemes, private investments, and community participation, Mizoram has the potential to become a hub for sustainable, innovative, and inclusive entrepreneurship. By leveraging its unique strengths and addressing key challenges, the state can foster a thriving start-up ecosystem that contributes to economic growth, employment generation, and rural development.

1.7 Micro, Small & Medium Enterprises

"India lives in it's a village" – Mahatma Gandhi, according to the census of 2011 or the 15th census of India since 1872 rural population comprises 68.8percent, that is more than two third of the total population. The majority of the people live in rural areas and their livelihood depends on agriculture and allied activities. Therefore, the government of India is striving to improve economic and social security through the development of farm and non-farm sectors of rural people.

In India, According to the Ministry of Micro Small and Medium Enterprises Development (MSMED) defined Micro, Small and Medium Enterprises (MSMEs) are classified into two classes are;

(I) Manufacturing Enterprises – enterprises engaged in the manufacture or production of goods about any industry or employing plant and machinery in the process of value addition to the final product having a district name or character or use.

(II) Service enterprises – the enterprises engaged in providing or rendering of services and are defined in terms of investment in equipment.

The limit for investment in plant and machinery/equipment for manufacturing and service enterprises, as per the Act are as under.

Table 1.3	**Investment in Manufacturing Enterprises**
Enterprises	**Investment in plant and machinery**
Micro enterprise	Does not exceed 25 lakh rupees
Small enterprise	More than 25 lakh but does not exceed rupees 5crore
Medium enterprise	More than 5 crore but does not exceed rupees 10crore

Source: *Micro, Small and Medium Enterprises Development (MSMED) Act, 2006*

Table 1.4	**Investment in Service Enterprises**
Enterprises	**Investment in equipment**
Micro enterprise	Does not exceed rupees 10 lakh
Small enterprise	More than 10 lakh but does not exceed rupees 2crore
Medium enterprise	More than 2 crore but does not exceed rupees 5crore

Source: *Micro, Small and Medium Enterprises Development (MSMED) Act, 2006*

1.8 Scope of the Study

India has been steadily growing as an economic power in the past two decades and has been able to create the bare necessary infrastructure required to sustain this rate of growth. The connectivity to remote areas has been improved to a great extent both in terms of physical accessibility by road and virtual accessibility in terms of telecommunications and information technology. Combined with this there is a steady growth in education among the rural population including professional qualifications among rural youth. This presents the ideal situation for enterprises to spring in the rural areas where the cost of operation, labour and availability of raw materials is substantially cheaper as compared to urban parts of the country (Sharma, 2013).

Causes of sickness in small and micro enterprises are a cumulative effect of many factors which can be broadly classified into external causes and internal causes. External causes consist of the factors over which the entrepreneur has no control, e.g. power cuts, erratic supply of inputs, demand and credit restraint, govt.

policies related to taxes, import and export, regulation, licensing etc. whereas internal causes refer to the factors within the enterprise e.g. fault in planning and management, defective plan and machinery, delay and implementation of the project, financial problem, entrepreneurial incompetence, dissension among partners, poor information system, competition in the market etc. All these factors heavily plague the entrepreneurial framework in a country and a state the worst affected are the rural entrepreneurs who suffer many consequences of sickness in their enterprises. As a direct consequence of sickness, future employment prospects suffer a setback; there is fear of industrial unrest, wasted resources, and loss of revenue to the government and banking sector along with the adverse impact on related ancillary units and investors. Thought movement has implemented many policies and programmes to promote entrepreneurial activity, especially in rural areas, it has done little to neutralize the factors related to entrepreneurial sickness as a result of which the scope of entrepreneurship in India is vastly limited.

The study mainly focuses on selected rural villages based on those who are registered micro small and medium enterprises (MSMEs) in Mizoram, to analyse the rural entrepreneurship growth and potential and performance of rural enterprises. Some of the objectives of this research studies to find out the objective are, to assess the employment and income generation of the rural enterprises. The status of rural entrepreneur and calculate the achievement of his/her business and performance of their entrepreneurial activity. Whereas, sustainability of the enterprises and impact of economic growth from the entrepreneurial activity. The performance of their enterprises is the main factor that is the objective of this research study. Review and find out the problems faced by a rural entrepreneur in the promoting and developing of rural entrepreneurship, financial assistance from the government and financial institution, motivation of the respondent to become an entrepreneur, socio-economic status and general information of the respondents. This research study is required to answer the entire question.

The review of the literature discussed above that there were many studies conducted on rural entrepreneurship. However, there are a few studies till now conducted in Mizoram in general and rural areas in particular on rural

entrepreneurship and the enterprises. There is a need for many more micro studies because of variations in geographic, social, cultural, political and economic conditions from state to state and from region to region within the state. Further, there is a need to throw light on the impact of socio-economic factors on the growth of rural entrepreneurship in Mizoram. This study attempts to sketch the role of rural enterprises in transforming the lives of the rural folks in the state of Mizoram.

1.9 Limitation of the Study

Although this study aims to assess the performance of rural enterprises in Mizoram, several limitations must be acknowledged to understand the context and scope within which the research was conducted.

The study is limited to rural entrepreneurs in Mizoram of five districts from thirteen villages were selected namely Zawlnuam, Lengpui, West Phaileng, Kawrthah and Ropuichhip from Mamit district, Bairabi, Vairengte and Kawnpui from Kolasib district, North Vanlaiphai, Baktawng and Thenzawl from Serchhip district, Ngopa village of Saitual district and Kawlkulh village from Khawzawl district. The researcher selects the rural entrepreneurs with more than two years of experience, according to the objectives of the study. The study can be expanded further to include rural entrepreneurs from more number of villages across different states to get a more comprehensive picture of the performance of rural entrepreneurs in the country, which was not possible within the limited time frame of the research. Another limitation of the study since the data collection lacks of proper financial data and the information of the respondents is not sufficiently available, hence it is very difficult to make an in-depth study; the study has to rely more on primary data collected in the study areas. Further, because of the lack of proper financial records, some of the entrepreneurs couldn’t answer the exact question properly the main objective of the research questions.

Despite these limitations, the study adopts purposive sampling method and triangulates both primary and secondary data sources to ensure that the findings are credible and relevant for understanding the performance landscape of rural enterprises in Mizoram.

1.10 Objectives of the Study

The study aims to explore various aspects of rural entrepreneurship, with a focus on understanding the problems, sustainability, and impact of rural enterprises. The specific objectives are:

1. To identify the motivational factors of rural entrepreneurs;
2. To study the nature of business and sustainability of rural enterprises;
3. To examine the impact of rural enterprises on income and employment generation;
4. To find out the problems and issues facing the rural entrepreneurs;
5. To recommend policy measures for further development of rural entrepreneurship.

CHAPTER - 2

REVIEW OF LITERATURE

A review of the literature makes the perfect research in the way of understanding the theory of the research, sufficient empirical data to allow some development of theoretical concepts, theories of social cognition, information processing and expertise, provides the foundation for a cross-cultural model of venture capital, purpose, scope, methods, results, any discussion points, limitations, and implications for future research.

The Review of Literature provides an overview of existing studies, research findings, and theoretical perspectives on rural entrepreneurship. It helps in understanding the current knowledge, identifying gaps, and establishing the foundation for the present study.

The existing literature review has been grouped into four categories. The first group is the significance of entrepreneurship; a way of rural development, motivational factors of entrepreneurs, the performance of rural enterprises and problems and prospects of rural entrepreneurship.

2.1 Entrepreneurship: Way of Rural Development

Ojha (2016) in his study of "entrepreneur in socio economic development in India" revealed that entrepreneurship has been considered the backbone of socio economic development of the country and an important role in rural development. He found that the performances of their vital roles for the overall development through entrepreneurship are formation of capital, balanced regional development, generate employment. This is the real charm of being an entrepreneur. They are not the job seekers but job creators and job providers, improvement in standard of living, entrepreneurial initiative through employment generation leads to increase in income and purchasing power which is spent on consumption expenditure. Increase in per capita income, national self-reliance. He concludes that rural entrepreneurship will

bring in or develop infrastructural facilities like power, roads, bridges etc. It can help to check the migration of people from rural to urban areas in search of jobs.

Kaur and Gill (2015) in their papers “highlight rural entrepreneur challenges in India” rural entrepreneurship is an important for rural economic development. There are several reasons for the increasing interest in entrepreneurship especially in rural regions and communities. The rural entrepreneurs play important role in driving local and national economies. The structure of rural economies is essentially composed of small enterprises, which are responsible for most of the job growth and the innovation. Thus the study also found that from the performance of enterprises there is an opportunity for rural entrepreneurs are crashed scheme for rural development.

Lavanya et.al (2014) observed that Rural entrepreneurship plays an important role for economic development in developing countries such as like our country in India where it is still underdeveloped .To bring a change the institutions needs to focus on synergies between education (including modern vocational education training/skill development), innovation (converting ideas into wealth and employment) and enterprises should be encouraged.

Sharma and Neog (2017) in their study of micro small and medium enterprise in Sonipur district of Assam, the findings of the study justifies the importance of MSMEs in growth of the economy by its increasing contribution in number of establishments, employment, investment and production output. The study conclude that Micro entrepreneurs can contribute to Mr. Modi‟s Make in India programme through this scheme by making India a manufacturing hub of millions of small items and things and marketing them on a larger scale.

2.2 Motivational Factors

Khanka S (1999) motivation may be defined as ones willingness to exert high level of efforts towards the accomplishment of goal or fulfillment of need. Accordingly, the entrepreneurial motivation may be defined as the process that activates and motivates the entrepreneur to exert higher level of efforts for the

achievement of his/her entrepreneurial goals. In other words, the entrepreneurial motivation refers to the forces or drive within an entrepreneur that affect the direction, intensity and persistence of his/her voluntary behavior as entrepreneur. So to say, a motivational entrepreneur will be willing to expert a particular level of effort, for a certain period of time toward a particular goal. (Keima lehkha bu, entrepreneurial development)

Rajesh and Tanuja (2020) in their study on motivational factors for the start-up of MSME in Kokrajhar district Assam, the study reveals that unemployment is the main reason for starting entrepreneurial activity. The study also suggested that support in terms of financial assistance, technology and raw material and infrastructural facilities. These facilities are the external motivating factors and serve as a spark in the lightening of the entrepreneurial ideas. Suggestion have been made in order of the government of India should pay more attention towards development of MSME in rural uncovered areas of the country by spreading awareness of the different Schemes and assistance provided of MSMEs to the people, starting up enterprises to promote economic development and increase GDP of the country.

Rathna et al., (2016) in their study on Entrepreneurial Motivation and Challenges, the study conducted of 400 samples of women entrepreneurs from rural and urban areas, to understand their entrepreneurial motivation and challenge. The study clearly showed that the entrepreneurs were primarily motivated by the need for economic achievement of financial needs, and Lack of other employment opportunities. From the survey findings that “income” is the major determinant for women to take up entrepreneurship.

Sudhanraj & A Karthikeyan (2018) in their study stated that the findings revealed showed there was a motivation factor significantly enhances entrepreneurial behaviour variable and correlation analysis, the findings show that there is positive interrelation between the entrepreneurial behaviour variable among the entrepreneurs in MSMEs at Puducherry.

Lalhunthara (2019) in his study of entrepreneurial motivation from 406 Micro enterprises of rural and urban in Aizawal district, it was found that unemployment

was the most compelling reason for opting to be an entrepreneur. The sample entrepreneurs, 95.8 percent mentioned unemployment either as the first. He also suggested entrepreneurial education needs to be introduced and strengthened, especially from the secondary school level. This will help the young generation in visualising their career in entrepreneurship rather than in government sector. He concludes the government should provide entrepreneurship support, the impact of those rural small entrepreneurs who have potential to become successful entrepreneurs, so that there would be better inclusive growth.

Meera (2017) in her study of micro level rural entrepreneurship of motivational factors, the study observed that the factors such as need for achievement, one's ambition to lead an independent life, self-actualization and other related factors are considered as factors motivating individuals to take up entrepreneurial activities. The study argued that most of the rural entrepreneurs are agriculture failure, to supplement agricultural income, to continue family business, to earn livelihood and also due to lose of employment. She concludes the main reason to become entrepreneurs is a push factor of livelihood.

Katekhaye et al., (2019) states that core motivational includes ability to undertake risk, confidence and ability to provide good quality and services. The research studies suggested the national level the government should providing capital investment and high level infrastructure, especially for rural entrepreneurs, entrepreneurs may have the opportunity to be more successful and experience business growth. Also mentorship and guidance, especially on a management level to small rural entrepreneurs.

Swamy and Nandeshwar (2011) found that motivation is an essential part of a successful entrepreneur. The factors that influence the village entrepreneurs are "Lucrative Business Environment", "Opportunity to generate additional income", "community affiliation", "ability to cope with changing trends", "self-orientation", "owning family responsibilities", "continue family tradition" and "ability to mobilize the resources" are the energizes the rural entrepreneurs.

Zsuzsanna et el., (2021) Examined pull and push factors of the motivation of the entrepreneurs, most of the cases people quit their employment because fundamental influence on decision to start their own venture. The pushed factors to become independence, self-realization and utilization of own skills and abilities.

Milovan (2018) the study examines success factors and motivation of entrepreneurs in the rural areas of the Eastern Serbia. The study revealed that the hard work and the quality of the products (services) are crucial success factors of the entrepreneur. The results also indicate that the strongest motivators of the researched entrepreneurs were to be one's own boss and to increase one's own income. It was found that the vast majority of entrepreneurs have graduated from the high school.

Đana and Nataša (2020) defined in their study Push theory argues that individuals are encouraged to become entrepreneurs under the influence of negative external forces (job dissatisfaction, hard work finding, insufficient earnings, etc.) and Pull theory says that individuals become entrepreneurs looking for positive outcomes (independence, self-fulfilment, emphasis, and proof). The study also revealed that the main factor of the spike is unemployment of push factor, whereas need for independence and autonomy is one of the main pull factors of entrepreneurial motivation.

Ivan et al., (2010) in their study of Motivational and success factors of entrepreneurs, the evidence from a developing country, the study revealed that motivational factors of entrepreneurs are generic in developing countries. It was also stated that position in society, interpersonal skills, approval and support, competitive product/service, leadership skills and business reputation. "To increase my income" was the most important reason to own a business. The research study also suggested that the government must more actively support entrepreneurs. The development of entrepreneurship and SMEs ought to be one of the most important objectives of every country in the world.

According to Belas and Kljucnikov (2016) in their research study entrepreneurs consider expertise, responsibility and perseverance to be the most

important personal characteristics and skills. Propensity to risk and decisiveness are ranked right after them.

Jeyakumari and Punitha (2018) have express in their study of 250 entrepreneurs from the Thanjavur district of Tamil Nadu. The study obviously shows that Entrepreneurship plays a crucial role in the growth of our economy. It acts as a catalysed in nurturing the initiative to undertake economic activities for the production and distribution of wealth. In rural areas larger amount of potential, remain unemployed due to lack of supportive means and management. Proper entrepreneurial skill and marketing talent is to be given to rural entrepreneurs through proper training programmes for carrying micro entrepreneurial activities.

Chandrahasa (2016) in his research paper he argue that rural entrepreneurs have skills employability and livelihood opportunities, reduce poverty, enhance productivity and promote environmentally sustainable development. He suggests that coordinated efforts are needed to develop an integrated approach that improves access to relevant, good quality education and training to all rural women and men. He conclude the rural people need to be motivated to take up entrepreneurship as a career, with training and sustaining support systems providing all necessary assistance.

Chakmraborty and Barman (2014) in their study of motivational factors on the Growth of rural entrepreneurs in Sonitpur district of Assam, the data collected from 288 samples were drawn considering 14 blocks as a whole population by the simple random sampling method. The study found that the motivational factors of the rural entrepreneurs are self-employment, continue the family business, dissatisfaction with the present job, eagerness to make money, gain social prestige, make use of technical and professional skill, need for independence, success stories of other entrepreneurs etc.

2.3 Performance of Rural Enterprises

Ratan (2016) stated that entrepreneurship is the back-bone of rural development in terms of regions' social, economic, political, and ecological concerns

in emerging nations like India. From his study he realise the performance of rural enterprise (Khadi & village), total output of Khadi industry was Rs.673.01 crore in FY 2010-11 which rose at Rs. 879.98 by the end of FY 2014-2015. During the four years span it rose as much as 31%. During the four years span khadi industry provided barely 90,000 new employments. During the same era village industrial sector was created 19.64 lakhs new employment. The studies clearly show that rural entrepreneurship plays a vital role for economic growth in developing country, improving the backward areas and eradicating poverty.

Poonam Sinha (2004) conducted a study on "Impact of Training on First Generation Entrepreneurs in Tripura". In her study analyse who had taken a loan from under the Prime Minister Rozgar Yajna (PMRY) and who have attend training for setting up their enterprises. The sample selected from the first generation entrepreneurs from Tripura and study covered a sample of 307 entrepreneurs. From the information of PMRY training, the trainees expressed view that training had helped in building their confidence either fully or to some extent. Improvement in personal effects as well as self-awareness and self-management skills, also help them to autonomy and creativity. The study also reveals that the promotional agencies the district industries centre functionaries provided greater pre-lending support such as suppliers, technical guidance and diversification. The study found that from the entrepreneurs got gainful employment and generated more numbers of employments. It stated that from the first generation entrepreneurs of the respondents of 307, she reveals 292 units generated employment for 621 persons, per unit employment generation being 2.3persons. Therefore, it was a successful providing scheme and creating employment opportunities. It was concluded training plays a significant positive impact of promoting first generation entrepreneurs of the government scheme.

Abhijith (2021) in his study based on MSMEs annual reports, the performance of village or rural industries in respect of production and sales have grown consistently from total production worth Rs. 21135.1 Crores in 2011-12, the number stood at Rs. 76582.4 Crores in 2020 – 21. Similarly, sales of goods produced by Village Industries have shown growth from Rs. 25829.3 Crores in 2011-12 to Rs.

101307 Crores in 2020 – 21. Annual growth rate also increased remarkably from 10.06% to 17.20% in production and from 3.82% to 19.65% in sales of Village Industries. The study concluded that rural industries play an important role in the national economy, particularly in the rural economy, creation of new enterprises that energize the economy and rejuvenate the established enterprises that make up the economic structure.

Ambara (2020) the study aims to analyze the relationship between the forms of rural entrepreneurship capital and entrepreneurial behaviour as represented by firm performance to understand about what forms or types of financial, social, human and cultural to encourage entrepreneurship in the context of the rural economy, as well as their respective influence. The study reveals that rural entrepreneurship capital has a strong impact on the behavioural performance of rural young entrepreneurs. Sequentially, cultural capital appears to be dominant over other entrepreneurship capitals which are characterized by the magnitude of the coefficient value. Then, it is followed by social capital and human capital. The finding shows that education, family support and entrepreneurial networks in the rural environment are very meaningful for young entrepreneurs in rural areas.

Palanivelu and Apdhulkathar (2015) in their paper highlight entrepreneurship development programme (EDPs) and their performance for self-employment generating programs for rural folks and their role in developing and fostering rural enterprises. The scope of rural entrepreneurship development (RED) revolves around building a system of support for entrepreneurs with a spotlight on entrepreneurship education, technical help, and monetary capital. The study investigate and find out the performance of elite measures undertaken by Government of India for rural socio-economic development by making employment opportunities through varied sponsored schemes and programmes toward rural entrepreneurship development within the country are, Integrated Rural Development Programme (IRDP), Swarnjayanti Gram Swarozgar Yojna (SGSY), Jawahar Rozgar Yojna (JRY), Employment Assurance theme (EAS), Sampoorna Grameen Rozgar Yojna (SGRY), National Food for Work (NFFW) and Indira Awas Yojna (IAY). National Rural Employment Guarantee Programme (NREGA), National social insurance

Programme (NSAP), National Rural Employment Programme (NREP), Rural landless Employment Guarantee Programme (RLEGP), Training of Rural Youth for Self Employment (TRYSEM), Village and little Industries (VSL), Minimum needs Programme (MNP), these are the Institutional Infrastructure programs of Rural Entrepreneurship Development.

Bincy and Minnu (2021) in their study to find out the benefits of MSME in village area, significantly contributes in employment, income to society and government, GDP, skill and development among people, exports and manufacturing output. The results show that reduction of poverty and unemployment, boosting economic growth and development, maximum opportunities for self-employment and wage, improvement in per capita income, improved standard of living, balanced regional development, reduction of social evils like poverty, atmosphere pollution, growth of slums, and ignorance of inhabitants and proper utilization of local resources. The study concludes MSME can be said as the "accelerator of growth" for developing economies. MSME plays a vital role in Industrial development of a country.

Kushalakshi and Raghurama (2012) in their study assessed the performance of Rural Entrepreneurship: A Catalyst for Rural Development. They found that the performance of village or rural industries in respect of production, sales and employment in India from 1997-98 to 2012-13. The village industry production was worth ` 3895.21 crore in 1997-98 which increased to ` 21135.06 crore in 2011-12. It declined to ` 17448.31 crore in 2012-13. The total cumulative employment in the village industry increased from 42.49 lakh persons in 1997-98 to 111.04 lakh persons in 2012-13. Rural industries play an important role in the national economy, particularly in the rural economy. Rural entrepreneurship can be considered one of the solutions to reduce poverty, migration, economic disparity, unemployment and develop rural areas and backward regions.

2.4 Problems of Rural Entrepreneurship

Venkateswarlu and Ravindra (2014-2015) identified technological gap among entrepreneurs was found to be highly serious technical problem encountered

by rural entrepreneurs due to poor functioning of field functionaries, lack of means of communication, insufficient funds to use latest technology, and lack of specialized skills to use innovations in their units. The study also revealed that institutional problems encountered by entrepreneurs; Lack of government support and incentive, lack of training, supporting developmental agencies and poor working of various institutions related to entrepreneurship such as DICs, SISIs etc. finance as well as working capital, lack of sufficient working capital, lack of funds for publicity and advertisement of the products, high rate of interest on procured finance, large security requirement and high transaction cost were found as serious financial problems. The research concludes rural entrepreneurship plays an important role for economic development and converting into developing country to developed nation. Rural entrepreneurship is the answer to remove of rural poor people. The study suggested rural youth need to be motivated to take up entrepreneurship as a career, with training and sustaining support systems providing all necessary assistance.

Poonam Sinha (2016) conducted a study of 400 entrepreneurs‟ of men and women. The data was collected from 13 districts of Uttarakhand. The main objective of the study was examined the problems and prospects of women entrepreneurship. The study reveals that the main motivating factor to start enterprises was to earn money. The study further revealed that the main problems of women enterprise are the fear of failure followed by lack of confidence. Moreover, 24.6% faced the problem of lack of risk bearing capacity and 21.7% expressed managing of enterprise and household responsibilities. While 18% face the problem of knowledge of business and 16.9% faced the problem of role conflicts. 13.4% of major weakness and 12.9% lack of decision making problem faced by entrepreneurs. The study concludes that in these areas entrepreneurs have enough potential to take up entrepreneurship as a career.

Monika et al., (2013) highlight the problems of entrepreneurial activities in rural regions in developing countries like India. Some of the problems are due to lack of connectedness among the elements crucial to the fostering of capital accumulation, risk taking and innovation. The finding reveals that knowledge gap, finance, technology, human Resource, management and marketing are the problems

of entrepreneurship in developing counties. The study conclude the government should promote the rural development programs like infrastructure development, education and health services, investment in agriculture and the promotion of rural non-farm activities.

Sidhartha (2019) aims at understands the emergence of problems and prospect of rural entrepreneurship. The research study argue that lack of education, financial problems, marketing hurdles, management and human resource, insufficient technical and conceptual ability are the problems of entrepreneurs. Institutional problems of support and incentives, long and complicated procedures to avail Institutional help, financial problems of insufficient working capital procuring financial loans from different agencies, inadequate amount advanced through financing agencies, lack of funds for publicity and advertisement of the product, scarcity of electricity, water supply, transport facilities and energy requirements etc.

Deepa (2021) study makes an in depth analysis of 50 rural entrepreneurs on the basis of random sampling method. Lack of finance is far one of the biggest problems faced by rural entrepreneurs, Some Nationalized banks have not ventured out to serve rural customers because banks are expensive to be reached at the same time cumbersome process are creating huge hurdles for them. Whereas marketing problems as stiff competition from large and urban entrepreneurs. Middlemen exploit marketing of their products that unnecessarily troubles them and pocket large amount of profit as commission. Poor knowledge of internet facilities, scarcity of raw materials and un-skill labour are the hardest problems.

Surinder (2017) identified in his study still majority of the rural population is deprived of the basic amenities of life. The adverse features viz., poverty, starvation, illiteracy, dependence on agriculture, seasonal occupations and many more are the part of rural economy even after more than six decades of independence and calls forth to conduct a detailed study for examining the problems/factors accountable in this regard. The research study reveals that it has been found 'inadequate finance and marketing', 'restricted mobility', 'lack of managerial skills', 'technical experience', 'lack of modernization', 'work family imbalance, 'lack of awareness', 'lack of skilled

manpower', 'inadequate supply of power', 'insufficient supply of inputs', 'cut throat competition', 'inflation' and 'reducing subsidies'. It is further stated that the government should promote micro and small scale industry, non-governmental organizations, society, local community, etc these will motivate rural people to become entrepreneurs and to remove the problems in the way of their entrepreneurship.

Harish (2017) attempted to analyse the perception of problem of rural entrepreneurship as well as Paucity of Funds to get external funds due to absence of tangible security and credit in the market. Competition from large scale units also creates difficulty for the survival of new ventures. Extremely difficult in complying with various legal formalities in obtaining licenses due to illiteracy and ignorance. Family, society and support system is not conducive to encourage rural people to take up entrepreneurship as a career.

Brijesh and Kirit (2013) highlight the various problem of rural entrepreneurship are, the entrepreneurs fail to get external funds due to absence of tangible security and credit, and risk bearing capacity due to lack of financial resources and external support. Procurement of raw materials is really a tough task for them. They may end up with poor quality raw materials, may also face the problem of storage and warehousing. Non availability of skilled labours may not be available easily due to willing to work in urban areas due to high salary and other amenities.

Anuradha (2018) in her paper highlight women entrepreneur in Mizoram, she realised women entrepreneur constraints are delay in securing funds, power interruption, and delay in installation of machines, delay in securing of sites, lack of technical guidance and procedurals delay in government offices. She end up the paper women are more involved in income generating activities than the other parts of the country. But the entrepreneurial activities taken up by the women in the study area are small scale and convergence towards service-based industries.

Gour (2014) in his study of women entrepreneurship in north-eastern states, he observed most of the women entrepreneurs have been self-motivated or motivated

by their family members. The study highlights the problems faced by women entrepreneurs in this region such as lack of awareness and dynamism, insignificant entrepreneurial zeal and motivation. Lack of managerial and marketing skills. Inadequate finance and infrastructure support system. Lack of education and practical training, socio-religious political barriers. Lack of self-confidence and optimistic attitude. Introvert, dependent and shy by nature and mostly preoccupied with household activities and responsibilities.

Jayadatta (2018) in his study of "Major Challenges and Problems of Rural Entrepreneurship in India" 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, and insufficient technical, conceptual ability at present it is too difficult for the rural entrepreneurs to establish industries in rural areas. He highlight the major problems are lack of knowledge of I.T, legal formalities, raw materials Procurement, products of poor quality and Lack of technical knowledge.

Patel and Chavda (2013) it was found from their study, most of the rural enterprises fail to get external funds due to absence of tangible security and credit in the market. Financial is the major difficulties faced by rural entrepreneurs includes low level of purchasing power of rural customer, sales volume is insufficient and starting business. Lack of infrastructural facilities, the growth of rural entrepreneurs is not very healthy in spite of efforts made by government due to lack of proper and adequate infrastructural facilities. Lack of information technology (I.T) is not common in rural areas; these problems of entrepreneurs rely on internal linkages that encourage the flow of goods, services, information and ideas. Lack of raw materials is really a tough task for rural entrepreneurs. They may end up with poor quality raw materials, also faced the problems of storage and warehousing and poor quality of products.

Saxena (2012) he made a study on problems faced by rural entrepreneurs and remedies to solve it. He observed that some of the different organizations like IFCI, ICICI, SIDBI, NABARD etc, are trying to sort of rural enterprises problems. These

institutions related marketing problems with distribution channels, pricing, product, promotion etc. He suggest remedies to solve for the rural enterprises, the problems which are creation of financial cells, concessional rates of interest, proper supply of raw materials, offering training facilities and setting up marketing co-operatives.

CHAPTER – 3

METHODOLOGY

This chapter presents the research methodology, to achieve the objective of the study, a sound and effective methodology is a pre-requisite in research. A selection of research topic, area of the study, sample size, tools of data collection and data analysis determines the validity of the research fulfilling the objectives of the study.

To assess the performance of rural enterprises in Mizoram, the study employed a mixed-methods approach, combining both quantitative and qualitative data collection and analysis. This approach was chosen to capture not only measurable performance indicators such as income, employment generation, and productivity, but also contextual and experiential insights from enterprise owners.

Quantitative data was analysed using descriptive statistics and performance metrics such as growth of income from the enterprises, employment size, and capital investment. Qualitative responses were thematically analysed to identify common problems, opportunities, and perceptions of enterprise sustainability.

3.1 Area of the Study

Mizoram is a land of rolling hills, valleys, rivers and lakes and one of the seven states in the northeast of the country. Mizoram shares a border with the other northeast states Manipur, Tripura and Assam as well as neighbouring countries of northwest of Bangladesh and southeast of Myanmar. Mizoram was previously part of Assam until 1972, when it was carved out as a Union Territory. It became the 23rd state of India; a step above Union Territory, on 20 February 1987. Aizawl is the capital city of a state. The name is derived from Mi (people), Zo (lofty place, such as a hill) and Ram (land), and thus Mizoram implies *"Land of the hill people"*. According to 2011 census reports on the government of India, the population of Mizoram is 1,091,014 of which male and female are 555,339 and 541,867

respectively; and a predominantly rural population, also the state is the 2nd least populous state in India. The state covers an area of approximately 21,087 square kilometres, whereas 91 percent of the state is forest areas. The latest literacy rate in Mizoram has seen an upward trend and its 91.33 percent of male literacy stands at 93.35 percent while female literacy is 89.27 percent.

The economy of Mizoram is largely agrarian, with a significant portion of the population engaged in agriculture and allied activities. However, there is a growing emphasis on rural development, entrepreneurship, and sustainable livelihoods through government schemes such as the Handholding scheme, mission organic value chain development, and centrally sponsored programs like Prime Minister Employment Generation Programme (PMEGP) and National Rural Livelihoods Mission (NRLM).

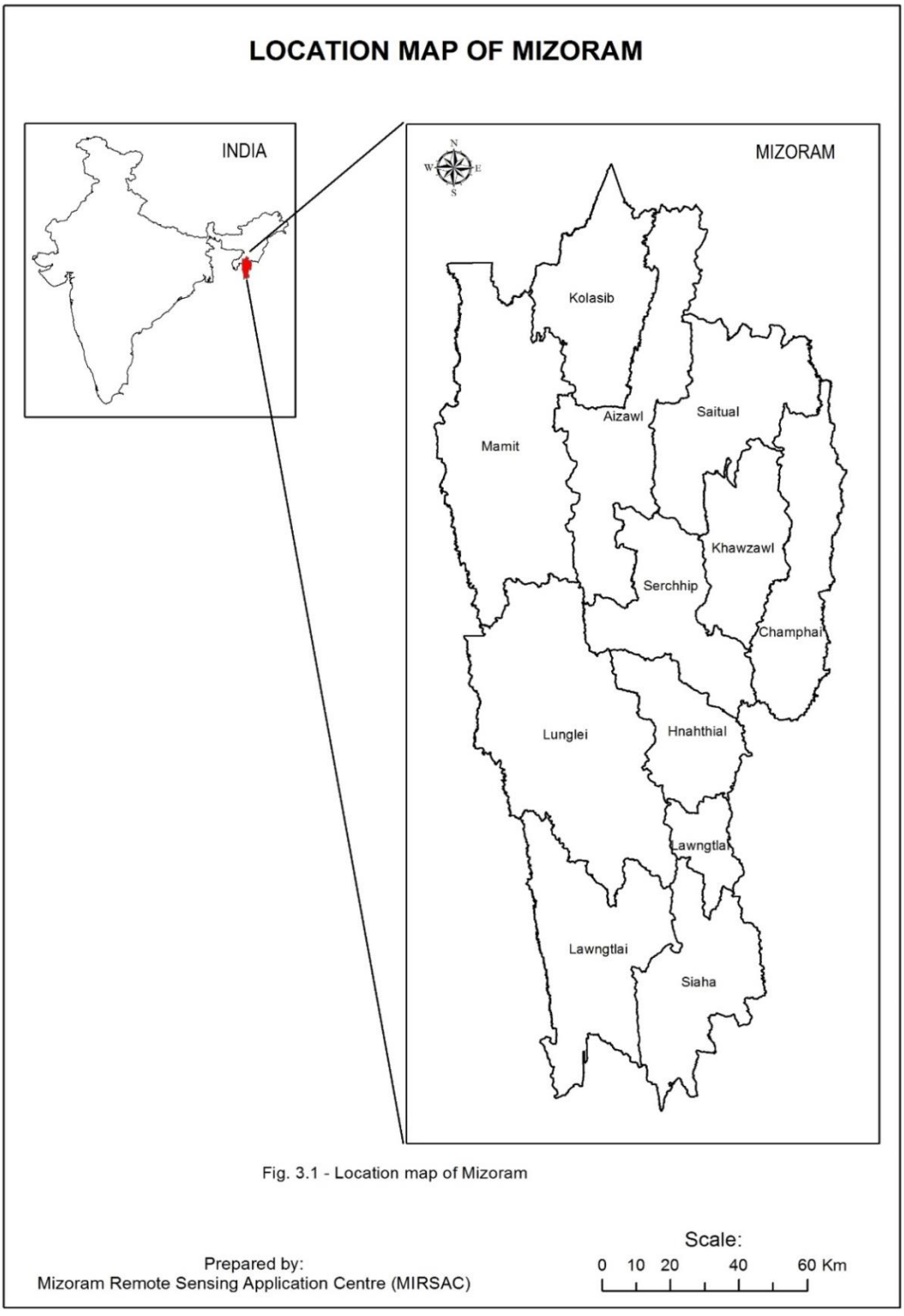


Fig. 3.1 - Location map of Mizoram

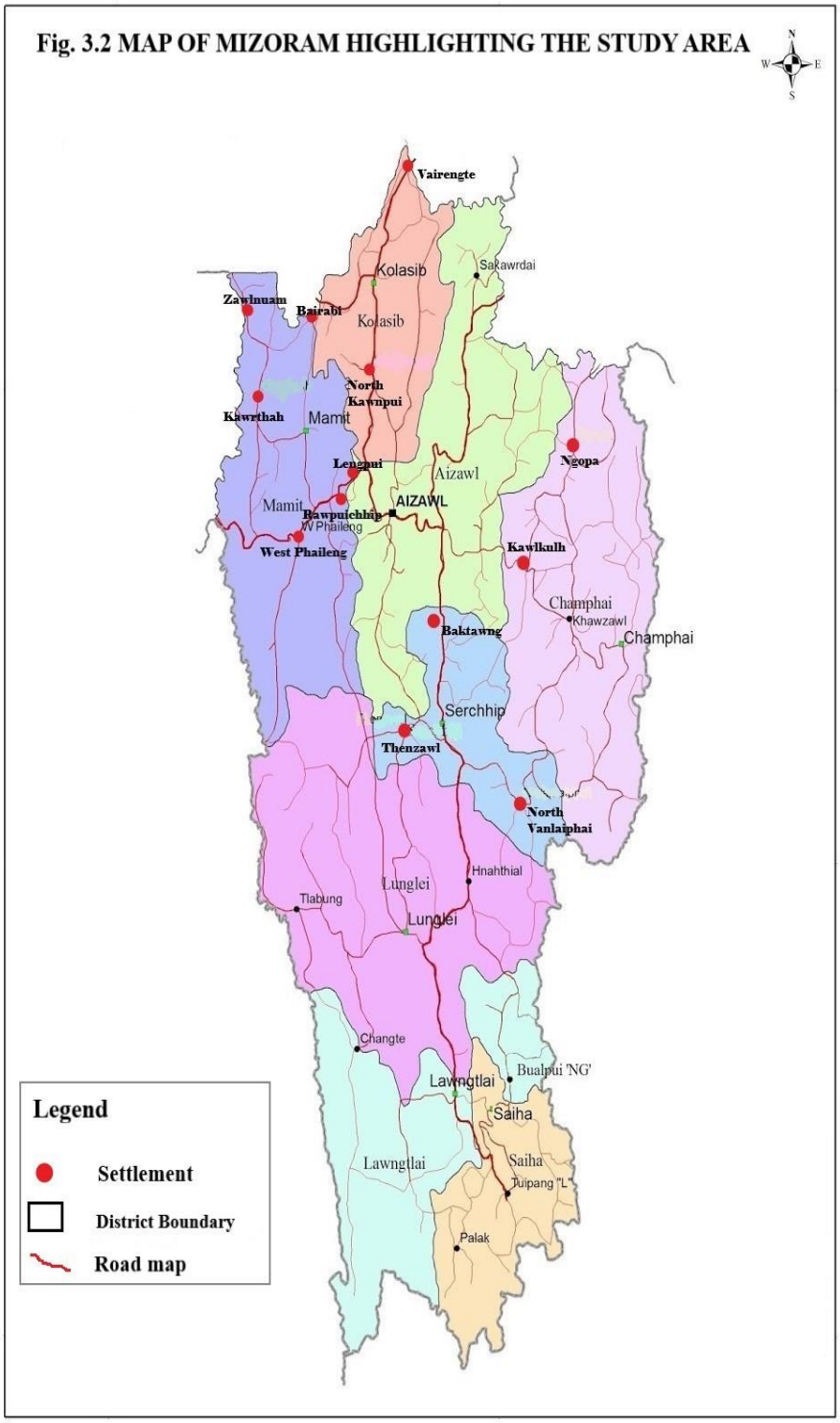


Fig. 3.2 MAP OF MIZORAM HIGHLIGHTING THE STUDY AREA
N
W
E
S
Vairengte
Kolasib
Sakawrdai
Zawlnuam
Bairabi
Kolasib
North
Kawnpui
Kawrthah
Mamit
Lengpui
Aizawl
Ngopa
Mamit
Rawpuichhip
AIZAWL
W Phaileng
West Phaileng
Kawlkulh
Champhai
Khawzawl
Champhai
Baktawng
Serchhip
Thenzawl
North
Vanlaiphai
Hnahthial
Lunglei
Tlabung
Lunglei
Changte
Lawngtlai
Bualpui 'NG'
Saiha
Lawngtlai
Saiha
Tuipang "L"
Palak
Legend
Settlement
District Boundary
Road map

Christianity is the main religion in the state with 87.16% of the total population, followed by Buddhism comprises 8.51%, Hindu 2.75% and the least followed religion in the state is Muslim comprises 1.35%. The state has an urban population of 52.11%. The urban population of Mizoram increased by 29.65% during the 2001-2011 periods and it is expected to rise further. Out of the total population, the state 47.89% live in the villages of rural areas. The population growth rate in Mizoram for the rural population recorded for this decade 2001-2011 was 17.40%, as per census 2011 reports.

The state is highly literate in an agrarian economy, but still, an old-age traditional slash-and-burn farming system has been practised as a part of the traditional livelihood system over generations mostly in the state. According to data from the state government, Mizoram has an area of around 21,08,700 hectares**,** of which 18,899 hectares are under Jhum cultivation. Moreover, 60,681 families practise Jhum cultivation throughout the state. Reports on the Northeast Rural Livelihood Project (NERLP) 2011 mention that, more than half of the population 61.37% are engaged in shifting cultivation. But in these recent years, the jhum farming practices have steadily been replaced with significant horticulture crops and non-farm development and providing various schemes from central and state governments. Lianzela (1997) the system of cultivation in Mizoram is an age-old primitive method of slash-and-burn or shifting cultivation or jhum. Every year large areas of land are burnt for jhum purposes. The system is very destructive in many ways. The annual jhum area is about 40,000 hectares. The productivity rate has been very low until recently. Almost all development agencies consider shifting cultivation to be very wasteful and an unscientific method of cultivation, which results in the wanton depletion of forests and adversely affects the environment.

The study mainly focus on selected rural villages based on those who are registered of micro small and medium enterprises (MSMEs) in Mizoram, to analyse the rural entrepreneurship growth and potential, performance of rural enterprises. Some of the objectives of this research studies to find out the objective are, to assess the employment and income generation of the rural enterprises. The status of rural entrepreneur and calculate the achievement of his/her business and performance of

their entrepreneurial activity. Whereas, sustainability of the enterprises and impact of economic growth from the entrepreneurial activity. The performance of their enterprises is the main factor that are the objective of this research study. Review and find out the problems faced by a rural entrepreneur in the promoting and developing of rural entrepreneurship, financial assistance from the government and financial institution, motivation of the respondent to become an entrepreneur, socio-economic status and general information of the respondents. This research study is required to answer the entire question.

As of the date of the research studies, the state has 11 administrative districts and 26 Rural Development Blocks in Mizoram. The state has three autonomous district councils (ADC) for ethnic tribes in the state namely Mara Autonomous District Council (MADC) for the Mara people in the southern-eastern corner of the state boundaries with Myanmar, Lai Autonomous District Council LADC) for the people of Lai in the southern part of the state and Chakma Autonomous District Council (CADC) lies in the southern part of the state bordering with Bangladesh. The state has three main festivals in a year which are called Chapchar kut, Mim kut and Pawl kut. All three festivals are connected with agricultural activities. The festivals are celebrated with feasts and dances.

It is noted that the collection of data was done before the creation of a new district viz. Saitual and Khawzawl district and the sample villages previously falling under the Champhai district are now in Saitual and Khawzawl district. The villages under the Saitual and Khawzawl districts are Ngopa and Kawlkulh village. At the time of primary data collection, the entire respondents from two villages were Udyum registration under MSMEs in Mizoram their previous Champhai district. The present study village is highlighted in figure 3.2. Presently for this research study, 13 villages from 4 districts were selected. The brief profiles of the selected districts and villages are as follows.

3.1.1 Mamit District

Mamit district is located in the western part of the Mizoram, it shares an international boundary with Bangladesh and the state of Tripura and Assam. Mamit

district has the Dampa forest and Dampa tiger reserve forest, which is very significant for the state. The majority of the people are Mizo and sub-tribes like Brus, Chakmas, etc. also inhabit in the district. Mamit is the headquarters of the district at a distance of 96 km from the state capital, Aizawl. Mamit district became a full-fledged district in the year 1998. The district occupies an area of 3025.75 km².

The district has three sub-divisions namely Mamit, West Phaileng and Kawrthah. Whereas, three Rural Development (RD) blocks viz, Reiek, West Phaileng and Zawlnuam. According to the 2011 census the district has 91 villages of which households of 17701, the district population was 85757 of which 44567 are male and 41190 are female. Out of the total population, 42.10% are minorities whereas 87.50% are depends on agriculture and allied activities. The district has recorded of 8274 families of below the poverty line (BPL) and 33096 of the BPL population. Mamit district literacy rates above 85.96% are recorded. The district is also known as the largest producer of oil palm in Mizoram in the year 2014-2015 with a total production of 1088.17MT. For this research study, the selected villages in Mamit district are Zawlnuam, Lengpui, West Phaileng, Kawrthah and Rawpuichhip.

3.1.1.1 Zawlnuam

Zawlnuam is located at the end of the district bordering Tripura state, it is 61km away from the district capital of Mamit. Zawlnuam is a Notified Town city in the district of Mamit, having a population of 3,733 of which 1,949 are males while 1,784 are females as per a report released by Census of India 2011. The literacy rate of Zawlnuam is 88.97%, while male literacy is around 89.14% while female literacy rate is 88.79%. The Zawlnuam town has 748 households, under the Zawlnuam RD blocks.

3.1.1.2 Lengpui

Lengpui is one of the famous villages in Mizoram for the reason of the state airport or Lengpui airport, the only commercial airport in the state is located in the village. Lengpui town is 65 km away from the district capital. The town has a

population of 3,282 of which 1,670 are males while 1,612 are females as per Census India 2011. The literacy rate of Lengpui is 97.83% higher than the state average of 91.33%. In Lengpui town, Male literacy is around 98.37% while female literacy rate is (97.28%). The town has a total administration of over 735 houses, under Reiek RD blocks.

3.1.1.3 West Phaileng

West Phaileng is a large village located under the West Phaileng RD block which is 45km away from the district capital of Mamit, with a total of 864 families residing. The Wes-.Phaileng village has a population of 4377 of which 2280 are males while 2097 are females as per census 2011. Females constitute 47.91% and males constitute 52.09% of the total population. The village has a higher literacy rate compared to the state which was 96.40% compared to 91.33% of the state literacy.

3.1.1.4 Kawrthah

Kawrthah is a large village located in the Zawlnuam RD block of Mamit district, which is 30km distance from the district headquarters. The total number of families residing in the village is 616, whereas the total population of 2812 of which 1428 are males while 1384 are females as per Population Census 2011. The village has a higher literacy of which is 95.07% out of which Male literacy stands at 95.86% while the female literacy rate was 94.27%.

3.1.1.5 Ropuichhip

Rawpuichhip village located under Reiek RD block, it is situated 45km away from the district headquarters Mamit. As per the census of 2011, Rawpuichhip has a total population of 1507 people, out of which the male population is 746 while the female population is 761. The literacy rate of Rawpuichhip village is 83.68% out of which 83.24% males and 84.10% females are literate. About 316 families are residing in Rawpuichhip village.

3.1.2 Serchhip District

Serchhip district lies in the central part of Mizoram. Serchhip town is the district headquarters in the state of Mizoram and 112km away from the state capital city of Aizawl. Agriculture is one of the important occupations for the people and the largest producer of cash crops like cabbages and mustards. Serchhip district started functioning on 15th September 1998, the Deputy Commissioner (DC) is the administrative head of the district and his office is located at Serchhip town. The district is divided into three Sub-Divisions viz. Serchhip Sadar, Thenzawl and North Vanlaiphai and two Rural Development (RD) blocks viz, Serchhip and East Lungdar. There are 42 villages in the district. The district is rich in eco-tourism like the highest waterfall in Mizoram, whereas lake, golf course, paragliding, handloom village and tropic of cancer pass the Thenzawl town and there is a Tawi wildlife sanctuary located in the Serchhip district. The district has a positive impact on the cleanest District in Mizoram with villages like Ngentiang, Baktawng and Chhiahtlang receiving national recognition and acclaim.

The district has the highest literacy all over India. The average literacy rate of Serchhip district is 98.23% which males and females are 98.30% and 98.17% literates respectively. As per the census of 2011, Serhhip district has a population of 64937 of which males and females were 32,851 and 32,086 respectively. Out of the population, 32019 (49.31%) live in urban areas, furthermore, a little more than half of the population 50.69% live in rural areas. The district had 12622 households. The villages selected for the studies are North Vanlaiphai, Baktawng and Thenzawl.

3.1.2.1 North Vanlaiphai

North Vanlaiphai village is 75km far from the district headquarters Serchhip, under East Lungdar RD block. The Village has 766 households with a total population of 3602 of which 1814 (50.36%) are males and 1788 (49.64%) are females. The literacy rate of North Vanlaiphai is 84.56% out of which 85.01% males are literate and 84.12% females are literate. North Vanlaiphai is also known as one of the rice producers in the village of Mizoram.

3.1.2.2 Baktawng

Baktawng village is one of the largest producers of furniture and the making of pottery in the state, the village is located under the Thingsulthliah RD block. According to the census 2011, the village population is 3220 people living in this village, out of these 1586 (49.25%) are males and 1634 (50.75%) are females with a total of 551 families residing. The literacy rate of Baktawng village was 98.17% of which male literacy stands at 98.78% while female literacy rate was 97.58%.

3.1.2.3 Thenzawl

Thenzawl is also known as the village of the handloom industry in Mizoram. As per the census of 2011 the population of 7259 of which 3,617 are males while 3,642 are females. About 1440 families were residing in the village. The high literacy rate of Thenzawl is 98.15% higher than the state average of 91.33% of which male literacy is around 98.07% while the female literacy rate is 98.23%, the village is under Thenzawl RD block, which is 28km far from the district headquarters.

3.1.3 Kolasip District

Kolasip district occupies an area of 1472.12km; Kolasip town is the administrative headquarters of the district which is 77km away from the state capital city of Aizawl. The district is situated on the northern tip of Mizoram. The district was functioning in the year 29th July of 1998. The district has three sub-divisions viz, Kolasip Sadar, Kawnpui and Vairengte and two Rural Development (RD) blocks viz, North Thingdawl and Tlangnuam. The district covers an area of 1,382 sq. Kms which is 6.56% of the state's total geographical area. The district has completed the hydroelectric dam of Serlui-B and Tuirial dam. Agriculture is the main occupation as well as 16881 cultivators, 1048 agricultural labourers, 311 industrial labourers and 9199 other workers, according to KVK Kolasip.

According to the census of India 2011, Kolasip district had a population of 83,955, while males constitute 42,918 (51.12%) of the population and females 41,037 (48.88%). Kolasip has a literacy rate of 93.50 percent of males 94.57%, and female literacy is 92.38%. The population growth rate of the Kolasip district was

27.28% during the decade. The district has 51 villages and 12255 households. Out of the total population (55.8%) people live in urban areas while (44.2%) live in rural areas. It was a remarkable in the Kolasip district there is no family living on a footpath or without any roof cover of the houses. Further studies of selected villages are Bairabi, Vairengte and Kawnpui village.

3.1.3.1 Bairabi

Bairabi village is also the railhead of Mizoram, it lies at the end of Mizoram bordering with Assam state. It is situated 25km from the district capital of Kolasip town. The village has a population of 4320 out of which 2178 (50.42%) are males and 2142 (49.58%) are females, thus the average sex ratio of Bairabi is 983. There are 863 families residing in the village. According to the population census of 2011, the literacy rate of Bairabi is 90.77% which is less than the state literacy rate of 91.33%. The village is under the Bilkhawthlir RD block.

3.1.3.2 North Kawnpui

North Kawnpui village has a total population of 7,732 of which 3,892 (50.34%) are male, while 3,840 (49.66%) are female as per census of India 2011. The village is under the North Thingdawl RD block of which 1726 households. The literacy rate of North Kawnpui is 97.35% higher than the state average of 91.33% while male literacy is around 97.24% and female literacy rate is 97.45%. It is located 34km towards south of district headquarters Kolasip.

3.1.3.3 Vairengte

Vairengte village is located in the corridor of Mizoram from the north side of the state and 44km from the district capital of Kolasip. According to the census of India 2011, Vairengte has a total population of 10554 of which 5649 are males while 4905 are female. The literacy rate of Vairengte is 94.73% higher than the state literacy 91.33%, while male literacy is around 95.24% and the female literacy rate is 94.14%. The village had 1931 households and under under Bilkhawthlir RD block of Kolasip district in Mizoram.

3.1.4 Champhai District

Champhai District is one of the eleven districts of Mizoram. The district is bounded on the north by the Churachandpur district of Manipur state, on the west by Khawzawl and Serchhip districts, and on the south and east by Myanmar. The district occupies an area of 3128.398 km. In spite of its highest elevation among eleven districts of the state, it is famous for having the largest plain areas of the state which are used for wet rice cultivation which makes it named the Rice Bowl of the state. This frontier Division has a special place in the history of Mizoram and its people.

According to a census of 2011, Champhai district has a population of 125745 of which 63388 are males and 62357 are females. Whereas, the total Champhai district population living in rural areas is 77,216 of which males and females are 39,110 and 38,106 respectively. Out of the total Champhai population, 38.59 percent lives in urban regions and 61.41 % population lives in rural areas of villages.

The district has four RD blocks namely Champhai RD block, Khawzawl RD block, Ngopa and Khawbung Rd block. The literacy rate in rural areas of Champhai district is 95.41 % as per census data 2011. The district has a total of 90 villages. Champhai, the district headquarters is 194 km away from the state capital of Aizawl. Further studies of selected villages are Ngopa and Kawlkulh village.

3.1.4.1 Ngopa

Ngopa is a large village located in Ngopa RD Block of Champhai district Mizoram, with a total of 945 families residing and 134km away from the district capital of Champhai. The Ngopa village has a population of 4155 of which 2168 are males while 1987 are females according to the population Census of India 2011. The literacy rate of Ngopa village was 95.91% higher than compared to 91.33% of Mizoram. Male literacy constitutes 96.98% while female literacy rate was 94.75%.

3.1.4.2 Kawlkulh

Kawlkulh village is located 35km away from the district capital of Khawzawl, whereas Kawlkulh is under the Khawzawl RD block. According to the census of 2011, the village has a population of 3094 of which 1531(45.5%) are male while 1563 (50.5%) are female. The number of literate rate is (94.87%) of which male literacy stands at (96.98%) while female literacy rate was (92.82%). There are 700 families residing in the village.

3.2 Sample of the Study

A purposive sampling method was employed to select respondents for this study, given its focus on examining the performance of rural enterprises in carefully chosen villages across Mizoram. Entrepreneurs were deliberately chosen based on their active engagement in local enterprises that contribute to economic development and employment generation. This method ensured that the sample consisted of individuals whose experiences and ventures were directly relevant to the study's objectives of identifying the key motivational factors driving rural entrepreneurs, assessing the economic impact of their enterprises, and evaluating their role in creating local employment opportunities.

The research study sample size is based on the secondary source of Udyum registration under MSMEs in Mizoram. There are 2637 enterprises in 2022 registered in service and manufacturing sector. For this research study, 6 trades of service and manufacture were selected from the list of MSMEs in Mizoram. The selected respective respondents were active and functions of enterprises in their entrepreneurial activity, with at least two or more than a year of experience in their enterprises. A total of 10 each were selected from the sample villages to make a total of 60 entrepreneurs from service and manufacturing trades. The sampling procedure followed by the study is presented below on the table 3.1 and 3.2.

Table 3.1: Sample District with Number of MSMEs Under Udyum

District	Urban	Rural	Total
Champhai	253	40	293
Kolasip	123	59	182
Mamit	79	24	103
Serchhip	41	227	268
Total	**496**	**350**	**846**

Table 3.2 Distribution of sample size

District	Village	Name of Trade						
		Food processing	Furniture	Handloom	Repair Service	Steel/Metal Service	Tailoring	Total
Champhai	**Ngopa**	2	2	-	2	1	3	**10**
	Kawlkulh	-	-	3	-	-	-	**3**
	North							
Serchhip	**Vanlaiphai**	4	-	-	-	-	3	**7**
	Baktawng	-	5	-	-	4	-	**9**
	Thenzawl	-	-	5	3	-	-	**8**
Kolasib	**Bairabi**	1	2	-	2	-	2	**7**
	Vairengte	1	-	-	-	1	-	**2**
	Kawnpui	-	-	-	-	2	-	**2**
mamit	**Zawlnuam**	1	-	-	-	-	1	**2**
	Lengpui	1	-	-	-	-	-	**1**
	West							
	Phaileng	-	1	-	2	1	-	**4**
	Kawrthah	-	-	-	1	1	1	**3**
	Rawpuichhip	-	-	2	-	-	-	**2**
	Total	**10**	**10**	**10**	**10**	**10**	**10**	**60**

3.3 Tools of Data Collection

The data required for this research study were obtained from both primary and secondary sources. Primary data were collected using a structured interview schedule, which was designed in alignment with the specific objectives of the study. The interview schedule comprised several key sections, including the socio-economic profile of the respondents, motivational factors influencing the entrepreneurs, the nature of the enterprises, the sustainability of the enterprises, and the problems faced by the entrepreneurs.

To ensure the validity and reliability of the tool, the interview schedule was pre-tested on a group of rural entrepreneurs who were not part of the final sample. Feedback from the pre-test was carefully reviewed, and necessary revisions were made to improve the clarity, relevance, and comprehensiveness of the instrument before the commencement of the actual field data collection.

In addition to primary data, relevant secondary data were also collected from a variety of sources, including books, academic journals, research articles, census reports, and official government websites. These secondary sources were used to support the primary findings and provide contextual background for the study.

3.4 Data Collection

In addition to secondary sources, primary data were collected by the researcher through personal interviews conducted in all the selected sample villages. These interviews were guided by a structured interview schedule to ensure consistency and coverage of all relevant topics. The majority of the interviews were conducted at the entrepreneurs' respective workplaces, allowing for a more contextual and in-depth understanding of their experiences. While the interviews were conducted in a conversational manner to encourage open and honest responses, the researcher ensured that all key aspects of the study were systematically addressed during the discussions. The fieldwork and data collection were carried out over a period of four months, from April 2022 to July 2022.

3.5 Data Analysis

The analysis and interpretation of the data were carried out using standard statistical techniques, including frequency counts, percentages, mean, standard deviation, and factor analysis. To evaluate the motivational factors of the entrepreneurs and the sustainability of their enterprises, a weighted scoring method was employed, allowing for a comparative assessment of their significance. All quantifiable data were systematically processed and analysed using the Statistical Package for the Social Sciences (SPSS), which facilitated accurate computation and effective presentation of the results.

CHAPTER – 4

SOCIO-ECONOMIC PROFILE

This chapter examines the socio-economic characteristics of rural entrepreneurs across the selected districts. It presents the respondents' profiles according to key demographic and economic variables, including gender, age, marital status, family type, household size, educational attainment, family income, and prior employment history. By detailing these dimensions, the chapter establishes a comprehensive baseline understanding of the entrepreneurs' backgrounds and contextualizes their enterprise outcomes.

4.1 Gender

Gender wise study is extremely significant while studying rural entrepreneurship; in terms of gender equality as well as empowerment of rural women. As a matter of the fact that women are economically empowered through this rural entrepreneurship, because India is a patriarchal society, they are empowered in social, economic and psychological spheres. The distribution of gender-wise is presented in table 4.1. Out of the total respondents, more than one-third of entrepreneurs 23(38%) are females and the majority of 37(62%) were males.

The table clearly shows that from the six trades of enterprises, furniture, repair service and steel/metal service, mostly enterprises by male. Hence, handloom and tailoring enterprises are mostly controlled and run by female entrepreneurs; while 20% constitute handloom enterprises by males. Whereas, food processing comprises 50% each presents males and females.

Table 4.1: Distribution of Gender-wise.

Sl, no	Trade	Frequency			Percent		
		Male	**Female**	**Total**	**Male**	**Female**	**Total**
1	Food processing	5	5	**10**	50	50	**16.6**
2	Furniture	10	0	**10**	100	0	**16.6**
3	Handloom	2	8	**10**	20	80	**16.6**
4	Repair service	10	0	**10**	100	0	**16.6**
5	Steel/Metal service	10	0	**10**	100	0	**16.6**
6	Tailoring	0	10	**10**	0	100	**16.6**
	Total	**37**	**23**	**60**	**62**	**38**	**100**

Source*: Field survey.*

4.2 Age of the Respondents.

The age group of the respondents are presented in table 4.2. The table reveals that the age of the respondents' average is 43.5 years ranging from a minimum of 23 years to a maximum of 70 years with a standard deviation of 19.56. The age of respondents from the handloom trade has the highest average of 53 years, followed by the steel/metal service trade at 49 years. While a group of repair service entrepreneurs has the youngest average age of 31 years. The respondents 23 years and 70 years are the youngest and elder entrepreneurs found in the present study.

Table 4.2: Age of the respondents

Sl, no	Trade	Age			
		Minimum	**Maximum**	**Mean**	**Std. Dev**
1	Food Processing	33	62	47.5	20.5
2	Furniture	30	60	45	21.21
3	Handloom	37	69	53	22.62
4	Repair Service	23	39	31	11.31
5	Steel/Metal Service	28	70	49	29.69
6	Tailoring	27	44	35.5	12.02
	Overall	**23**	**70**	**43.5**	**19.56**

Source*: Field survey.*

The sample respondents of age groups are divided into five categories, namely the first group starting from below 30 years, the second group between 31-40 years, the third group between 41-50 years, the fourth group between 51-60 years and the last group present above 61 years. The numbers of distribution of the sample respondents in terms of age are presented in table 4.3.

The age group between 31-40 years had the highest proportion of 38% among the entrepreneurs, followed by the age group between 41-50 years of 30%. The respondents belong to the age group below 30 years constitute 13%, whereas the age group between 51-60 years present 12%, while the least number 7% belongs to the age group of 61 years above.

According to the data, table 4.3 clearly shows that 40% of the respondents to the food processing unit belong to the age group of 31-40 years, followed by 30% of the 41-50 age groups, only 10% of the respondent from the age group of 61 above.

The majority 40% of the furniture trade belonged to the age group between 41-50 years, followed by 30% of the age group of 31-40 years and 51-60 years comprise 20%, while the least number 10% from the age group of below 30 years.

Handloom entrepreneurs present 40% from the age group of 31-40 years, followed by 30% from the age group between 41-50 years. Whereas 20% and 10% were from the age group between 51-60 years and below 30 years group.

Repair service entrepreneurs present only two age groups of below 31 years and between 31-40 age groups of 50% each.

Steel/metal service present 10% each from the age group below 30 years and 61 above, as again the same number of 20% from the age group between 31-40 and 51-60. The highest percentage of 40% belonged to the age group between 41-50 years.

Half of the respondents 50% in the tailoring trade belonged to the age group between 31-40 years, followed by 40% of the age group between 41-50 years and 10% comprised of below 30 years of age group.

Table 4.3: Categorisation of respondents according to age group.

Sl, no	Trade	Age category					
		Below 30	31-40	41-50	51-60	61 above	Total
1	Food Processing	0	4	3	2	1	10
2	Furniture	1	3	4	2	0	10
3	Handloom	0	4	3	1	2	10
4	Repair Service	5	5	0	0	0	10
5	Steel/Metal Service	1	2	4	2	1	10
6	Tailoring	1	5	4	0	0	10
	Total	**8**	**23**	**18**	**7**	**4**	**60**
				Percent			
1	Food Processing	0	40	30	20	10	100
2	Furniture	10	30	40	20	0	100
3	Handloom	0	40	30	10	20	100
4	Repair Service	50	50	0	0	0	100
5	Steel/Metal Service	10	20	40	20	10	100
6	Tailoring	10	50	40	0	0	100
	Total	**13**	**38**	**30**	**12**	**7**	**100**

Source*: Field survey.*

4.3 Marital Status.

First, it may be noted that less than one-third of the respondents were single status. It is learned that in the conversation of the entrepreneurs, the unmarried and some of the entrepreneurs are not encourage initiating the enterprises due to lack of financial support from the family. It is clearly shown that from the respondents, marital status plays an important role in the start-up of the enterprises due to financial and moral support from the family and partner. Table 4.4 shows the details of the marital status of rural entrepreneurs, the majority of the respondents 40(66.60%) were married and 13(21.6%) were single while the rest 7(11.60%) were widowed.

Table 4.4: Marital status of the respondent.

Sl, no	Trade	Marital status			
		Single	**Married**	**Widowed**	**Total**
1	Food Processing	3	6	1	10
2	Furniture	2	8	0	10
3	Handloom	1	5	4	10
4	Repair Service	3	7	0	10
5	Steel/Metal service	1	9	0	10
6	Tailoring	3	5	2	10
	Total	**13**	**40**	**7**	**60**
		Percent			
1	Food Processing	30	60	10	100
2	Furniture	20	80	0	100
3	Handloom	10	50	40	100
4	Steel/Metal service	30	70	0	100
5	Steel Metal	10	90	0	100
6	Tailoring	30	50	20	100
	Total	**21.6**	**66.6**	**11.6**	**100**

Source*: Field survey.*

It was found from the study, that out of the ten respondents from the food processing unit, the majority of the entrepreneurs 60% were married, and 30% were single status who doesn't yet married. while 10% of the respondents were widowed women. A large majority 80% of the respondents of furniture entrepreneurs were married, while the rest 20% were single status. Handloom trade comprises half of the respondents 50% are married, followed by 40% of the respondents are widowed women with 10% were single status. Repair service entrepreneurs, the majority of the respondents 70% are married status and 30% were single status. A large majority of the respondents of steel/metal service comprises 90% are married status and only 10% are relationship of single status. Half of the respondents in the tailoring trade, 50% are relationship of married

status, followed by 30% of single status and 20% are widowed women were found in the study.

4.4 Types of Family.

Family is one of the most important success factors of business and plays a vital role in entrepreneurship, especially in rural areas. A true understanding of the family is an important part of the family set-up whether nuclear or joins family; both family patterns have their own advantage and disadvantages depending on the choice of business line. As per the field survey, the samples of respondents are living in two types of the family such as nuclear and joint families. The researcher observed that if more members of the family have the advantage of the possibility to start up and enlarge the family entrepreneurship with supporting of finance and manpower.

Table 4.5 Types of Family.

Sl, no	Trade	Category		Total
		Nuclear	Join	
1	Food Processing	5	5	10
2	Furniture	9	1	10
3	Handloom	8	2	10
4	Repair Service	4	6	10
5	Steel/Metal service	9	1	10
6	Tailoring	2	8	10
	Total	**37**	**23**	**60**
		Percent		
1	Food Processing	50	50	100
2	Furniture	90	10	100
3	Handloom	80	20	100
4	Repair Service	40	60	100
5	Steel/Metal service	90	10	100
6	Tailoring	20	80	100
	Total	**62**	**38**	**100**

Source: *Field survey.*

The above table 4.5 reveals that the majority of the respondents 37(62%) belonged to the nuclear family. While little more than one-third of the total respondents 23(38%) are joined family. The large majority of the nuclear family comprises 90% of furniture and steel/metal services, followed by 80% of handloom entrepreneurs. Whereas majority of 80% of joint families were tailoring, followed by 60% of repair service were joint family.

4.5 Household Size.

Family is one of the best institutions and it is significant in any society, the member of working in the family determines the impact on the standard of living, improving the quality of life and economic development. Also, it is very important to start up entrepreneurship activity along with other personal characteristics and depends on the contribution of the family. If a large number of families and more members are involved in income activity, it will increase the economic status of the family.

According to the primary data, the rural entrepreneurs, the study revealed that the family size of the respondents above is given in table 4.6. It was observed that the overall mean of household size is 5.91 ranging from a minimum of 2 to a maximum of 11 with a standard deviation of 4.12. The respondents of furniture and repair service have a maximum number of 11 each, followed by tailoring 10 and 8 from handloom trade. Whereas, the minimum number of 2 household size present handloom trade followed by 3 each from the four trades of food processing, furniture, repair service and steel/metal entrepreneurs.

Table 4.6 Household Size of the Respondents.

Sl, no	Trade	Minimum	Maximum	Mean	Std. Dev
1	Food Processing	3	7	5	2.82
2	Furniture	3	11	7	5.65
3	Handloom	2	8	5	4.24
4	Repair Service	3	11	7	5.65
5	Steel/Metal Service	3	6	4.5	2.12
6	Tailoring	4	10	7	4.24
	Overall	**2**	**11**	**5.91**	**4.12**

Source: *Field survey.*

The data on the respondents of household size was divided into three groups; the details are mentioned below in table 4.7. It was observed that the overall respondents, the majority of the entrepreneurs 39 (65%) are less than 5 members of the family, while 19 (32%) between 6-10 family members, whereas only 2 (3%) of the respondents are more than 11 members of the family.

Table 4.7 Categorisation of household size

Sl, no	Trade	Family size			Total
		Below 5	6 to 10	11 above	
1	Food Processing	9	1	0	10
2	Furniture	7	2	1	10
3	Handloom	6	4	0	10
4	Repair Service	5	4	1	10
5	Steel/Metal Service	8	2	0	10
6	Tailoring	4	6	0	10
	Total	**39**	**19**	**2**	**60**
			Percent		
1	Food Processing	90	10	0	100
2	Furniture	70	20	10	100
3	Handloom	60	40	0	100
4	Repair Service	50	40	10	100
5	Steel/Metal Service	80	20	0	100
6	Tailoring	40	60	0	100
	Total	**65**	**32**	**3**	**100**

Source: *Field survey.*

The above table mentions that the food processing unit has the majority of 90% of less than 5 family members and only 10% between 6-10 family members. The furniture trade presents the majority of 70% less than 5 family members, while 20% and 10% followed between 6-10 members and more than 11 sizes of the family members.

Handloom trade comprises less than 5 family members are more than half of the respondents of 60%, whereas 6-10 family members were 40%. While Repair service comprises half of the respondents 50% is less than 5 members of the family, followed by 40% of 6-10 family members. Only 10% of furniture and repair service respondents have more than 11 members of family size.

The results show that the majority of 80% of Steel/Metal Service are less than five family members, whereas, 20% are between 6-10 family members. The data further show that more than half of the respondents from tailoring entrepreneurs comprised of 60%, while 40% belonged to less than 5 family members.

4.6 Educational Qualification of the Respondents.

According to Joyti et al, (2020), education is the base to be successful in any field or domain one wishes to pursue. Having said this for entrepreneurs, it's extremely important that they have sound knowledge regarding the business activities and how to go about when having a start-up of their own. It's required that the entrepreneurs have good know-how in all the different fields be it sales, marketing, managing human resources, accounting or logistics and supply chain. Most of the people tend to start their business after quitting their jobs midway which is why it's extremely important to have an educational background in entrepreneurship. When one knows the basics and foundational aspects of entrepreneurship, that knowledge helps the person in the long run.

Education is one of the significances of entrepreneurship development for rural areas. Because rural people have indigenous skills in entrepreneurial activity, it will help to develop the basic skills and abilities to promote knowledge, innovation, management and production of their enterprises. It is accelerating entrepreneurial growth and ensuring socio-economic development. It was helpful in the process of market information of selling, purchase of raw materials, financing of bank and production of quality items.

According to the school education department government of Mizoram, the level of school education in the state categorised are as follows, Primary school from class I – IV, Middle school from class V – VIII, High school consists of IX and X, and Higher Secondary school consists of XI and XII.

The educational qualification of the respondents is presented in table 4.8 reveals that the highest percentage of the respondents in high school 22 (36.6%), followed by 20 (33.3%) respondents who completed their middle school. 9 (15%)

completed their higher secondary school, whereas 5 (8.3%) complete graduate. Only a few numbers of the respondents completed primary and post graduate with 2 (3.3%) entrepreneurs. The researcher found a good record from the entrepreneurs, there is an absence of illiterate respondents at the time of the field study.

Of the respondents in the food processing trade, the majority of 4 (40%) each from high school and higher school and 2 (20%) completed middle school.

Among the respondents in the furniture trade majority 80% completed middle school and only 1 (10%) each completed higher secondary school and graduate degree.

Handloom trade presents the majority of the respondents 6 (60%) completed middle school, followed by 3 (30%) completed high school. A few number of 1 (10%) finished primary level.

Out of the respondents from the different trades, repair service has a good academic record of which half of the respondents 5 (50%) completed high school, and 3 (30%) had a graduate degree. Whereas 2 (20%), were a record of completed higher secondary school.

Table 4.8 Educational Qualification

Sl, no	Trade	Category						Total
		Primary	Middle	High school	Higher	Graduate	Post Graduate	
1	Food Processing	0	2	4	4	0	0	10
2	Furniture	0	8	0	1	1	0	10
3	Handloom	1	6	3	0	0	0	10
4	Repair Service	0	0	5	2	3	0	10
5	Steel/Metal Service	1	2	4	0	1	2	10
6	Tailoring	0	2	6	2	0	0	10
	Total	**2**	**20**	**22**	**9**	**5**	**2**	**60**
Sl, no		**Percent**						
1	Food Processing	0	20	40	40	0	0	100
2	Furniture	0	80	0	10	10	10	100
3	Handloom	10	60	30	0	0	0	100
4	Repair Service	0	0	50	20	30	0	100
5	Steel/Metal Service	10	20	40	0	10	20	100
6	Tailoring	0	20	60	20	0	0	100
	Total	**3.3**	**33.3**	**36.6**	**15**	**8.3**	**3.3**	**100**

Source: *Field survey.*

A few numbers of respondents from steel/metal service had a record of 1(10%) for each of primary and graduate degrees. Those who completed high school had the highest number of 4 (40%), followed by middle school and postgraduate with 2 (20%) each.

A large majority of the respondents 6 (60%) of tailoring trade completed high school standard, whereas 2 (20%) each competed middle standard and higher secondary school.

4.7 Family Income.

Family income refers to the total earnings of all members of a household from various sources, including:

- ✓ Agriculture and Allied Activities (farming, livestock etc.)
- ✓ Business and Entrepreneurship (small-scale enterprises, handicrafts, food processing)
- ✓ Wage Employment (government jobs, private sector, daily wage labor)
- ✓ Remittances and Other Sources (financial aid from family members, pensions, government schemes)

From the information of the respondents were asked about the annual income of the family from all sources based on their simple recalls. Table 4.9 reveals that the average family incomes of the respondents were Rs. 82083.33/- ranging from a minimum of Rs. 8000/- to a maximum of Rs. 250000/- with a standard deviation of 84263.55. The respondents of the furniture trade had the highest income of Rs. 250000/- followed by Rs. 150000/- each from the food processing and repair service trade. Whereas, the same amount of Rs. 100000/- maximum monthly family income of handloom, steel/metal service and tailoring trade.

Handloom comprises the least amount of Rs. 8000/- minimum family income followed by food processing unit a minimum income of Rs. 17000/-. Whereas the same amount of family income, Rs. 20000/- each of furniture and repair service trade. Hence, steel/metal service and tailoring trade were the same income of Rs. 35000/- each.

Table 4.9 Family income (Monthly) of the respondent

Sl, no	Trade	Minimum	Maximum	Mean	Std. Dev
1	Food Processing	17000	150000	83500	94045.2
2	Furniture	20000	250000	135000	162634.6
3	Handloom	8000	100000	54000	65053.82
4	Repair Service	20000	150000	85000	91923.88
5	Steel/Metal Service	35000	100000	67500	45961.94
6	Tailoring	35000	100000	67500	45961.94
	Overall	**8000**	**250000**	**82083.33**	**84263.55**

Source: *Field survey.*

It can be observed from the result in table 4.10, that the respondents are further grouped into different categories of family income, and the data were distributed in four categories. A large majority of the respondents 26 (43%) had a monthly income of between Rs. 30000-60000/- followed by 15 (30%) respondents who had below Rs. 30000/- family income. The data clearly show that the same numbers of 8 (13%) each of family income between Rs. 60000-90000/- and Rs. 90000/- above.

The same numbers of food processing 40% each had a family income of Rs. 30000/- below and fell within the range of Rs. 30000-60000/-. Only 20% of the food processing unit had a family income of Rs. 60000-90000/-.

A large majority of the respondents 60% of furniture trade comprises family income between Rs. 30000-60000/- followed by 20% comprises family income of Rs. Below 30000/-. Whereas 10% each of the respondent's family income categories of Rs. 60000-90000/- and Rs. 90000 above.

A large majority of handloom trades comprise 70% of family income Rs. 30000/- below. Whereas 10) each of the respondents had an income amount of between Rs. 30000-60000/-, 60000-90000/- and Rs. 90000/- above of family income.

Table 4.10 Distribution of family income of the respondent

Sl, no	Trade	Below 30000	30000-60000	60000-90000	90000 above	Total
1	Food Processing	4	4	2	0	10
2	Furniture	2	6	1	1	10
3	Handloom	7	1	1	1	10
4	Repair Service	5	3	0	2	10
5	Steel/Metal Service	0	6	2	2	10
6	Tailoring	0	6	2	2	10
	Total	**18**	**26**	**8**	**8**	**60**
	Percent					
1	Food Processing	40	40	20	0	100
2	Furniture	20	60	10	10	100
3	Handloom	70	10	10	10	100
4	Repair Service	50	30	0	20	100
5	Steel/Metal Service	0	60	20	20	100
6	Tailoring	0	60	20	20	100
	Total	**30**	**43**	**13**	**13**	**100**

Source: *Field survey.*

The lowest income of Rs. 30000/- below repair service constituted 50% of the respondents, while 30% had an income of between Rs. 30000-60000/- respectively. Whereas the highest income of Rs. 90000/- was only 20% of the respondents.

While steel/metal service and tailoring respondents had the same numbers of family income, the majority of the respondents 60% had an income of between Rs 30000-60000/-, followed by 20% each income falling in the range of Rs. 60000-90000/-. Further, the same numbers 20% each have an income of more than Rs. 90000/-.

Family income significantly influences the entrepreneurial activities in rural areas, determining the ability to start, sustain, and grow businesses. Targeted

policies, financial support, and skill development initiatives can help rural entrepreneurs overcome income-related challenges and achieve long-term success.

4.8 Previous Employment before Start-up the Enterprises.

Understanding the previous employment of rural entrepreneurs provides insights into their motivation, skills, and challenges in transitioning to self-employment. Many entrepreneurs start their enterprises after gaining experience in various sectors, while others venture into business due to a lack of stable employment opportunities.

Previous employment or occupation is one of the significance of starting entrepreneurship. Experience makes a better person in the way of manager, innovator, creator and problem solver etc. particularly Mizoram is a backward region in the state of India due to geographical, climate change, hill region, lack of industrial area and high rate of unemployment state.

Table 4.11 reveals that the majority of the respondents 43(72%) had engaged in employment before starting their enterprises in different jobs. While almost one-third of the respondents 17(28%) don't have any experience. As seen in the table, food processing and furniture enterprises had good experience in different jobs 10(100%) of experience before starting their entrepreneurial activities. Among 8(80%) of handloom respondents had experience in different jobs, and only 2(20%) didn't have any job or experience. Further, respondents from repair service comprise 5(50%) each of previous employed and unemployed records. A large majority of 9(90%) of steel/metal service entrepreneurs had work experience, and only 1(10%) wasn't employed before starting the enterprises. Furthermore, out of the total respondents from six trades, tailoring has the highest records of 9(90%) respondents were unemployed before their starting handloom enterprises, and only 1(10%) were employed before starting enterprises.

Table 4.11 Previous employment of the respondent

Sl, no	Trade	Category			Percent		
		Yes	No	Total	Yes	No	Total
1	Food Processing	10	0	10	100	0	100
2	Furniture	10	0	10	100	0	100
3	Handloom	8	2	10	80	20	100
4	Repair Service	5	5	10	50	50	100
5	Steel/Metal Service	9	1	10	90	10	100
6	Tailoring	1	9	10	10	90	100
	Total	**43**	**17**	**60**	**72**	**28**	**100**

Source: *Field survey.*

The above table 4.12 reveals that the respondents in food processing, 40% had business experience before starting enterprises, while 20% did farming activity. Further, another 40% of the respondents were doing different jobs before them start-up food processing enterprises.

A small number of 10% of furniture trades comprises business experience, as well as 30% were doing farm activity. The rest 60% are working in a different job.

The majority of the respondents 60% of handloom entrepreneurs are engaged in farming activities, while 10% each doing business and other activities before starting handloom enterprises. Furthermore, the rest 20% are unemployed.

Table 4.12 Previous Employed of the Respondents

Sl, no	Trade	Statement			Total
		Farming	Business	Others	
1	Food Processing	2	4	4	10
2	Furniture	3	1	6	10
3	Handloom	6	1	1	8
4	Repair Service	0	2	3	5
5	Steel/Metal Service	2	1	6	9
6	Tailoring	0	1	0	1
	Total	**13**	**10**	**20**	**43**
		Percent			
1	Food Processing	20	40	40	100
2	Furniture	30	10	60	100
3	Handloom	60	10	10	80
4	Repair Service	0	20	30	50
5	Steel/Metal Service	20	10	60	90
6	Tailoring	0	10	0	10
	Total	22	17	33	72

Source: *Field survey.*

Among 50% of repair service had experience before starting enterprises, while 20% had experience in business and 30% were having a different job. The rest of 50% doesn't have any experience.

Steel/metal service trade comprises 60% of respondents engaged in different jobs, while 20% were working in farming activities, whereas 10% were doing business before starting steel/metal service of enterprises. Out of the respondents of tailoring, only 10% are engaged in business activities before tailoring enterprises.

The previous employment background of rural entrepreneurs significantly influences their approach to business. Whether transitioning from farming, government jobs, or informal work, adequate training, financial support, and mentorship can help them build successful and sustainable enterprises in Mizoram.

CHAPTER – 5

MOTIVATIONAL FACTORS OF THE ENTREPRENEURS

Understanding the motivational factors that drive rural entrepreneurs is crucial for fostering their engagement, success, and the sustainability of their enterprises. The motivations behind rural entrepreneurship can be diverse and multifaceted, reflecting both personal aspirations and broader socio-economic contexts. Many rural entrepreneurs are motivated by the desire to achieve economic independence and reduce reliance on traditional employment or external assistance. This drive fosters innovation and resilience. Their potential for higher and more stable income through entrepreneurial activities is a significant motivator, encouraging individuals to start and grow their own businesses.

Borah (2015) defines motivation comes in different shapes and sizes. Each entrepreneur is motivated differently. Their unique priorities and goals are the essence of their varied approaches to work. Some entrepreneurs are motivated by a strong desire to support their families and protect them financially. Others are driven by a desire to make some additional income. Each and everyone have their own reasons for wanting to be an entrepreneur, to build their own business. Some people are traditionally doing business while some others are interested in making their own business. Again some others are forced to do business as they are unemployed.

Personal passion and interest in specific fields or activities can drive individuals to start their own businesses. This intrinsic motivation leads to higher levels of satisfaction and commitment. The desire for autonomy and the ability to control one’s own work environment and decisions are powerful motivators. Entrepreneurship offers the freedom to shape one's career and business according to personal values and goals.

Prasain and Nixon (2007) examined entrepreneurship is no exception. Entrepreneurs are not only a product of their ambitions, but also those of the aspirations of their family members, friends and the nation.

Entrepreneurs often seek to contribute positively to their communities by creating jobs, enhancing local infrastructure, and providing essential services. This sense of responsibility towards community development is a strong motivational factor. Achieving social status and recognition within the community can drive individuals to pursue entrepreneurial ventures, as successful businesses often garner respect and admiration.

Elena et al, (2019) express rural entrepreneur acts as a converter, the driving force of the economy, the owner, the organizer and the executor. In this regard, independence comes to the fore among his motives. Entrepreneurs with an internal locus of control believe that they can control and manage their lives. As a rule, they tend to accept greater responsibility for their actions. However, power was not an end in itself for the entrepreneur; he needed it as an instrument for the formation of private property, necessary to achieve freedom of activity. An entrepreneur needs independence and creative freedom, without which the realization of new ideas and the constant reproduction of new combinations of resources are impossible.

According to Rajesh et al., (2022), Entrepreneurs with a high need for achievement have an intense desire for achievement and an equally intense fear of failure. They want to be challenged, set moderately difficult goals for themselves, take a practical approach to risk, and favour to assume personal responsibility to set a job done, like specific and proper feedback on how they're doing the activities supported by inherent skill or being skilled, tend to be restless, and don't worry unduly about failure if it does occur. Their high level of motivation goes on skill and socio-cultural conditions.

This chapter deals with the motivational factors of rural entrepreneurs in the course of starting and running their respective entrepreneurial ventures. This chapter reveals motivational and encouraging factors related to internal and external motivational factors of the entrepreneur, entrepreneurial ambitions, push factor of compelling reasons, facilitating factors, attributes and skills of the entrepreneur and motives for deciding the present line of business. The study analysis is based on the primary data collected from the sample respondents of rural entrepreneurs in the

selected district of Mizoram. During the field survey, the entrepreneurs had different kinds of motivation in their entrepreneurial activity, commitment to the enterprise and so on which were discussed in this chapter.

In the context of rural entrepreneurs, the nature of activity chosen by them for their enterprises emerged as a critical factor in relation to their success or failure. As a result of the internal motivational factors of the respondents of the present study, the enterprise was asked mean rating on a scale of 1 to 5 where 1 is strongly disagree and 5 is strongly agree. The mean rating of the respondents was determined by their rating scale of internal motivational factors of entry entrepreneurial factors under are as follows. The mean ratings were classified as follows in descending order: 4.51 - 5.00 Strongly Agree (SA), 3.51 - 4.50 Agree (AG), 2.51 - 3.50 Undecided (UD), 1.51 - 2.50 Disagree (DA) and 1.00 - 1.50 Strongly Disagree (SD).

5.1 Internal Motivational Factors of Entrepreneurship

The table presents the internal motivational factors influencing entrepreneurship, based on a field survey. The mean scores and standard deviations help in understanding how strongly respondents agree or disagree with each factor.

As can be observed from the table 5.1 internal motivational factors are classified into five statements viz. (i) Desire to do something new (ii) Become independent (iii) Achieve what one wants to have in life (iv) Be recognized for one's contribution and (v) One's occupational background and experience in the relevant field. The results show that the overall internal motivational factors of the respondents of mean value were 3.79 which is a rating scale of 3.51 - 4.50 (Agree) with a standard deviation of 0.86.

Among the internal motivational statements, ‘achieve what one wants to have in life’ has the highest score with a mean value of 4.46 (AG) followed by ‘desire to do something new’ with a mean score of 4.13 (AG) found to be the primary internal motivational factors of many rural people to become an entrepreneur. It was found from the study that rural people are certain to fulfill their own vision as well as willing to do something new with an innovation to start a new venture.

Most likely entrepreneurs are motivated by ‘become independent’ with a mean value of 3.71 (AG) and ‘be recognized for one’s contribution’ score mean value of 3.68 (AG), the results argue that nowadays people are more economically wants independent and to show how their potential through this entrepreneurship, not only that to be recognized in society for their contribution, they desire independence whereby they make a decision by themselves, they choose their path and life rather than living off the efforts of others.

Table 5.1 Internal motivational Factors of Entrepreneur

Sl. No	Particular	Mean	Std. Dev	Description
1	Desire to do something new	4.13	0.98	AG
2	Become independent	3.71	0.76	AG
3	Achieve what one wants to have in life	4.46	0.49	AG
4	Be recognized for one's contribution	3.68	0.93	AG
5	One's occupational background and experience in the relevant field	2.98	1.18	UD
	Overall	**3.79**	**0.86**	**AG**

Source: *Field Survey*

Level of agreement : 4.51 - 5.00 Strongly Agree (SA)
3.51 - 4.50 Agree (AG)
2.51 - 3.50 Undecided (UD)
1.51 - 2.50 Disagree (DA)
1.00 - 1.50 Strongly Disagree (SD)

‘One's occupational background and experience in the relevant field’ has scored only 2.98 mean value of undecided at the time of field study, which means most of the entrepreneurs (28%) are unemployed and work in different jobs before starting their entrepreneurial venture, see on table 4.11. The details data on internal motivational factors of all trades are presented in appendix table 5.2 on page 173.

5.2 External motivational Factors of Entrepreneurship

The table presents the external motivational factors that influence entrepreneurship, based on a field survey. The external factors facilitating the rural entrepreneurs include 'Government assistance and support', 'financial assistance from institutions', 'availability of labour and raw materials', 'promising demand for the product' and 'encouragement from big business unit' the assessment of external motivational factors of respondents in 1 to 5 points scale of mean value.

According to Brinda and Dileep (2011), findings indicate that new entrants should get adequate support from various sources whether it is governmental, non-governmental or educational institutions. They need to be trained in various financial management and financial operations of SMEs. Then only profit making and profit maximization can be made possible. Here the role of educational institutions can be well assessed in making provision of guidance, training and educate them to handle risk management and the business operations related to capital and finance.

Table 5.2 External motivational factors of entrepreneurs

Sl. No	Particular	Mean	Std. Dev	Description
1	Government assistance and support	2.46	1.11	DA
2	Financial assistance from institution	2.71	1.33	UD
3	Availability of labour and raw materials	3.6	0.83	AG
4	Promising demand for the product	4.11	0.78	AG
5	Encouragement from big business unit	3.23	0.96	UD
	Overall	**3.22**	**1**	**UD**

Source: *Field Survey*

Level of agreement : 4.51 - 5.00 Strongly Agree (SA)
3.51 - 4.50 Agree (AG)
2.51 - 3.50 Undecided (UD)
1.51 - 2.50 Disagree (DA)
1.00 - 1.50 Strongly Disagree (SD)

Table 5.2 reveals that the overall mean value of external motivational factors of the mean value is 3.22 which are undecided with a standard deviation of 1.00, the results show that there is no interest in pointing out external motivation of the respondents, due to an absence of government support and lack of encouragement from big business.

From the five particular assessments of internal motivation of the research data, ‘availability of labour and raw materials’ and ‘promising demand for the product’ have only positive impacts with a mean value of 3.6 (agree) and 4.11 (agree). It was observed from the data findings, that rural people have their own knowledge and potential to take up entrepreneurial activity, if there is available capital, labour, technology and raw materials; it drives the people toward entrepreneurship with an abundance of production, efficiently and effectively. It was extremely to be noted that from the entrepreneurs, the demand for their product is very high and sales as well as profit. The high demand factor eventually motivates the respondents towards entrepreneurship.

Whereas the assessment of ‘Government assistance and support’ had a negative impact of the mean value is 2.46 (disagree), this is because only 7 (11.6%) of entrepreneurs are starting enterprises through government incentives, details are seen in chapter 6 table 6.6.

On the other hand, ‘Financial assistance from institution’ and ‘Encouragement from big business unit’ score a mean value of 2.71 (undecided) and 3.23 (undecided) which means only a few respondents are assistance from banks and other financial assistance, as well as lack of finance and raw materials of supporting from the big business unit. Details of external motivational factors of entrepreneurs are presented in appendix table 5.3 on page 175.

The study reveals that market demand and resource availability are the strongest external motivational factors for entrepreneurs. However, financial support, government assistance, and encouragement from big businesses are not seen as major drivers. This suggests that entrepreneurs rely more on internal motivation and market opportunities rather than external institutional support.

5.3 Entrepreneurs Ambition

Aims, ambition, desires and drives motives a person to achieve the destination. Prasain and Nixon (2007) defined ambition as motivating men. Ambition is an index of one's resourcefulness. It actives men, broadens their vision and makes life more meaningful. Ambition is not something which is akin to greed or windfall. Ambition is the wrench of all motives. The intentions and initiatives of a man are motivated by his ambitions. However, ambitions differ from one person to another person depending upon the characteristics, priorities etc. which they have set for themselves.

As regards the entrepreneurs' ambitions are presented in table 5.3. The assessment of particulars ambitions of entrepreneurs included – 'to make money', 'to continue family business', 'to secure self-employment/independent living', 'to fulfil desire of self/wife/parent/husband', 'one's educational background' and 'to gain social prestige'. The table clearly shows that the overall ambition of the respondents of the mean value is 3.3 (undecided) with a standard deviation of 0.67 respectively.

The results examined from the six points of particular assessments, it is seen that 'to make money' had the highest mean value of 4.55 (strongly agree). To make money or the need for financial freedom is one of the factors that have been proven by many researchers as a significant factor in inspiring many people to become an entrepreneur. To be realistic, money cannot solve every problem, but we have to believe that money can somehow make it life easier. The financial desire shows the fact that people need to increase and secure their own and family income level to secure a decent standard of living. So, the people who are motivated to become entrepreneurs often have a stronger desire to make money.

Table 5.3 Entrepreneurs Ambition

Sl. No	Particular	Mean	Std. Dev	Description
1	To make money	4.55	0.57	SA
2	To continue family business	2.41	1.03	UD
3	To secure self-employment/independent living	3.95	0.76	AG
4	To fulfil desire of self/wife/parent/husband	4.3	0.46	AG
5	One's educational background	1.93	0.43	DA
6	To gain social prestige	2.66	0.8	DA
	Overall	**3.3**	**0.67**	**UD**

Source: *Field Survey*

Level of agreement : 4.51 - 5.00 Strongly Agree (SA)
3.51 - 4.50 Agree (AG)
2.51 - 3.50 Undecided (UD)
1.51 - 2.50 Disagree (DA)
1.00 - 1.50 Strongly Disagree (SD)

For every successful entrepreneur, there is a family, friend, husband or wife and so on, playing a significant role in achievement motivation, providing guidance, support and opportunities to take risks. It is proved in the research study that, 'to fulfill desire of self/wife/parent/husband' score the mean value of 4.3 (agree), most of the respondents accepted wife, parent, husband etc. is supporting to fulfill desire of ambition future way forward.

'To secure self-employment/independent living' score the mean value of 3.95 (agree). According to the central government's Periodic Labour Force Survey conducted between July to June 2023, 11.9 percent of the youth are unemployment rate in Mizoram which is above the national average. The youth unemployment rate among men is 8.9 percent, whereas 16.4 percent among women. Even though, unemployment, job scarcity and career prospects are some of the main problems and inspiring motivation to become an entrepreneur. Hence, some are unsatisfied with the

present job or position or role itself. On the other hand, some people who are brave enough to take risks start something of their own business.

Whereas the ‘to gain social prestige’ score has a mean value of 2.66 (disagree). The people of Mizo are a close-knit family/society, children, youth and old organizations were set up in villages through NGOs and churches. If a person actively participates in society or organization, he/she is already gaining social prestige. That is the reason why the respondent doesn’t agree with this motivational ambition of social prestige.

Further, ‘to continue family business’ scores the mean value of 2.41 (undecided) and ‘one's educational background’ 1.93 (disagree) with a standard deviation of 1.03 and 0.43. It was further identified that most of the respondents 42 out of 60 are first-generation entrepreneurs (see table 6.1), this is the reason for the undecided mean value of continuing family business. It is clear from the above; that there is no relationship with the present business and educational background. So in this case, the government needs to add a subject of entrepreneurship in schools and colleges; this could help the young generation to start entrepreneurship to take for future careers and unemployment solved. The details of entrepreneurs’ ambitions are presented in the appendix table 5.4 on page 177.

The study highlights that financial success is the strongest ambition for entrepreneurs, followed by family expectations and the desire for self-employment. Entrepreneurs do not strongly prioritize continuing family businesses or gaining social prestige, and their educational background does not play a significant role in their ambitions.

This suggests that policy measures should focus on providing financial support, training, and resources for entrepreneurs, as their primary motivation is to achieve economic stability rather than social recognition or academic influence.

5.4 Reasons compelling entrepreneurs to enter business.

Cromie & Hayes (1991) lack of employment opportunities and career prospects is one the top factors for a person to be self-employed. Nowadays, even

though there are lots of job opportunities in the job market, but the challenge is equally big. At the point when a person becomes unemployed, the options are to get another job or become self-employed. On the other hand, situations like being unhappy in the current job, company, position or the job role itself are also some of the reasons for those people who are brave enough to start something of their own and start to control their lives by themselves.

Push factors are seen as necessity factors, and they are negative motivations for a person to set up his or her own business. Push entrepreneurs are those people who start self-employment so that they can overcome the impoverished negative environmental impacts, such as unemployment, unstableness of the job, a potential gap in the market, dissatisfaction of the present job, lack of jobs in the job market, or even that they were tending to change their lifestyle. These push factors which are related to work are the key factors to push these individuals to be prepared for an entrepreneurial career.

According to Divya et al., (2023), money is not always the main reason for job satisfaction. When employees spend most of their waking hours working, they need more than a paycheck to keep them satisfied. Utilizing their talents, involving them in challenging projects, encouraging and creating a friendly, respectful and stress-free environment are just some of the reasons your team has the pleasure of working every day to contribute to the company's ultimate success.

Table 5.4 Reasons compelling entrepreneurs

Sl. No	Particular	Mean	Std. Dev	Description
1	Unemployment	2.88	1.02	UD
2	Make use of idle funds	4.71	0.38	SA
3	Dissatisfaction with the present job so far held or occupation pursued	4.71	0.38	SA
4	Make use of technical/professional skills	4.41	0.8	AG
	Overall	**4.17**	**0.64**	**AG**

Source: *Field Survey*

Level of agreement : 4.51 - 5.00 Strongly Agree (SA)
3.51 - 4.50 Agree (AG)
2.51 - 3.50 Undecided (UD)
1.51 - 2.50 Disagree (DA)
1.00 - 1.50 Strongly Disagree (SD)

The reasons compelling entrepreneurs to enter business ventures are 'unemployment', 'make use of idle funds', 'dissatisfaction with the present job or occupational pursued' and 'make use of technical/professional skills'. In all these assessments of compelling reasons for motivational factors were found that the overall mean value is 4.17 (agree) with a standard deviation of 0.64. The results proved that the entrepreneurs are pushed to be employed for their livelihood.

It may be interesting to note that the table 5.4 the factors of compelling reasons for the 'unemployment' score mean value is 2.88 (undecided), this is the cause of they are clear that they are thick, see on table 5.3 point no 1. Whereas the same mean value of 'make use of idle funds' and 'dissatisfaction with the job or occupation pursued' score 4.17 each which strongly agree, it means rural entrepreneurs have their own abilities to take up entrepreneurial activities, knowledge etc. It was observed that 'make use of technical/professional skills' score mean value of 4.14 (agree), the result shows that rural artisans have knowledge and potential to take up entrepreneurship activities as a career. The details of all trades

reasons compelling entrepreneurs are presented in the appendix table 5.5 on page 179.

The study highlights that the strongest reasons compelling individuals to become entrepreneurs are:

- Utilization of idle funds (Financial investment opportunity).
- Dissatisfaction with previous employment (Lack of job satisfaction).
- Making use of technical/professional skills (Skill-driven entrepreneurship).

Unemployment is not a significant reason for becoming an entrepreneur, suggesting that most entrepreneurs in the study voluntarily start businesses rather than being forced by joblessness.

5.5 Factors facilitating entrepreneurship

Ambitions or compulsions alone may not make an entrepreneur. Sometimes, the encouragement an entrepreneur gets from his/her family members or his/her friends and relatives, the experience he gained in employment, the skills he requires or inherited etc., also facilitates the exercise of entrepreneurship. Many factors may come up in the way of starting a business. For example, the encouragement of the family elder is very much needed in the process of starting a unit, if they are reluctant, to quit naturally, it is difficult to expect support from others including the entrepreneur's wife, Prasain and Nixon (2007).

Mostly first generation entrepreneurs generally face problems due to inexperience, lack of marketing system as well as technological knowledge. Therefore, an attempt has been made to examine whether there were any such facilitating factors. The overall performance of the mean value is 3.09 (undecided) with a standard deviation of 1.02.

Table 5.5 demonstrates the factors facilitating the emergence of entrepreneurship motivational of ‘advice or influence (encouragement) of family members/relatives/mends’ had only a positive mean value of 3.83 (agree) with a standard deviation of 1.02. According to Sahay and Sharma (2008) described every

society has its parameters to evaluate individuals and people perceive certain occupations as having greater economic and social prestige than others. Influences of primary groups that include immediate family, peer group, co-workers and very close interactive individuals have maximum influence and they form a values system.

Table 5.5 Factors facilitating entrepreneurship

Sl. No	Particular	Mean	Std. Dev	Description
1	Success stories of entrepreneurs	3.38	1.12	UD
2	Previous association (Experience in the same or other line of activity)	3.03	1.13	UD
3	Property inherited/self-acquired/wife's/husband	2.78	0.45	UD
4	Advice or influence (encouragement) of family members/relatives/mends	3.83	1.02	AG
5	Others association as apprentices and sleeping partners	2.46	0.84	DA
	Overall	**3.09**	**1.02**	**UD**

Source: *Field Survey*

Level of agreement : 4.51 - 5.00 Strongly Agree (SA)
3.51 - 4.50 Agree (AG)
2.51 - 3.50 Undecided (UD)
1.51 - 2.50 Disagree (DA)
1.00 - 1.50 Strongly Disagree (SD)

'Success stories of entrepreneurs' scored a mean value of 3.38 (undecided), closely followed by 'previous association (experience in the same or other line of activity)' scored mean values are 3.03 (undecided) with a standard deviation of 1.13. This is because less than half of the respondents did not have any experience before starting their enterprises (see on chapter-6 table 6.3). Whereas, 'property inherited self-acquired/wife's/husband' had a mean value of 2.78 (undecided), in this matter majority of the respondents (70%) were first-generation entrepreneurs (see on chapter-6 Table 6.1). 'Others association as apprentices and sleeping partners' had a

mean value of 2.46 (disagree). Factors facilitating entrepreneurship of all trades are presented in the appendix table 5.6 on page 181.

The study suggests that family encouragement is the most significant facilitating factor for entrepreneurship. However, other factors such as prior experience, success stories, and financial assets do not have a clear impact, as responses remain undecided.

5.6 Attributes of entrepreneurship

Entrepreneurship is driven by certain key attributes that determine the success and sustainability of a business venture. Entrepreneurs must possess a combination of skills, personal traits, and decision-making abilities to navigate challenges and seize opportunities effectively. This section examines the essential attributes of entrepreneurship based on a field survey, highlighting the key characteristics that contribute to entrepreneurial success.

Entrepreneurship is usually considered to be a bear risk while pursuing opportunities, and often are associated with creative and innovative actions, Prasain and Nixon (2007). As can be seen from table 5.6 present attributes and skills of entrepreneurs included ‘risk-taking’, ‘expertise’, ‘perseverance’, ‘responsibilities’ and ‘decisiveness’. The overall assessment of attributes of mean value is 4.50 (agree) with a standard deviation of 0.57.

Table 5.6 Attributes of entrepreneurship

Sl. No	Particular	Mean	Std. Dev	Description
1	Risk-taking	4.45	0.86	AG
2	Expertise	4.51	0.49	SA
3	Perseverance	4.4	0.57	AG
4	Responsibility	4.71	0.43	SA
5	Decisiveness	4.46	0.5	AG
	Overall	**4.50**	**0.57**	**AG**

Source: *Field Survey*

Level of agreement : 4.51 - 5.00 Strongly Agree (SA)
3.51 - 4.50 Agree (AG)
2.51 - 3.50 Undecided (UD)
1.51 - 2.50 Disagree (DA)
1.00 - 1.50 Strongly Disagree (SD)

The five points of particular assessment of strong relationship with rural entrepreneurs are as follows, 'risk-taking' comprises of mean value are 4.45 (agree). 'Expertise' score mean value of 4.51 (strongly agree) which is very important for an entrepreneurial venture, it can't be a successful entrepreneur without expertise in our line of business. 'Perseverance' had a mean value of 4.4 (agree), which is one of the significance of entrepreneurial activities. It depends on how much we give our efforts or to take responsibility in our business, success or failure in entrepreneurship. 'Responsibility' had a mean value of 4.71 (strongly agree), an entrepreneur is the highest risk bearer and a key person responsible for arranging the capital to support an idea and is primarily accountable for undergoing the consequences in case the idea fails. An entrepreneur's responsibility is to determine the goals. An action plan requires development to realize the goals. Whereas 'decisiveness' scores a mean value of 4.46 (agree). The details of all trades of attributes of entrepreneurs are presented in the appendix table 5.7 on page 183.

The findings indicate that responsibility, expertise, and decisiveness are the most valued attributes among entrepreneurs. These characteristics enable them to

take ownership of their ventures, make informed decisions, and navigate challenges effectively. Additionally, risk-taking and perseverance are also considered crucial, though there is some variation in how different entrepreneurs perceive these attributes.

5.7 Motives for deciding the present line of enterprises

Entrepreneurs choose their business ventures based on various factors, including market demand, profitability, and personal experience. Understanding these motives helps in designing better support systems for emerging entrepreneurs. This section presents an analysis of the key reasons entrepreneurs decide on their current enterprises, based on a field survey.

Whether it is a push or pull factor, motives for deciding the present line of business is one of the significance of a successful entrepreneur, because everyone has an advantage and disadvantage in their entrepreneurial activities, due to experience and inexperience. Table 5.7 presents the respondents of motives to start their enterprises including ‘ease to start the business’, ‘high profitability’, ‘less competition’, ‘previous experience and ‘easily marketable’. The tables show that the overall mean value is 3.56 (agree) with a standard deviation of 1.00.

Table 5.7 Motives for deciding the present line of enterprises

Sl. No	Particular	Mean	Std. Dev	Description
1	Ease to start the business	3.06	1.24	UD
2	High profitability	4.28	0.66	AG
3	Less competition	3.06	1.02	UD
4	Previous experience	3.03	1.24	UD
5	Easily marketable	4.38	0.84	AG
	Overall	**3.56**	**1.00**	**AG**

Source: *Field Survey*

Level of agreement : 4.51 - 5.00 Strongly Agree (SA)
3.51 - 4.50 Agree (AG)
2.51 - 3.50 Undecided (UD)
1.51 - 2.50 Disagree (DA)
1.00 - 1.50 Strongly Disagree (SD)

The present data reveals that ‘easily marketable’ and ‘high profitably’ have the highest mean values of 4.38 and 4.28 (agree), which is very interesting to note that pursuing a passion through a business venture can provide individuals with a sense of purpose and fulfillment. Whereas the same mean value of ‘ease to start the business’ and ‘less competition’ had a mean value of 3.06 (undecided) each, the results clearly observed that there is no achievement in ease alone. It was already mentioned before that, most of the entrepreneurs are first-generation entrepreneurs, so ‘previous experience’ has only a 3.03 mean value which is undecided. The data on motives for deciding the present line of business of all trades are presented in appendix table 5.8 on page 185.

The findings highlight that profitability and marketability are the strongest motivators for entrepreneurs when selecting their business ventures. These factors ensure financial sustainability and demand for their products or services. However, ease of starting the business, less competition, and prior experience received mixed responses, indicating that these factors vary depending on the entrepreneur’s background and industry.

CHAPTER – 6

NATURE OF THE ENTERPRISES

The nature of enterprises established by rural entrepreneurs is shaped by local resources, market demand, traditional skills, and socio-economic conditions. In rural areas, entrepreneurship plays a vital role in self-employment, income generation, and economic development, addressing the challenges of limited job opportunities and migration.

Rural enterprises are typically micro or small-scale, with businesses operating in sectors such as agriculture and allied activities, handicrafts, food processing, retail trade, and service industries. These businesses are often structured as sole proprietorships, family-run enterprises, cooperatives, or small partnerships, depending on capital availability and operational needs.

Despite their contributions to rural economies, these enterprises face challenges such as limited access to finance, inadequate infrastructure, and market constraints. Understanding their nature helps in formulating policies and support mechanisms to promote sustainable rural entrepreneurship.

This chapter explores various aspects of rural entrepreneurship, including the generation of entrepreneurs, their years of experience, financial sources, production capacity, marketing strategies, business management, and economic impact.

The study also examines the size of employment generated by rural enterprises, the economic status of entrepreneurs, and their contribution to community development. Additionally, it evaluates the entrepreneurial efforts, improvement in household assets after starting a business, participation in business organizations, and skill development among entrepreneurs.

By analysing these factors, this chapter aims to provide insights into the growth, sustainability of the enterprises, contributing for strengthening entrepreneurship in rural areas.

6.1 Generation of Entrepreneurs.

As briefly stated above, an attempt is made here to ascertain the generation to which the entrepreneurs under study belong. The generations of entrepreneurs were classified into two categories, namely the first-generation entrepreneur and second-generation entrepreneur. The first-generation entrepreneur refers to entrepreneurs who founded the business units. They took the first initiative to start the business. Whereas second generation entrepreneurs are those whose enterprises inherited the unit from their father, mother or close relatives as well as acquired it from others.

First-generation entrepreneurs are individuals who start and build a business enterprise without any prior family background in entrepreneurship or business ownership. Unlike those who inherit or join established family businesses, first-generation entrepreneurs create their ventures from scratch, often driven by personal ambition, innovation, and a desire to create something of their own.

They typically face greater challenges, such as lack of financial support, limited access to business networks, and minimal mentorship, yet they also bring fresh ideas, new perspectives, and strong determination to succeed. Their journeys often involve high levels of risk-taking and resilience, and their success stories serve as powerful examples of self-made achievement.

In many cases, first-generation entrepreneurs play a crucial role in job creation, economic development, and the introduction of new products or services to the market. These innovators transform traditional business landscapes and serve as a source of inspiration for aspiring entrepreneurs.

No one can deny the fact that first-generation entrepreneurs are risk-takers who take every possible step to convert the idea to start a business into action. They faced many obstacles in the beginning. Even though they are inexperienced, they gradually overcome all these problems in successfully running their enterprise unit.

Second-generation entrepreneurs are individuals who take over and lead an existing family business, typically started by their parents or other relatives. Unlike first-generation entrepreneurs who build from the ground up, second-generation

entrepreneurs inherit a legacy—but face the unique challenge of sustaining, modernizing, and expanding the business in a rapidly changing environment.

They bring fresh perspectives, new strategies, and often a higher level of education and global exposure. Their role is not only to maintain the success of the family business but also to innovate, adapt to new market trends, and explore new opportunities for growth. Balancing tradition with transformation, they often act as a bridge between the values of the past and the demands of the future.

Second-generation entrepreneurs are key to long-term business sustainability and play a vital role in evolving traditional enterprises into modern, competitive ventures.

The data as displayed in table 6.1 indicates that from the total 60 respondents, the first generation entrepreneurs were 70 percent and 30 percent are the second generation entrepreneurs respectively.

Table 6.1 Generation of entrepreneurs : Trade-wise classifications

Sl, no	Trade	Frequency			Percent		
		First Generation	Second Generation	Total	First Generation	Second Generation	Total
1	Food Processing	7	3	10	70	30	100
2	Furniture	4	6	10	40	60	100
3	Handloom	7	3	10	70	30	100
4	Repair Service	8	2	10	80	20	100
5	Steel/Metal Service	8	2	10	80	20	100
6	Tailoring	8	2	10	80	20	100
	Total	**42**	**18**	**60**	**70**	**30**	**100**

Source: *Field Survey*

Generation-wise, first-generation entrepreneurs consist of 70 percent who were found to be managing their enterprises at the time of data collection, whereas

the rest of the 30 percent of the respondents were following the footsteps of their parents or relatives to continue their enterprises.

It can be seen from the table 6.1 the present study generation wise, the food processing unit has a first generation entrepreneur of 70 percent and 30 percent from second generation entrepreneurs. Manufacturing of furniture trade presents almost half of the respondents of whom 40 percent were first-generation entrepreneurs and second-generation entrepreneurs were 60 percent. Manufacturing of handloom comprises the majority of 70 percent from first-generation entrepreneurs and 30 percent were second generations entrepreneurs. Repair service, steel/metal service and tailoring have the same percentage of a large majority of 80 percent each of first-generation entrepreneurs and 20 percent were second-generation entrepreneurs.

The data reveals a significant dominance of first-generation entrepreneurs in the surveyed trades, reflecting the spirit of entrepreneurship among individuals who venture into business without inherited platforms. This trend is particularly strong in skill-based and service-oriented trades like tailoring, repair services, and metal works.

However, the presence of second-generation entrepreneurs in trades like furniture suggests that certain industries are more likely to sustain through family involvement over time. This mix indicates both the growth of grassroots entrepreneurship and the continuity of traditional family-run enterprises.

6.2 Years of Experiences in the Enterprises.

Experiences influence the development of entrepreneurial knowledge. Previous start-up experience and cross-functional experience seem to improve the ability to recognize business opportunities.experiences influence the development of entrepreneurial knowledge. Previous start-up experience and cross-functional experience seem to improve the ability to recognize business opportunities.

The number of years an entrepreneur has spent managing or operating their enterprise plays a crucial role in determining the stability, growth, and sustainability of the business. Experience not only reflects the maturity and resilience of the

entrepreneur but also indicates their ability to adapt to market changes, overcome challenges, and make informed business decisions.

Entrepreneurs with longer experience tend to have: Stronger networks (customers, suppliers, and partners), deeper industry knowledge, better financial management skills and higher business confidence and risk-handling ability.

On the other hand, entrepreneurs with fewer years of experience may bring: fresh ideas and innovation, willingness to experiment, as well as adaptability to technology and modern trends. In many rural or traditional enterprises, a blend of both experienced and new entrepreneurs contributes to the sector's overall dynamism.

Diamanto and Jonas (2005) argue experiences increase the development of entrepreneurial knowledge. Previous start-up experience and cross-functional experience seem to improve the ability to recognize business opportunities. Small business management experience and varied management experience on the other hand seem to provide individuals with the ability to better handle liabilities of newness in the new venture creation process.

Huatao et, al (2020) express that experiences make it easier for enterprises to achieve higher entrepreneurial performance by making full use of previous experience in the high-tech industry condition and at the early business stage, compared with other types of entrepreneurial experience. The study concluded previous experience to promote the sustainable development of the enterprises. Moreover, the previous experience reserves and external factors and select appropriate development strategies to boost entrepreneurial performance.

Pontus (2010) examined how knowledge has advanced and reached new levels, followed by economic development characterized by uncertainty, market experiments, redistribution of wealth, and the generation of new structures and industries.

The years of experiences of the respondents who have more than two years of entrepreneurial activities are presented in table 6.2. The data reveals that the

overall average years of experience were 14.83 ranging from a minimum of 3 years to a maximum of 45 years with a standard deviation of 14.61. Moreover, food processing, repair service and steel/metal service had the same number of 3 years minimum experience each, followed by furniture and handloom enterprises had a minimum of 5 years' experience and a large number of tailoring has 8 years of minimum experience. Whereby, steel/metal service has a maximum experience of 45 years with an average of 24 years. Followed by furniture enterprises has 27 years of maximum experience with an average of 16 years.

Table 6.2 Years of experience of the respondents

Sl, no	Trade	Minimum	Maximum	Mean	Std. Dev
1	Food Processing	3	18	10.5	10.6
2	Furniture	5	27	16	15.55
3	Handloom	5	26	15.5	14.84
4	Repair Service	3	15	9	8.48
5	Steel/Metal Service	3	45	24	29.69
6	Tailoring	8	20	14	8.48
	Overall	**3**	**45**	**14.83**	**14.61**

Source: *Field Survey*

Table 6.3 presents the years of experience of the respondents are categorised into two three groups which are less than 5 years of experience, between 5 to 10 years and more than 11 years. The results show that manufacturing furniture enterprises have more experience 80% of respondents had more than 11 years, 10% each of the respondents had less than 5 years and between 5 to 10 years' experience.

More than half of the respondents in tailoring trades 60% had more than 11 years of experience and 40% of the entrepreneurs had between 6 to 10 years of experience in entrepreneurial activities.

Whereas the same number of 50% each of handloom enterprises and steel/metal services had more than 11 years of experience. 30% of the respondents of

handloom enterprises had between 6 to 10 years of experience and 20% had less than 5 years of experiences. 30% of respondents of steel/metal services had less than 5 years' experience and 20% had between 6 to 10 years of experiences in the enterprises.

Table 6.3 Years of experience the enterprise

Sl, no	Trade	Less than 5 years	6 to 10 years	More than 11 years	Total
1	Food Processing	5	3	2	10
2	Furniture	1	1	8	10
3	Handloom	2	3	5	10
4	Repair Service	5	3	2	10
5	Steel/Metal Service	3	2	5	10
6	Tailoring	0	4	6	10
	Total	**16**	**16**	**28**	**60**
			Percent		
1	Food Processing	50	30	20	100
2	Furniture	10	10	80	100
3	Handloom	20	30	50	100
4	Repair Service	50	30	20	100
5	Steel/Metal Service	30	20	50	100
6	Tailoring	0	40	60	100
	Total	**27**	**27**	**47**	**100**

Source: *Field Survey*

Food processing trade and repair service had the same percentage of its group of experiences of 20% each of more than 11 years of experiences, while 30% each experience between 6 to 10 years. Hence, half of the respondents 50% each had less than 5 years experiences in their entrepreneurial activities. The data suggests a healthy blend of experienced and relatively new entrepreneurs across sectors. The high percentage of enterprises with more than 11 years of experience points to the sustainability and maturity of certain trades like furniture, tailoring, and handloom. Meanwhile, the presence of a sizeable number of entrepreneurs with less than 5 years

of experience—especially in food processing and repair services—indicates emerging interest and growth potential in these areas.

The study revealed that those who have more experiences in their entrepreneurial activity; they have more knowledge, and management of the enterprises, to handle liabilities and new venture creation process. More experience advantages to promote the sustainable development of enterprises and boost entrepreneurial performance were found in the entrepreneurs.

6.3 Financing the Enterprises.

Financing is one of the most critical aspects of starting, sustaining, and expanding an enterprise. The availability, source, and type of finance can significantly influence the success and stability of a business, especially for small and rural entrepreneurs.

In the promotion of enterprises, the availability of enough finance is one of the most important factors of sustainability of entrepreneurship, without it, the idea to start a business or enterprise will always remain a simple wish. According to Evans (2021), entrepreneurship is not only contributes to economic growth but also stimulates the development of knowledge. Entrepreneurship capital is crucial in explaining the spatial variation in the survival of start-ups; it is an important factor for a higher survival rate among start-ups in the long term, especially among start-ups in smaller regions. The creation of an enabling environment or an entrepreneurial ecosystem enhances the entry into entrepreneurship, it influences the survivability of start-ups especially those in smaller or rural regions.

6.3.1 Initial Capital Invested in the Enterprises

Regarding the initial capital invested in the enterprises is one of the significant of success entrepreneurship. The respondents of entrepreneurs invested are presented in table 6.4. The table reveals that the overall average of capital invested in the enterprises is Rs. 233816.66/- with a standard deviation of 317514.51. Moreover, Rs. 3000/- is the lowest capital invested in the enterprises from repair service and the highest invested from the food processing unit of Rs. 1000000/-. It can be noted that

after the food process unit, steel/metal service has the highest investment an average of Rs. 353500/- followed by manufacturing of furniture enterprises with an average of Rs. 202500/-, whereas tailoring enterprises were the lowest invested in the enterprises with an average of Rs. 77900/-.

Table 6.5 observes that respondents invested in the enterprises were grouped into three categories, below Rs. 50000/-, between Rs. 50000 to 100000 and above Rs. 100000. The table reveals that the overall average amount of the respondents 57% were invested below Rs. 50000/- and 22% each invested between Rs. 50000/- to Rs. 100000/- and above Rs. 100000/-.

Table 6.4 Initial capital invested of the respondents

Sl, no	Trade	Minimum	Maximum	Mean	Std. Dev
1	Food Processing	15000	1000000	507500	696500.2
2	Furniture	5000	400000	202500	279307.2
3	Handloom	20000	200000	110000	127279.2
4	Repair Service	3000	300000	151500	210010.7
5	Steel/Metal Service	7000	700000	353500	490025
6	Tailoring	5800	150000	77900	101964.8
	Overall	**3000**	**1000000**	**233816.7**	**317514.5**

Source: *Field Survey*

Steel/metal service has the highest 40% of entrepreneurs invested more than Rs. 100000/- and 20% invested between Rs. 50000-10000/- whereas the rest of the 40% entrepreneurs invested below Rs. 50000/-. Followed by repair service 30% of entrepreneurs invested more than Rs. 100000/-, majority of repair service entrepreneurs 60% were invested below Rs. 50000/-. Only 10% of respondents invested between Rs. 50000-100000/-. Moreover, food processing and furniture enterprises had the same percentage 20% each invested more than Rs. 100000/-. Half of the respondents 50% of food processing enterprises invested below Rs. 50000/- and 30% invested between Rs. 50000/- to Rs. 100000/-. Majority of the respondents 60% of furniture trades invested below Rs. 50000/- and 20% invested between Rs.

50000/- to Rs. 10000/-. Handloom comprises a large majority of 90% of respondents who are invested below Rs. 50000/- and only 10% invested between Rs. 50000/- to Rs. 100000/-. Tailoring trade has a same percentage of 40% each invested below Rs. 50000/- and between Rs. 50000/-to Rs. 100000/-, whereas 20% invested more than Rs. 100000/-.

The data shows that most of the entrepreneurs start their ventures with limited financial investment, often below ₹50,000. This is particularly evident in traditional and craft-based sectors like handloom and tailoring, where enterprises tend to be family-run, home-based, and modest in scale.

However, trades like steel/metal service and repair services require relatively higher capital investments, showing potential for scaling if proper financial and infrastructural support is provided.

The low proportion of high-capital enterprises suggests challenges in accessing formal finance or risk aversion among rural entrepreneurs. It also indicates a need for policy support and targeted financial interventions to enable business expansion and sustainability.

Table 6.5 Categorisation of respondent according to capital invested in rupees

Sl, no	Trade	Below 50000	50000-100000	100000 above	Total
1	Food Processing	5	3	2	10
2	Furniture	6	2	2	10
3	Handloom	9	1	0	10
4	Repair Service	6	1	3	10
5	Steel/Metal Service	4	2	4	10
6	Tailoring	4	4	2	10
	Total	**34**	**13**	**13**	**60**
		Percent			
1	Food Processing	50	30	20	100
2	Furniture	60	20	20	100
3	Handloom	90	10	0	100
4	Repair Service	60	10	30	100
5	Steel/Metal Service	40	20	40	100
6	Tailoring	40	40	20	100
	Overall	**57**	**22**	**22**	**100**

Source: *Field Survey*

6.3.2 Sources of Initial Capital

The initial capital required to start and run a business can come from various sources, depending on the entrepreneur's resources, business type, and the availability of financial support. These sources can be broadly categorized into internal and external sources.

Internal Sources of Capital: These are funds that come directly from the entrepreneur's own resources or from within the enterprise itself. They usually carry minimal risk but may be limited in scope.

Internal Sources of Capital: These are funds that come directly from the entrepreneur's own resources or from within the enterprise itself. They usually carry minimal risk but may be limited in scope.

David et al., (2002) examine entrepreneurship capital plays an important role in the model of the production function. It may be that, under certain conditions, policies focusing on enhancing entrepreneurship capital can prove to be more effective than those targeting the more traditional factors. The availability of business capital can influence and augment entrepreneurship in such a way as to raise productivity and growth.

It would be very interesting to enquire about the sources from where the entrepreneurs raised the initial capital. Finance is the most significant of creating entrepreneurship. It is very important to note that a rural entrepreneur has a nature of knowledge, skills, ability and management in their business activity. Rural entrepreneurs developed the family, society, and community in the last nation. So, rural entrepreneur must need to support their entrepreneurial activity. The study revealed the financial sources of starting an enterprise during the field survey of data collected from the entrepreneurs were analysed in table 6.6.

Table 6.6 Financial sources of initial capital

Sl, no	Source	Frequency	Percentage
1	Self	46	76.6
2	Bank loan	4	6.6
3	Government incentive	7	11.6
4	Self-help group	3	5
	Total	**60**	**100**

Source: *Field Survey*

Table 6.6 reveals that 46 (76.6%) respondents are starting businesses with their own finances. Therefore, rural entrepreneurs must need to be encouraged, motivated, financing more and more through government and financial institutions, because rural entrepreneurs are one of the development of a country from job seekers to job givers. Whereas, only 4 (6.6%) were starting enterprises through financial institutions of bank loans. According to Vinay and Naveena (2021) express due to the absence of tangible security and credit in the market most of the rural entrepreneurs fail to get external funds. Also, the procedure to avail of the loan

facility from the banks is too time-consuming and its delay often disappoints the rural entrepreneurs. The lack of finance available to rural entrepreneurs is by far one of the biggest problems. These problems are also found in the present study from the rural entrepreneurs due to a lack of financial availability and the absence of tangible security and credit. It can be observed from the table, the respondents only 7 (11.6%) were starting their enterprises through government incentives. In the matter of this entrepreneurship development, the state and central government need to improve and promote the development of rural entrepreneurship. While only a few numbers of 3 (5%) respondents are starting their enterprises through self-help groups, these three respondents who are starting their enterprises are from tailoring trades.

6.4 Equipment Cost of the Production of Enterprises

The present study 'Performance of Rural Enterprises in Mizoram' selected of service and manufacturing enterprises of the entrepreneurs. This means, that all trades of the respondents that require equipment to start for their enterprises were identified during the field study, which asked general requirements of equipment for the production line of business. The result as shown in table 6.7 reveals that the overall average price of the approximate equipment cost is Rs. 260858.33/-, ranging from a minimum of Rs. 30416.66/- to a maximum of Rs. 491300/- with a standard deviation of 325893.73 respectively.

Table 6.7 Approximate cost of equipment for the production line of the respondent.

Sl, no	Trade	Minimum	Maximum	Mean	Std. Dev
1	Food Processing	30000	590000	310000	395979.8
2	Furniture	72500	206800	139650	94964.44
3	Handloom	10000	900000	455000	629325
4	Repair Service	7000	81000	44000	52325.9
5	Steel/Metal Service	40000	820000	430000	551543.3
6	Tailoring	23000	350000	186500	231223.9
	Overall	**30416.66**	**491300**	**260858.3**	**325893.7**

Source: *Field Survey*

It was found from the study; that repair service has the lowest approximate cost of equipment ranging from a minimum of Rs. 7000/- to a maximum of Rs. 81000/- with an average of Rs. 44000/-. Followed by furniture trade, ranging from a minimum of Rs. 72500/- to a maximum of Rs. 206800/- with an average of Rs. 139650/-. While tailoring trades have an average of Rs. 186500/-, the approximate cost of equipment ranging a minimum of Rs. 23000/- to a maximum of Rs. 350000/- with an average of 186500. Moreover, food processing trades have an average of Rs. 310000/- ranging from a minimum of Rs. 30000/- to a maximum of Rs. 590000/-. Steel/metal trades comprise the approximate cost of the equipment with an average of Rs. 430000/- ranging from a minimum approximate cost of Rs. 40000/- to a maximum of Rs. 820000/-. It can be noted that handloom trades have the highest approximate cost of equipment with an average of Rs. 455000/-, ranging from a minimum of Rs. 10000/- to a maximum of Rs. 900000/-. Details of equipment requirement, approximate cost, and materials required for production, sources of materials are presented in the appendix table 6.10 on page 188.

The cost of equipment varies widely across different sectors. Some trades, like repair services, furniture, and tailoring, have relatively low initial capital requirements, making them more accessible for entrepreneurs with limited funds.

Conversely, sectors like handloom, food processing, and steel/metal service require higher capital investments, often making it harder for small-scale entrepreneurs to enter or scale up without external financial support.

The wide range of equipment costs suggests that entrepreneurs in these sectors may need different levels of financial assistance depending on their business size and scale.

6.5 Volume of Production.

The volume of production in rural entrepreneurship refers to the total quantity of goods and services produced by small-scale enterprises and entrepreneurs located in rural areas. This aspect is critical because it influences both the economic vitality of rural communities and their contribution to national economies.

Table 6.8 Volume of production

Sl, no	Trade	Frequency	Mean
1	Food Processing	10	94552.08
2	Furniture	10	540375
3	Handloom	10	500000
4	Repair Service	10	34750
5	Steel/Metal Service	10	205064.6
6	Tailoring	10	82875
	Overall	**60**	**242936.1**

Source: *Field Survey*

In addition to the measures of rural entrepreneurial performance and growth, the volume of production is one of the assessments of successful entrepreneurs and the sustainability of the enterprises. During the field survey, the performance of rural entrepreneurs is remarkable in all the present lines of business. It was observed that they do their best in their work in the production line of entrepreneurial activities. Table 6.8 reveals the overall performance of the mean value is Rs. 242936.11/-.

It can be observed from table 6.8 with regards to the production level, rural entrepreneurs had performed in a better way. Regarding the performance of economic activities, respondents of furniture entrepreneurs have the highest average of Rs. 540375/- followed by handloom enterprises at an average of Rs.500000/-. Hence, steel/metal services also an incredible production with an average of Rs. 205064.58/-. Food processing trades products an average of Rs. 94552.08/- with a closed amount of tailoring comprises an average of Rs. 82875/-. Whereas repair service has the lowest volume of production with an average of Rs. 82875/-, it is clearly shown from the result, that in rural areas there are fewer people compared with urban areas, which means it can't compared the size of production and income with urban enterprises.

The volume of production in rural entrepreneurship is a multifaceted issue influenced by a combination of resources, technology, infrastructure, market access, and government support. Increasing production requires addressing these key factors, enabling rural entrepreneurs to scale up their businesses and contribute more significantly to both local and national economies. By leveraging innovations, improving infrastructure, and facilitating market access, rural enterprises have the potential to significantly boost their production volumes and drive economic growth in rural regions.

6.6 Sales and Marketing Channels for Products in the Marketplace

For any business, understanding where and how to sell products is crucial to ensuring profitability and sustainability. The sales and marketing place of the production line refers to the channels through which products are sold, and the strategies businesses use to reach customers. These can vary depending on the type of business, the target market, and the nature of the product.

The marketing mix, also known as the four P's of marketing, refers to the four key elements of a marketing strategy: product, price, place and promotion. As a matter of the fact that rural entrepreneurs are paying attention to the following four components of the marketing mix, they maximize and enlarge their products being recognized and bought by customers. Nowadays, rural entrepreneurship is a crucial

figure in the economic growth of a developing country like India as well as a nation. It is so remarkable in this study was found that many of them sell their products outside the country and in other states. The performance of respondents' production of the marketplace is presented in table 6.9. The results show that out of the 60 respondents 7 (12%) entrepreneurs were selling their product outside the country of USA, Malaysia, Myanmar, and Australia etc. Moreover, 3 (5%) respondents had marketing in central India in some state and union territories. It can be observed from the table, that 23 (38%) of the respondents had sold their products in various northeast states of India. Thus, most of the entrepreneurs usually sell their products in the state and neighbouring villages.

Table 6.9 Categorisation sales of marketing place

Sl, no	**Trade**	**Mizoram**	**North East**	**Central India**	**International**
1	Food Processing	10	4	1	1
2	Furniture	10	5	0	1
3	Handloom	10	3	0	4
4	Repair Service	10	0	0	0
5	Steel/Metal Service	10	8	2	1
6	Tailoring	10	3	0	0
	Total	**60**	**23**	**3**	**7**
			Percent		
1	Food Processing	100	40	10	10
2	Furniture	100	50	0	10
3	Handloom	100	30	0	40
4	Repair Service	100	0	0	0
5	Steel/Metal Service	100	80	20	10
6	Tailoring	100	30	0	0
	Total	**100**	**38**	**5**	**12**

Source: *Field Survey*

It may be seen from table 6.9 that those who have exported items outside the state and other countries. The table reveals that a handloom enterprise has the majority of marketing outside the country of 4 (40%) of the respondents and 3 (30%) marketing in various northeast states. On the other hand, 1 (10%) each from food processing, furniture and steel/metal enterprises had marketing outside the country.

Another remarkable steel/metal enterprise had 2(20%) of the respondents selling their products in central India and a large majority 8 (80%) marketing in various northeast states. Food processing comprises (10%0 of the respondents marketing in central India and almost half of the respondents 4 (40%) sell their products in various states of the northeast. Half of the respondents 5 (50%) from the furniture entrepreneurs have marketing in northeast states. Whereas (30%) of tailoring entrepreneurs also market in the different states of northeast India.

6.7 Management of the Present Enterprises

The management of existing enterprises involves the efficient and effective use of resources to ensure that a business runs smoothly and achieves its objectives. It covers various aspects of running a business, from day-to-day operations to long-term strategic planning. Management within an enterprise is crucial for maximizing productivity, improving profitability, and sustaining growth.

The experience of the past few years of global crisis has shown clearly that unemployment remains a pressing economic and development problem. It remains unsolved not only in the underdeveloped but also in the most developed countries. Jerzy (2014) argues the key to effective employment policies is a better identification of the internal structure of the business sector.

Alexander (2014) entrepreneurship is considered crucial to a dynamic economy. Entrepreneurs create employment opportunities not only for themselves but for others as well. Entrepreneurial activities may influence a country’s economic performance by bringing new products, methods, and production processes to the market and by boosting productivity and competition more broadly.

Raj and Tilak (2019) entrepreneurship is the engine of economic growth of a country. It increases the economic activities in every sphere of the economic life of the people. The study concludes that entrepreneurship in India is a key contributor in the area of employment generation, innovations and product improvement. Not only does it create self-employment but it has also built a structure for large-scale employment opportunities. It contributes to the economic growth of a country by promoting capital formation, increasing per capita income, improving the standard of living and balanced growth by removing regional disparities.

6.7.1 Family Members Engaged in the Enterprises

Entrepreneurship creates employment opportunities. It is clearly shown in the table 6.10. The overall average of family members engaged in entrepreneurial activities is 2.41 with a standard deviation of 2.00, ranging from a minimum of 1 to a maximum of 5 members respectively.

In fact, all the trades of respondents have a minimum of 1 person who handles the enterprises from the family member. The overall average of family members engaged in the enterprises is 2.41 ranging from a minimum of 1 to a maximum of 5 with a standard deviation of 2.00. It may be observed from the table 6.10 that food processing, furniture and handloom enterprises have a maximum number of 5 family members each followed by tailoring comprises a maximum of 4 family members. While repair service and steel/metal service had a maximum number of 2 family members each with a standard deviation of 1.5 who are engaged in the enterprises.

Table 6.10 Family members engaged in the enterprises

Sl, no	Trade	Minimum	Maximum	Mean	Std. Dev
1	Food Processing	1	5	3	2.82
2	Furniture	1	5	3	2.82
3	Handloom	1	5	3	2.82
4	Repair Service	1	2	1.5	0.7
5	Steel/Metal Service	1	2	1.5	0.7
6	Tailoring	1	4	2.5	2.12
	Overall	**1**	**5**	**2.41**	**2**

Source: *Field Survey*

The findings show that family labour plays a significant role in the functioning of many micro and small enterprises, especially in traditional trades like food processing, furniture-making, and handloom. These businesses often operate as family units, where skills and responsibilities are shared among members, reducing the need for external hiring.

However, in more technical or specialized trades, such as repair and metal services, the involvement of family members is more limited, possibly due to the skill requirements or safety considerations.

6.7.2 Size of Employment.

The growth in the size of employment made by the enterprises is also another measure for assessing entrepreneurial performance. It could be very interesting to note that, the performance of rural enterprises achievement can be assessed by how many members are employed in the entrepreneurial activity. Hence, an attempt is made here to present the size of employment in the enterprises under the study. Table 6.11 reveals the overall number of employees engaged in the enterprises without family members is an average of 15.08 with a standard deviation of 1.97. It can thus be concluded that rural entrepreneurship is the sustainable development of the rural economy as well as the development of poor people.

One remarkable thing was found in the study, the table reveals that handloom enterprises have a maximum of 147 employees without their family members, whereas another remarkable was food processing enterprises ranging from a minimum of 1 to a maximum of 10 employees from outside the family members with an average of 5.5. While furniture enterprises employ an average of 4 members ranging from a minimum of 1 to a maximum of 7 employees. It may also be noted that steel/metal enterprises range from a minimum of 2 to a maximum of 5 employees without their family members with an average of 3.5 employees. Tailoring enterprises have the second least of employees ranging from a minimum of 1 to a maximum of 3 employees with an average of 2 members. Repair service has the least employees without family members ranging from a minimum of 1 to a maximum of 2 an average of 1.5 employees with a standard deviation of 0.7.

Table 6.11 Numbers of employees in the enterprises

Sl, no	Trade	Minimum	Maximum	Mean	Std. Dev
1	Food Processing	1	10	5.5	6.36
2	Furniture	1	7	4	4.24
3	Handloom	1	147	74	103.23
4	Repair Service	1	2	1.5	0.7
5	Steel/Metal Service	2	5	3.5	2.12
6	Tailoring	1	3	2	1.41
	Overall	**1**	**147**	**15.08**	**1.97**

Source: *Field Survey*

The findings reveal that most of the surveyed enterprises employing between 1 to 5 people. The handloom industry is an exception, showing potential for large-scale employment and possibly contributing significantly to rural employment generation.

The service-oriented trades (repair, tailoring) are typically micro-enterprises with limited employment, likely owner-operated or family-supported. In contrast,

manufacturing-based trades (like food processing and furniture) fall in the small to medium enterprise category with a modest number of employees.

6.8 Economic Status of the Entrepreneurs

Income is one of the indicators of the success of rural entrepreneurship and the development of rural areas. The primary data collected from the sample respondents reveals that the income of rural entrepreneurs contributes to increased family income and improving the standard of living, health improvement, education for children, sustainable development in economic, social, and personal development and reputation in the society.

Shivananda (2022), the burning problem of most countries today is unemployment. Creating employment opportunities is generally perceived as government responsibility. However, a government can't provide employment opportunities to a fast-growing population, however sincere it may be. If people are entrepreneurial by nature, they can undertake various self-employment programmes and start their own enterprises, resulting in more employment opportunities. This means self-employment is the best employment and entrepreneurship the most exciting profession.

6.8.1 Monthly Income of Entrepreneurs from the Enterprises

The economic status of the entrepreneurs at the time of research study from different trades has been identified. For this purpose, the monthly incomes of the entrepreneurs from their enterprise sources were taken into consideration. Table 6.12 observed that the overall average monthly income of the entrepreneurs was Rs. 45508.33/- with a standard deviation of 41330.39, ranging from a minimum of Rs. 16283.33/- to a maximum of Rs. 45508.33/-.

Table 6.13 reveals that the overall respondents of monthly income from the enterprises fell within the category of below Rs. 40000/- with the large majority of 82% followed by 12% of the respondent's income between Rs. 40000 to 80000/- with. Only 7 % of the respondents had a monthly income of Rs. 80000/- above from the enterprises.

Table 6.12 Monthly income of entrepreneurs from the enterprises

Sl, no	Trade	Minimum	Maximum	Mean	Std. Dev
1	Food Processing	16700	83400	50050	47164.02
2	Furniture	25000	80000	52500	38890.87
3	Handloom	6000	100000	53000	66468.03
4	Repair Service	10000	45000	27500	24748.73
5	Steel/Metal Service	30000	100000	65000	49497.47
6	Tailoring	10000	40000	25000	21213.2
	Overall	**16283.33**	**74733.33**	**45508.33**	**41330.39**

Source: *Field Survey*

Hence, further table 6.13 presents the data on the distribution of respondents according to income category from the enterprises. Trade-wise, it can be seen from the table that food processing entrepreneurs had a monthly income from the enterprise's majority of the respondents 60% was below Rs. 40000/- and 30% of respondents' income between Rs. 40000-80000/-, only 10% had a monthly income of Rs. 80000/- above. Furniture and steel/metal enterprises large majority of 80% each of monthly income below Rs. 40000/- and 10% each of between Rs. 40000-80000/- and another 10% each of the respondents income Rs. 80000/- above. Moreover, handloom, repair service and tailoring trades have the large majority of 90% each of monthly income of below Rs. 40000/-, whereas 10% each of respondents repair service and tailoring trades had income between Rs. 40000-80000/-. The remaining 10% of handloom entrepreneurs had a monthly income of Rs. 80000/- above from the enterprises.

Table 6.13 Categorization of monthly income of entrepreneurs from the enterprises

Sl, no	Trade	Below 40000	40000-80000	80000 above	Total
1	Food Processing	6	3	1	**10**
2	Furniture	8	1	1	**10**
3	Handloom	9	0	1	**10**
4	Repair Service	9	1	0	**10**
5	Steel/Metal Service	8	1	1	**10**
6	Tailoring	9	1	0	**10**
	Total	**49**	**7**	**4**	**60**
			Percent		
1	Food Processing	60	30	10	**100**
2	Furniture	80	10	10	**100**
3	Handloom	90	0	10	**100**
4	Repair Service	90	10	0	**100**
5	Steel/Metal Service	80	10	10	**100**
6	Tailoring	90	10	0	**100**
	Total	**82**	**12**	**7**	**100**

Source: *Field Survey*

6.8.2 Entrepreneurs: Additional Income beyond Enterprises

Here an attempt has been made to examine the entrepreneur who has additional income beyond the enterprises. It may be seen from table 6.14, that a little more than half of the respondents 37% have additional income from the different sources are taken into consideration.

Table 6.14 Additional income of the respondents

Sl, no	Trade	Frequency			Percent		
		Yes	No	Total	Yes	No	Total
1	Food Processing	6	4	10	60	40	100
2	Furniture	2	8	10	20	80	100
3	Handloom	4	6	10	40	60	100
4	Repair Service	1	9	10	10	90	100
5	Steel/Metal Service	7	3	10	70	30	100
6	Tailoring	2	8	10	20	80	100
	Overall	**22**	**38**	**60**	**37**	**63**	**100**

Source: *Field Survey*

The respondents were asked to identify their additional income beyond the enterprises from different sources based on their simple calculations. The result as presented in table 6.15, additional income of the respondents on average was Rs. 11650/- ranging from a minimum of Rs. 2000/- to a maximum of Rs. 40000/- with a standard deviation of 7094.63.

Table 6.15 Additional income of the respondents

Sl, no	Trade	Minimum	Maximum	Mean	Std. Dev
1	Food Processing	2000	15000	8500	9192.38
2	Furniture	10000	10000	10000	0
3	Handloom	2800	10000	6400	5091.16
4	Repair Service	10000	10000	10000	0
5	Steel/Metal Service	10000	40000	25000	21213.2
6	Tailoring	5000	15000	10000	7071.06
	Overall	**2000**	**40000**	**11650**	**7094.63**

Source: *Field Survey*

The respondents of steel/metal service had the highest additional income with an average of Rs. 25000/- followed by furniture, repair service and tailoring enterprises had an average of Rs. 10000/- each. While handloom enterprises had the lowest with an average of Rs. 6400/-.

6.8.3 Entrepreneurs: Income before Start-up the Enterprises.

It would be very interesting to enquire about who has a monthly income before starting the enterprises of the respondents. Table 6.16 shows that the majority of the entrepreneurs 32(53%) had monthly income before starting the present line of business. It reveals that the income of the entrepreneurs before starting the enterprise from different jobs like farming, business, labour etc.

Table 6.16 Monthly income before starting the enterprises

		Frequency			Percent		
Sl, no	**Trade**	**Yes**	**No**	**Total**	**Yes**	**No**	**Total**
1	Food Processing	8	2	10	80	20	100
2	Furniture	8	2	10	80	20	100
3	Handloom	0	10	10	0	100	100
4	Repair Service	6	4	10	60	40	100
5	Steel/Metal Service	8	2	10	80	20	100
6	Tailoring	2	8	10	20	80	100
	Total	**32**	**28**	**60**	**53**	**47**	**100**

Source: *Field Survey*

Table 6.17 observes that the income of the respondents before start-up present line of business from different jobs, 26 (43%) of the respondents had an income of below Rs. 30000/- whereas 6 (10%) had between Rs. 30000-60000/-.

Table 6.17 Categorization of **Monthly Income before Start-up Enterprises**

Sl, no	Trade	Below 30000	30000-60000	Total
1	Food Processing	6	2	8
2	Furniture	6	2	8
3	Handloom	nil	nil	-
4	Repair Service	6	nil	6
5	Steel/Metal Service	6	2	8
6	Tailoring	2	nil	2
	Overall	**26**	**6**	**32**
		Percent		
1	Food Processing	60	20	80
2	Furniture	60	20	80
3	Handloom	nil	nil	-
4	Repair Service	60	nil	60
5	Steel/Metal Service	60	20	80
6	Tailoring	20	nil	20
	Overall	**43**	**10**	**53**

Source: *Field Survey*

The respondents are further distributed according to different categories of income and data are presented in table 6.17. Food processing, furniture and steel/metal services have the same number of income below Rs. 30000/- each and between Rs. 30000-60000/-. Only handloom entrepreneurs don't have income before starting the enterprises.

6.9 Entrepreneurial Efforts

In addition to the measures of entrepreneurial performance and growth discussed above, the time devoted by the entrepreneurs to their units can also be analysed as an important means of assessing the performance of enterprises. It is assumed that the time devoted by the entrepreneurs to their respective enterprises determines the degree of entrepreneurial success. In view of this, an attempt has been made to analyse the time devoted by the entrepreneurs. For convenience and simplicity, the time devoted is measured by in clock hours in a day.

The rural entrepreneurs, it was observed that they give effort in their business; they are struggling and ambitious with hope and hard work to achieve their dreams. It was found that the average time devoted by the entrepreneurs in a day was 10.08 hours ranging from a minimum of 7.33 to a maximum of 12.83 hours with a standard deviation of 3.88 (Table 6.18).

Table 6.18 Time devoted by entrepreneurs in a day

Sl, no	Trade	Minimum	Maximum	Mean	Std. Dev
1	Food Processing	8	13	10.5	3.53
2	Furniture	8	14	11	4.24
3	Handloom	7	15	11	5.65
4	Repair Service	6	11	8.5	3.53
5	Steel/Metal Service	8	13	10.5	3.53
6	Tailoring	7	11	9	2.82
	Overall	**7.33**	**12.83**	**10.08**	**3.88**

Source: *Field Survey*

Table 6.19 further presents the results of the distribution of the respondents according to working hours in the enterprises in a day. The results show that the majority of 41(68%) of the respondents work more than 8 hours in a day, while the rest of 19(32%) work less than 8 hours in their enterprises. In Handloom enterprises, a large majority 9(90%) of the entrepreneurs work more than 8 hours a day, most handloom entrepreneurs' enterprises are home-based industries, followed by steel/metal service 8(80%) of the respondents work more than 8 hours in a day. Hence, tailoring entrepreneurs 5(50%) each work less than 8 hours and more than 8 hours, whereas food processing and repair service entrepreneurs also work less than 8 hours of 4(40%) in their entrepreneurial activities.

Table 6.19 Categorisation of devoted time of the respondents

Sl, no	Trade	Less than 8hrs	More than 8hrs	Total
1	Food Processing	4	6	10
2	Furniture	3	7	10
3	Handloom	1	9	10
4	Repair Service	4	6	10
5	Steel/Metal Service	2	8	10
6	Tailoring	5	5	10
	Total	**19**	**41**	**60**
	Percent			
	Trade	**Less than 8hrs**	**More than 8hrs**	**Total**
1	Food Processing	40	60	100
2	Furniture	30	70	100
3	Handloom	10	90	100
4	Repair Service	40	60	100
5	Steel/Metal Service	20	80	100
6	Tailoring	50	50	100
	Total	**32**	**68**	**100**

Source: *Field Survey*

The data presented in Table 6.19 reveals that a significant majority (68%) of the respondents devote more than 8 hours per day to their respective trades, indicating a high level of commitment and work intensity. Among the various trades, Handloom (90%), Steel/Metal Service (80%), and Furniture (70%) have the highest proportion of respondents working more than 8 hours, suggesting that these trades demand longer working hours, possibly due to the nature of the work or greater market demand. In contrast, trades like Tailoring and Food Processing show a relatively balanced distribution of time spent, while Tailoring has the highest proportion (50%) of respondents working less than 8 hours.

Overall, the findings suggest that while most trades require extended working hours, the degree of time commitment varies across different trades, reflecting differences in work intensity, operational requirements, or individual capacity. This insight is valuable for designing targeted support and interventions for different vocational sectors.

6.10 Improvement of Household Assets after Start-up the Enterprises

In the present study of these rural entrepreneurs, indicators of the economic standard of the family include materialism and household needs. Nowadays, items like cars, motorcycles, new houses, new land and savings money, as well as household furniture and electrical goods like televisions, refrigerators, washing machines, computers etc. the entire become the symbol of the standard of living in rural areas.

It could be interesting to note that table 2.20 reveals that 18(30%) of the respondents had new houses through their income from the enterprises. whereas 15(25%) had a new car and 13(22%) had savings money for the children and the future of their family. Hence, 10(17%) of the respondents had a two-wheeler. The results clearly show that through entrepreneurship, rural people are sophisticated because of their enterprises.

Table 2.20 New Possession of Household Assets after the enterprises

Sl, no	Item	Frequency	Percent
1	**Car**	15	25%
2	**Two wheeler**	10	17%
3	**New houses**	18	30%
4	**House re-construction**	3	5%
5	**Savings**	13	22%
6	**New land**	3	5%
7	**Television**	6	10%
8	**Refrigerator**	5	8%
10	**Washing machine**	3	5%
11	**Computer set**	1	2%

Source: *Field Survey*

The findings indicate that entrepreneurial activities have positively impacted household asset ownership, with visible improvements in housing, mobility, savings, and access to modern appliances. While the level of asset acquisition varies, the data clearly shows that even small-scale enterprises can contribute significantly to wealth creation and household development.

6.11 Participation in Community Development.

Participation in community development refers to the involvement of entrepreneurs and enterprise owners in activities that contribute to the social, economic, and infrastructural growth of their local communities. This can include a wide range of activities, from donating resources or funds to supporting social causes, volunteering in village development initiatives, or contributing to local governance and welfare programs.

Saheb and Ahmed (2010) in community development, members of the community have the main role in the process of community development and they doing things for themselves. In the process of community development members of the community as actors are active. Participation is a process by which people are enabled to become actively and genuinely involved in defining the issues of concern to them, in making decisions about factors that affect their lives, in formatting and implementing policies, in planning, developing and delivering services and in taking action to achieve change.

Table 6.21 provides data on the extent of involvement of entrepreneurs in community development activities across different trades. Community development participation reflects how entrepreneurship not only supports personal economic growth but also contributes to the betterment of society.

Table 6.21 Participation in community development of the respondent

Sl, no	Trade	Frequency			Percent		
		Yes	No	Total	Yes	No	Total
1	Food Processing	3	7	10	30	70	100
2	Furniture	4	6	10	40	60	100
3	Handloom	5	5	10	50	50	100
4	Repair Service	5	5	10	50	50	100
5	Steel/Metal Service	5	5	10	50	50	100
6	Tailoring	5	5	10	50	50	100
	Overall	**27**	**33**	**60**	**45**	**55**	**100**

Source: *Field Survey*

An attempt is made here to ascertain the participation in community developments of the entrepreneurs, less than half of the respondents 27(45%) participate in community development. Hence, handloom, repair service, steel/metal service and tailoring enterprises had 5(50%) each involved in community development. Food processing entrepreneurs had the least number of participating in community development, only 3(30%) of entrepreneurs were involved.

The data reveals that only 45% of the surveyed entrepreneurs participate in community development activities, while 55% do not. This indicates that while a considerable number of entrepreneurs do contribute to community development, more than half remain uninvolved, suggesting the need for increased awareness and support mechanisms to foster community engagement among enterprise owners.

6.12 Entrepreneurs Involved in Business Organisation.

In fact, it was found that business organizations or associations aren't active functionally and do not have activities in some study areas. On the other hand, some villages have a strong business organization. Here an attempt is made to examine entrepreneurs involved in business organization in the village, district and states. As observed in table 6.22, the majority of the respondents 35(58%) were not involved in business organizations due to dysfunction. Whereas 25(42%) of the respondents are active in the organization. They have some activities through organization like price control, social work and training for the purpose of production, marketing and so on.

Table 6.22 Entrepreneurs involved in business organization

Sl, no	Trade	Frequency			Percent		
		Yes	No	Total	Yes	No	Total
1	Food Processing	3	7	10	30	70	100
2	Furniture	9	1	10	90	10	100
3	Handloom	5	5	10	50	50	100
4	Repair Service	2	8	10	20	80	100
5	Steel/Metal Service	5	5	10	50	50	100
6	Tailoring	1	9	10	10	90	100
	Overall	**25**	**35**	**60**	**42**	**58**	**100**

Source: *Field Survey*

6.13 Skills of Business – Entrepreneurship Development Programmes (EDPs).

Running a business, whether a large or small, requires managerial skills. Since a small entrepreneur cannot employ management experts to manage his/her business need to be imparted basic and essential managerial skills in the functional areas like finance, production and marketing etc. According to Asefa (2019) describe entrepreneurship development training which is relevant to their business has to be considered on a need basis. Information on customer satisfaction has to be gathered as required for the sake of improving the quality of their products and services.

Keeping the importance of EDPs in the development of entrepreneurship in view, an attempt is here, attending training/workshops on EDPs after starting their entrepreneurial activities. It can be seen from table 2.23 that less than half of the respondents 27(45%) were attending training on entrepreneurial training programmes through the government and some organizations. On the other hand, the majority of the entrepreneurs 33(55%) had not attended training/workshop on EDPs because of unnecessary to attend. It was observed from the study, that they were confident enough by not attending EDPs.

Table 6.23 Entrepreneurs attending on entrepreneurship development programmes

Sl, no	Trade	Frequency			Percent		
		Yes	No	Total	Yes	No	Total
1	Food Processing	6	4	10	60	40	100
2	Furniture	3	7	10	30	70	100
3	Handloom	6	4	10	60	40	100
4	Repair Service	5	5	10	50	50	100
5	Steel/Metal Service	1	9	10	10	90	100
6	Tailoring	6	4	10	60	40	100
	Overall	**27**	**33**	**60**	**45**	**55**	**100**

Source: *Field Survey*

The table reveals that 9(90%) of the respondents of steel/metal service neglect EDPs, followed by 7(70%) of furniture entrepreneurs. It was found that their skills and abilities made him confident and adapted from his forefathers and parents. Details of the entrepreneurs attending EDPs on duration, organised by presented in appendix table 6.9 on page 187.

Entrepreneurship Development Programmes (EDPs) equip entrepreneurs with a diverse range of business skills that are essential for success. By focusing on financial management, marketing, and risk management, these programs foster the growth of well-rounded entrepreneurs capable of navigating the complex world of business. Moreover, EDPs help in entrepreneurial mind-set characterized by innovation, adaptability, and resilience, which are critical for long-term success in any business venture.

CHAPTER – 7

SUSTAINABILITY AND GROWTH OF THE ENTERPRISES

In the context of rural enterprises, sustainability and growth are essential for fostering economic development, creating employment, and improving the overall standard of living in rural communities. Rural enterprises often face unique challenges such as limited access to capital, infrastructure, and markets, which make ensuring their sustainability and fostering growth even more crucial.

Rural enterprises often operate in agriculture, forestry, tourism, small-scale manufacturing, and services. They are crucial for local employment, community development, and maintaining the cultural and environmental integrity of rural areas. Sustainability and growth of rural enterprises are critical for enhancing the economic vitality and environmental stewardship of rural areas. Rural enterprises, often characterized by small and medium-sized businesses, face unique challenges and opportunities in integrating sustainability into their growth strategies.

According to Jena (2013) sustainable development has to be a long term process, and one may say a continuing process. The economic, political, technological and social structure and superstructure built during the last few centuries the world over particularly in industrialised countries of the world cannot be dismantled in a day. Sustainability is the core concept, without which development efforts is wasted. Policies to reduce poverty, weather the actual interventions are at local or national level, must be sustainable and continue to achieve their objectives. Sustainability, in the context of livelihoods approaches, includes not only continuing poverty reduction but, among others, environmental, social and institutional sustainability.

Oksana et.al (2021) in their study ascertained that the impact of small businesses has broader economic implications for at least a reason. Small businesses are an important route to economic mobility. They enable entrepreneurial individuals to become economically independent. This environment could make the economy

more stable and less vulnerable to economic downturns such as a recession. Although the role that start-ups and young technology companies play in job creationism well documented, their contribution to overall productivity has not been widely discussed or even considered.

Jegadeeswari et.al (2020) in their study observes that innovation and risk taking, tolerance self-efficacy, financial control, opportunity identification self-efficacy and managerial self-efficacy are the important traits for the survival of Micro Small and Medium Size Entrepreneurs. Thus, entrepreneurs must be innovator not only in manufacturing new products but also in process involved in manufacturing of goods. Further, entrepreneurs have to improve their tolerance level for taking an appropriate decision. Last but not least, entrepreneurs have to maintain proper control on finance; thereby their business sustainability will not be doubtful.

Sustainability and growth of rural enterprises are interdependent goals that require a holistic approach. By integrating sustainable practices, leveraging community strengths, and utilizing innovative solutions, rural enterprises can achieve long-term success. This not only enhances their economic viability but also contributes to the overall well-being of rural communities and the preservation of the environment. Through collaboration, education, and strategic planning, rural enterprises can thrive sustainably, ensuring a prosperous future for rural areas.

Bahareh et.al (2013) studied ‘sustainable entrepreneurship in rural areas’ the study found that sustainable rural entrepreneurship is a strategy for empowering and creating capacity in rural areas in order to change the current pattern of life to an optimal human pattern, reducing the gap in the city-village, creating economic, social, environmental and institutional equalities. Integrating traditional technologies existing in rural areas with new technologies and considering a cluster attitude toward development are appropriate strategies to develop rural business and to modernize products and manufactured goods in village. The combination of approaches in settlements hierarchy structures; integrated rural development and sustainable development are the best strategies for rural development. Preparation of economic and social environment in villages is very effective in recruitment of

young and skilled manpower, also expansion of agriculture activities as the main strategy to create and strengthen rural entrepreneurship in regard to sustainable development of rural areas.

The present chapter deals with the sustainability and growth of rural enterprises in Mizoram. The performance of perception on sustainability and economic growth was measured in terms of their mean rating on a scale of 1 to 5 where 1 is the lowest and 5 is the highest. The mean rating of respondents was worked out to determine their performance of sustainable enterprise. The mean ratings were classified in descending order are as follows: 4.51 - 5.00 Strongly Agree (SA), 3.51 - 4.50 Agree (AG), 2.51 - 3.50 Undecided (UD), 1.51 - 2.50 Disagree (DA) and 1.00 - 1.50 Strongly Disagree (SD).

7.1 Perception of Sustainability of the Enterprises

Table 7.1 reveals perceptions on the sustainability of the enterprises are broadly classified into i) commitment ii) production of materials iii) quality marketing of the product iv) chance of growth of the enterprises and v) government support (need of support). The results show that the overall perception of sustainability of the enterprises was an average of 4.12 (agree) with a standard deviation of 0.74.

The entrepreneurs' commitment is about having the willingness to choose the present line of enterprises, willingness to bear risks, ability and developed capabilities which lead to confidence in their entrepreneurial activity. The respondents were asked about their level of commitment to the performance of the enterprises. The average of 4.16 (agree) with a standard deviation of 0.85 which means the level of commitment is already higher than the vast majority of the entrepreneurs.

Production of demand or supply which is asked by the entrepreneurs that the necessary to maintain the regular supply of the customer. The results show that the majority of the respondents, an average of 3.88 (agree) with a standard deviation of

0.83, are strongly believe that they can supply regularly to the customer from their demands materials of the products.

Quality marketing production of the entrepreneurs, this assessment is based on the customer feedback and warranty from the respondents. A large majority of the entrepreneurs extremely accepted they produce and sell only quality materials. It was shown in the results, an average of 4.55 (strongly agree) with a standard deviation of 0.5, which means customers were satisfied with buying the products of rural entrepreneurs.

The chance of growth of the enterprises is one of the assessments of successful entrepreneurs and the sustainability of the enterprises. The respondents were asked about the ability to invite wider and larger business possibilities from their performance and experiences. It was very interesting to note that from the results, an average of 4.51 (strongly agree) with a standard deviation of 0.55, which means the respondents believed that the present business is worthy of reliance of livelihood for their family and future references.

Needs of government support, from the above review of literature, it can be understood that a lot of research work has been done on rural entrepreneurship in India and across the world. The main problems of rural entrepreneurs are finance, start-up or business expansion. In these matters, the respondents were asked whether they need or not the chance and growth of enterprises through government incentives. The majority of the respondents an average of 3.15 (agree) believed and need for government support, incentives, support finance or industrial development would make a better position and more production of rural entrepreneurs. Perceptions on the sustainability of the enterprises of all trades are presented in appendix table 7.11 on page 191.

The results from Table 7.1 reflect a generally positive perception of the sustainability of enterprises among the respondents, with key factors such as commitment, product demand, and quality marketing being seen as crucial for long-term success.

The highest agreement is on the importance of quality marketing (mean of 4.55) and growth potential (mean of 4.51), indicating that entrepreneurs believe that having a strong marketing strategy and growth opportunities are pivotal for the continued success of their businesses.

Table 7.1 Perception on sustainability of the enterprises

Sl, no	Particular	Mean	Std. Dev	Description
1	Commitment	4.16	0.85	AG
2	Product demand	3.88	0.83	AG
3	Quality marketing of the product	4.55	0.5	SA
4	Chance of growth of the enterprises	4.51	0.55	SA
5	Government support (Need of support)	3.51	1	AG
	Overall	4.12	0.74	AG

Source: *Field Survey*

Level of agreement : 4.51 - 5.00 Strongly Agree (SA)
3.51 - 4.50 Agree (AG)
2.51 - 3.50 Undecided (UD)
1.51 - 2.50 Disagree (DA)
1.00 - 1.50 Strongly Disagree (SD)

The area where there is moderate agreement is around commitment (mean of 4.16) and product demand (mean of 3.88), reflecting that while these factors are important, they might not be as universally seen as the key drivers of sustainability.

The aspect that shows the most variation in opinion is the need for government support, with a mean score of 3.51 and a high standard deviation. This suggests that while many entrepreneurs agree on the necessity of government support, there is a wide range of views on what type of support is most beneficial and how it should be provided.

Overall, the respondents are optimistic about the sustainability and growth potential of their enterprises, especially when effective marketing and commitment are in place, but they recognize the importance of government support in ensuring

long-term success. However, to enhance sustainability, addressing the diversity in opinion regarding government assistance and ensuring more targeted and tailored support might be key strategies for future improvements.

7.2 Entrepreneurship: Growth and Potentials

Entrepreneurship plays a pivotal role in driving economic development, creating employment opportunities, and fostering innovation. In both urban and rural settings, entrepreneurs act as catalysts for change by identifying market needs, utilizing available resources, and transforming ideas into viable enterprises. Over the years, entrepreneurship has evolved beyond traditional business models, embracing new technologies, practices, and value systems that contribute to inclusive and sustainable development.

The growth of entrepreneurship is influenced by a range of factors including access to finance, market opportunities, skill development, supportive policies, and infrastructure. In particular, rural entrepreneurship holds immense potential for addressing challenges such as unemployment, poverty, and migration by leveraging local resources, traditional knowledge, and community engagement.

Shubhada and Parag (2016) in their study of entrepreneurship and rural development, the study reveals that the contribution of such entrepreneurship development programmes is very positive on the development of rural areas. This helps in creating inclusive growth and thereby sustainable and balanced growth of the economy. It provides opportunities for economic development and creates demand for various products and services in the rural markets. It empowers those sections of society who were traditionally denied equal opportunities. Self-esteem and self-worth are positively affected by this participant who has an impact on better family and community relationships. This leads to a welcome change from the society point of view. Effective implementation of such programmes can be the key towards a better tomorrow.

Rekha (2021) argues rural entrepreneurship plays an important role in economic development in developing countries like India. Rural entrepreneurship

helps in developing the backward regions and thereby removing poverty. The government should go for appraisal of rural entrepreneur development programmes in order to uplift rural areas and thereby increase economic development. Without rural industrialization, it would not be easy to solve the problems of unemployment in rural areas. Rural entrepreneurship can be considered one of the solutions to reduce poverty, migration, economic disparity, unemployment and to develop rural areas and backward regions.

In order to reduce the factors for Entrepreneurs economic growth, factor analysis was run so that one can drop out the irrelevant factor as all factors are not relevant for the study.

Table 7.2 KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.894
Bartlett's Test of Sphericity	Approx. Chi-Square	308.209
	df	21
	Sig.	.000

Source: *Field Survey*

From the table it is found that the Kaiser-Meyer Olkin Measure of Sampling Adequacy is .894 which indicates that the proportion of measured of variance is 89.4% which is strong enough to conduct factor analysis. And the Bartlett's test of sphericity shows that there is enough correlation among the items.

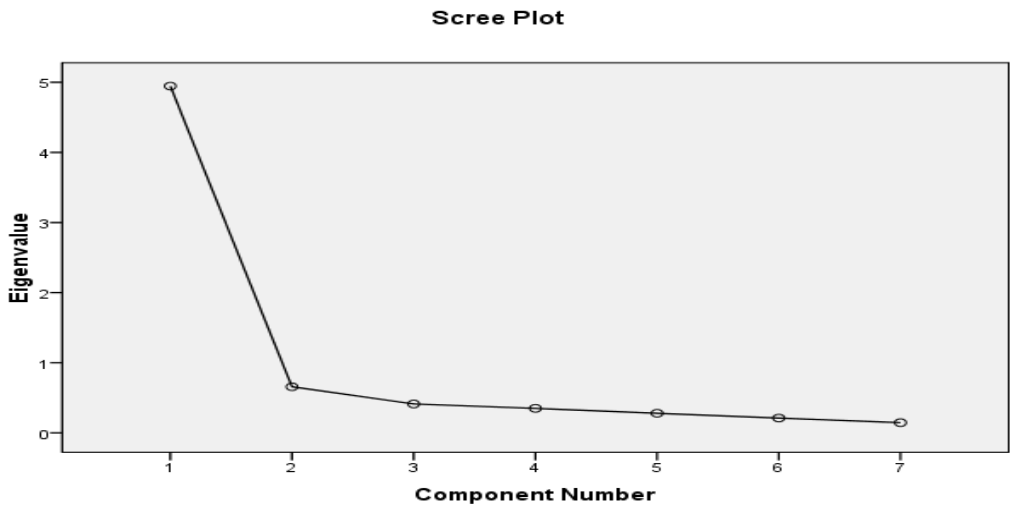
Table 7.3 Extraction Method: Principal Component Analysis.

Component	Initial Eigenvalues		
	Total	% of Variance	Cumulative %
1	4.946	70.654	70.654
2	.657	9.389	80.043
3	.412	5.888	85.931
4	.349	4.989	90.920
5	.279	3.987	94.907
6	.211	3.021	97.928
7	.145	2.072	100.000

Source: *Field Survey*

From the above table it shows that only one item or factors have Eigen value of more than one and the factor namely 'developed financially' has explained 70% of the total variance so from the above factor analysis it is clear that the reason for the economic growth of enterprise is because it brings financial development.

Figure 7.1 Factor Analysis with One Component Retained



Source: *Field Survey*

Rotated Component Matrix(a)a. Only one component was extracted. The solution cannot be rotated.

The graphs indicate that only the item ‘developed financially’ is relevant for the cause of the entrepreneur’s economic growth the other six items do not have a meaningful effect on the economic growth.

7.3 Entrepreneurs: Future Plan for the Enterprises

The future plans for rural enterprises are critical in shaping their sustainability, growth, and long-term success. Entrepreneurs often look ahead with a vision that encompasses expansion, innovation, improvement in processes, and diversification of their product lines. These plans not only reflect the ambitions of the entrepreneurs but also demonstrate their responses to challenges in the business environment.

Kritikos (2014) expresses entrepreneurship is important to economic development. The benefits to society will be greater in economies where entrepreneurs can operate flexibly, develop their ideas and reap the rewards. Entrepreneurs respond to high regulatory barriers by moving to more innovation-friendly countries or by turning from productive activities to non-wealth-creating activities.

Verma (2016) stated that like a developing country of India, economic development is not possible without effective entrepreneurship. Entrepreneurship is a major component of economic growth. The entrepreneurs with their ability to scan, analyze and identify opportunities in the environment transform them into business propositions through the creation of economic entities. They are channeling the resources from less productive to more productive use to create wealth. Through efficient and effective utilization of national resources, they act as catalysts for economic development and agents of social transformation and change.

Entrepreneurship is considered crucial to a dynamic economy. In these circumstances, the entrepreneurs and their enterprises are the only hope and source of direct and indirect employment generation. Entrepreneurs create employment

opportunities not only for themselves but for others as well. Entrepreneurial activities may influence a country's economic performance by bringing new products, methods, and production processes to the market and by boosting productivity and competition more broadly. The entrepreneur now becomes a job provider and can hire labour and increase the employment level of our economy.

Table 7.4 Future plan for the entrepreneurs

Sl. no	Trade	Particulars
1	**Food processing**	**Cold Storage Facilities** Establish cold storage units to preserve perishable goods and reduce spoilage.
2		**Stock Rooms for Materials and Machinery** Create secure storage spaces to organize raw materials and maintain equipment.
3		**Expansion of Enterprises** Support entrepreneurs in scaling up their businesses to increase capacity and reach.
4		**Increased Production** Enhance production to meet growing demand both within the village and in markets outside the state.
5		**Urban Showrooms** Open showrooms in cities to display and sell rural products directly to urban consumers.
6		**Awareness and Promotion** Launch awareness campaigns to introduce rural products and build public interest.
7		**Training for Unskilled Labour** Provide skill development programs to empower unskilled workers and improve workforce quality.
8	**Furniture**	**Business Expansion and Out-of-State Supply** Develop distribution networks to supply products to other states.
9		**Workshop Extension** Physically expand the existing workshop for higher production efficiency.

10		**Upgradation of Machinery** Purchase and install modern machinery to improve quality and output.
11		**Bank Loan Acquisition** Apply for a commercial loan to finance infrastructure and equipment upgrades.
12		**Opening a City Showroom** Establish a showroom in a strategic city location to attract more customers.
13	**Handloom**	**Expansion of Enterprises:** Grow the scale of business operations to meet increasing demand and explore new markets, both within and outside the state.
14		**Employment Generation:** Hire additional workforce to support expanded operations and reduce local unemployment.
15		**Skill Development and Training:** Provide structured training programs to new and existing employees to improve skills, ensure quality production, and foster innovation.
16	**Repair Service**	**Enterprise Expansion:** Scale up business operations to increase capacity, improve efficiency, and tap into new markets.
17		**Workforce Expansion:** Recruit additional employees to support growing operations and contribute to local job creation.
18		**Enterprise Upgradation and Development:** Invest in the modernization and development of infrastructure, technology, and processes to enhance the overall performance and sustainability of the enterprise.
19	**Steel and aluminium**	**Enterprise Expansion** Expand manufacturing capacity and operational scale to meet increasing market demand for steel and aluminium products.
20		**Enhanced Advertising and Promotion** Increase marketing and advertising efforts to improve brand visibility and attract new customers across regional and national markets.
21		**Employment Generation** Create more job opportunities by expanding the workforce, especially in production and sales departments.

22		**Increased Production Capacity** Boost output through operational efficiency and extended working shifts to meet growing demand.
23		**Skill Development and Training** Provide technical training for unskilled laborers to enhance productivity and ensure high-quality output.
24		**Machinery Upgradation** Invest in modern, high-efficiency machinery to improve product quality, reduce production costs, and ensure long-term sustainability.
25	**Tailoring**	**Expansion of the Enterprises** Scale up tailoring units to meet higher demand and diversify product offerings.
26		**Employment Generation** Create additional job opportunities, especially for women and youth in rural and semi-urban areas.
27		**Establishment of Training Centres** Set up dedicated institutions or training centres to equip unskilled individuals with tailoring skills and entrepreneurial knowledge.
28		**Opening of Showrooms** Launch branded showrooms to display and sell products directly to consumers, enhancing visibility and profitability.
29		**Increased Production** Increase production capacity by extending work hours and adding more equipment and manpower.
30		**Machinery Upgradation** Invest in modern sewing and finishing machines to improve quality, speed, and design variety.

Source: *Field Survey*

Another important consideration for the future of rural entrepreneurship is the need for sustainable and long-term solutions. Sustainable rural entrepreneurship must take into account the unique social, environmental, and economic factors that shape rural communities, and design solutions that are tailored to the local context. This may involve investing in rural infrastructure, strengthening local business and social networks, and promoting the use of digital technologies to overcome geographic barriers.

The respondents were further asked about the future plan for the enterprises identified by them and the results are presented in table 7.3. Out of the 60 entrepreneurs from 6 different trades, there are 29 points of future plans were answered by the respondents. It was found from the study, that entrepreneurship is not only meant for entrepreneurs' jobs, and it is the creator of another job as well as stable employment opportunities. Rural entrepreneurs have their own ability to take up entrepreneurship as a career, so the government, financial institutions and those who can sustain rural entrepreneurs need to assist in their entrepreneurship development. Therefore, if the rural areas were developed the country and the nation would be raised as well.

The future of rural enterprises holds immense potential for economic growth and development. By focusing on digital transformation, sustainable practices, capacity building, and market expansion, rural businesses can become competitive and resilient. With the right support from governments, private sectors, and financial institutions, rural enterprises can play a key role in addressing poverty, reducing inequality, and fostering inclusive growth. Investments in infrastructure, innovation, and policy reforms will ensure that rural enterprises thrive, creating long-term benefits for rural communities and the national economy at large.

CHAPTER – 8

PROBLEMS FACED BY THE ENTREPRENEURS AND SUGGESTED SOLUTION OF THE ENTERPRISES

Rural entrepreneurship plays a crucial role in fostering economic activity and development in rural areas. By utilizing local resources and tapping into the potential of rural communities, entrepreneurs can create sustainable businesses and contribute to the vitality of these regions. However, there are several challenges that rural entrepreneurs face. These challenges include limited access to capital and facilities, difficulties in supplying goods and services, a focus on specific industries or businesses, low risk tolerance in the villages, and a lack of supporting organizations.

According to Jayadatta (2017) express the problem of rural entrepreneurship in India, the study reveals that a lack of knowledge of information technology implies entrepreneurs rely on internal linkages that which encourage the flow of services, goods, ideas and information. Legal formalities were extremely difficult to obtain licenses and comply with various legal formalities due to illiteracy and ignorance. Tough tasks of raw materials procurement quite often may end up with poor quality raw materials and also might face the problem of warehousing and storage. Poor quality products are another major reason which hinders the growth of rural entrepreneurship as products are produced mainly due to lack of availability of equipment and standard tools. The lack of extension services and training facilities creates a hurdle for the development of rural entrepreneurship.

Gill at,el (2014) in their study examined the Lack of finance available to rural entrepreneurs as one of the biggest problems and the failure to get external funds due to the absence of tangible security and credit. Competition from large-scale units also creates difficulty for the survival of new ventures. New ventures have limited financial resources and hence cannot afford to spend more on sales promotion. Other problems of inferior quality of products produced due to lack of availability of standard tools and equipment and poor quality of raw materials.

The involvement of rural people in economic activities is necessary for the development of human resources as well as the development of rural areas and a country; also it is essential for raising the rural society. Rural entrepreneurship is now accepted as one of the indicators of economic development of the country. Rural entrepreneurship contributes to the growth of the rural economy, improvement of socio-economic conditions, and providing employment opportunities. But till today rural entrepreneurs faced various problems such as finance, family, marketing, raw materials, power, labour etc. The overall performance of an enterprise may be adversely affected by these problems.

Additionally, factors such as location, natural resources, social capital, rural governance, business and social networks, as well as information and communication technologies, significantly influence entrepreneurial activity in rural areas. Understanding and addressing these factors is crucial for creating a sustainable environment for rural entrepreneurship. This research aims to explore the theoretical foundations and practical implications of rural entrepreneurship, including the formulation of integrated and competent economic development of entrepreneurship in rural areas.

8.1 Entrepreneurs: Problems

The researcher examined the respondents of rural entrepreneurs from the study villages were found several problems while running enterprises. The problems may be related to finance, lack of Govt assistance, market fluctuation, lack of repayment, family, marketing, raw materials, power, labour and the pandemic (covid 19). During the present study, it was observed that rural entrepreneurs were suffering various problems and constraints faced by them in the course of starting and managing their business enterprises.

8.1.1 Financial problems: Lack of finance is by far one of the biggest problems faced by rural entrepreneurs, nowadays especially due to the global recession. It has been found that the important problems faced by the entrepreneurs from their commencement and running their business were finance. As can be observed from the table 8.1 majority of the respondents 33 (55%) entrepreneurs faced financial

problems. As regards financial problems like paucity of funds, due to the absence of tangible security and credit in the market, lack of sufficient working capital, procuring financial loans from different agencies and financial institutions, lack of funds for publicity and advertisement of the product, high rate of interest, large security requirement, high transaction cost and most of the rural entrepreneurs fail to get external funds. Due to their economic base, they find it difficult to get financial assistance from commercial banks and financial institutions. As such, they are bound to obtain credit from the money lenders on a very high rate of interest. These problems were found in the study areas.

8.1.2 Government assistance: Coming to the problems of Govt assistance, only a few numbers of 6 (10%) respondents reported having problems; lack of proper training or training centres is another important problem of rural entrepreneurs. These will affect poor performance, low productivity, lack of specialization, enhancing expenses, wastage, breakdown of machinery, and difficulty in the adoption of the latest technology. Rural entrepreneurs have to plan various patterns of activities for attaining the development of enterprises, in these matters there is a lack of support and assistance from the government and the development of rural entrepreneurs.

8.1.3 Market fluctuation: Due to the high cost of transportation, natural calamities, latest technology etc. The majority of the respondents 33 (55%) entrepreneurs faced the problems of market fluctuation. Most villages are badly connected to main roads, and every year during monsoon seasons some villages are disconnected for a long period, which will effect of proper transportation and hinder marketing activities. On the other hand, rural customers have low income, low purchasing power and low standard of living. However, the materials and cost of transportation are expensive day by day these will affect their buying ability and pace of adopting products.

8.1.4 Lack of repayment: The majority of rural people depend on farming activity, as well as agriculture and allied activities are the backbone of the rural economy. The income of rural people is extremely low compared to urban people.

Nowadays, rural and urban basic needs are almost equal with in technology, transportation, communication and so on. Rural customers are economically backward. More than one-third of the rural masses live below the poverty line. Backwardness also affects their mentality to change negligence. It was a common problem of the entrepreneurs found in rural areas, most of the customers neglected to pay the debt to the entrepreneurs. Half of the respondents 30 (50%) entrepreneurs report problems faced by customers who refuse to pay off their debts.

Table 8.1 Entrepreneurs; Problems

Sl, no	Problems	Number			Percent		
		Yes	No	Total	Yes	No	Total
1	Finance	**33**	**27**	**60**	**55**	**45**	**100**
2	Gov. Assistance	**6**	**54**	**60**	**10**	**90**	**100**
3	Market fluctuation	**33**	**27**	**60**	**55**	**45**	**100**
4	Lack of Repayment	**30**	**30**	**60**	**50**	**50**	**100**
5	Family	**9**	**51**	**60**	**15**	**85**	**100**
6	Marketing	**21**	**39**	**60**	**35**	**65**	**100**
7	Raw Materials	**35**	**25**	**60**	**58**	**42**	**100**
8	Power (Electricity)	**34**	**26**	**60**	**57**	**43**	**100**
9	Labour	**18**	**42**	**60**	**30**	**70**	**100**
10	Effect of Pandemic (Covid – 19)	**44**	**16**	**60**	**73**	**27**	**100**

Source: *Field Survey*

8.1.5 Family problems: The study reveals that most of the family problems faced by the respondents were women. India is a patriarchal society, so women have more activity than men in the house chores. Her involvement in family problems leaves very little energy and time to come out of her shell and play in economic activities. 9

(15%) of the respondents had a family problem in their entrepreneurial activity. According to Lalrokhawma and Lalromawia (2020) in their study of problems of rural women entrepreneurs in Lunglei district of Mizoram, the research has identified the major problems like lack of finance, marketing problems, management skills and balancing of life. The study also suggested family members need to motivate and promote the changing role of rural women entrepreneurs at home and extend their support in handling multiple responsibilities in their entrepreneurial activities.

8.1.6 Problems of marketing: One of the main problems faced by rural entrepreneurs is in the field of marketing. The many problems which they faced in marketing their products were competition from other micro enterprises, large-scale enterprises, transportation etc. A little more than one-third of the respondents 21 (35%) had several problems in marketing the products. It was found from the study, the respondents clarify that “if one person is successful in their business, we try to do it for everyone else, so we destroyed ourselves in our own business”. Suma and Hemalatha (2022) observe that large-scale enterprises invest more in the latest technology, mass production, attractive packages, and advertisement. Transportation helps in the movement of goods and services from the production centre to the distribution centre, ensures access according to customers' demand, and acts as a link between producers and customers. Like every business, the existence of rural entrepreneurship is strictly based on customer satisfaction which relies on the availability of products and services in time which in turn depends on transportation facilities. In these matters of entrepreneurship challenge, the respondents were faced a problems of economic development.

8.1.7 Problems of raw material: It is an attempt here to examine the raw materials problems faced by respondents. The problems might be scarcity, high price and low quality. As can be seen from table 8.1 the majority of the respondents 35 (58%) of them specified faced the problems. Earlier, the majority of rural enterprises mostly produced items that depended on local raw materials. Then, there was no severe problem in obtaining the required raw materials. But, ever since the emergence of modern industries manufacturing a lot of sophisticated items, the problems of raw

materials have emerged as serious problems in the production efforts of rural enterprises.

8.1.8 Power problems: After the problems relating to raw materials have been analyzed, now the attention is drawn towards the problems of power faced by the entrepreneurs. Table 8.1 reveals that the majority of the respondents 34 (57%) reported suffering from the uncertainty of power supply, scarcity, irregular power supply and high cost of electric bill. Regarding the manufacturing enterprises of furniture and steel/metal services have faced the main problem of scarcity of power. However, the main problem of power i.e. uncertainty of power supply was suffered maximum by repair service entrepreneurs, followed by the problems of high cost appeared by food processing unit. It can be noted that power cut-offs or roster systems have become a regular phenomenon in the Indian power system and Mizoram is not an exception.

8.1.9 Labour problems: As regards other problems faced by the respondents 18 (30%) reported labour problems. Among them, the entrepreneurs suffered from the problems of shortage of skilled labour, followed by labour turnover, high cost of labour and absenteeism. However, the problems of shortage of skilled labour were mainly suffered by tailoring, handloom and furniture enterprises. Labour turnover in food processing and repair service enterprises on accounts for being discouraged and absenteeism had been due to lack of indiscipline. Overall, employer and employee relationships were not satisfactory. Details of all trade problems are shown in the appendix table 7.13 on page 193.

8.1.10 Effect of Pandemic (Covid – 19): Due to this covid-19 majority of the respondents 44 (73%) faced the problems in economic downturns during the pandemic have led to decreased consumer spending, affecting the demand for products and services offered by rural entrepreneurs. Many businesses faced reduced orders or even closures due to the decline in demand. They often rely on local or regional supply chains for their businesses. COVID-19 disrupted these supply chains due to restrictions on movement and trade, leading to shortages of raw materials, goods, and services necessary for their businesses. Most of the rural entrepreneurs

operate small businesses with limited financial reserves. The economic impact of COVID-19, including reduced revenue and increased operating costs (due to safety measures or transitioning to online platforms), has put significant financial strain on these businesses.

Lastly, rural entrepreneurship offers economic potential for rural areas but there are several challenges that need to be addressed, such as limited access to capital and facilities, supply problems, industry focus, low risk tolerance, and lack of support organizations. Therefore, it is essential to develop strategies and programs that provide rural entrepreneurs with access to capital and facilities, address supply problems, promote diversification of industries, and increase risk tolerance. In conclusion, rural entrepreneurship holds great potential for economic development in rural areas.

8.2 Suggested solution from the entrepreneurs

Rural entrepreneurship is an important input influencing the economic development of the country. If some states like Mizoram have remained underdeveloped till today, it is obviously because of the hilly terrain geographical area and almost absence of industrial areas, as well as the dearth of entrepreneurship development. In underdeveloped regions, only a few people will growth prospects could come forward. Therefore, micro, small and medium entrepreneurship is the key point to developing equal opportunities for the rural poor people and upliftment of socio-economic conditions.

According to Prasain and Nixon (2007) stated that to run enterprises on efficient lines, proper training, motivation and wide exposure become extremely important. In India illiteracy has been the main stumbling block for entrepreneurship development. Therefore the first step to adopt is to provide suitable education and training, encouragement and development of entrepreneurship culture should become the core part of our education system, so that young men and women can become job seekers to job givers.

Mondal and Ray (2007) examined there is growing evidence of a significant causal relationship between entrepreneurship, economic growth and poverty reduction. Though there have been a few outstanding entrepreneurs, it has recently been recognised that the all-around development of the country can be achieved more quickly by spreading well-designed programmes on entrepreneurship development.

It was found from the study, that rural entrepreneurs have positive attitudes toward taking entrepreneurship as a career due to many reasons of push and pull factors (see Chapter 5 table 5.1, 5.2 and 5.3). The respondents were further asked to suggest solutions for the problems of enterprises. The results are presented in table 8.2. Among the 60 respondents from 6 different trades, there are 26 points of suggestion were made by the entrepreneurs to resolve the various issues relating to rural entrepreneurship problems. The suggestion is given categorically highlighted in the table by trades ways. The study reveals that Government, financial institutions and entrepreneurs had significance in the promotion and development of rural entrepreneurship development. Therefore, no one can deny that entrepreneurship plays a key role in the economic, social, as well as political development of the country, especially in the development of rural areas.

To ensure the sustainability and growth of rural enterprises, it is essential to adopt a multifaceted approach that addresses the unique challenges and leverages the distinct opportunities present in rural settings. The path to sustainable growth for rural enterprises is not without challenges, but the adoption of these strategic solutions can pave the way for a thriving, resilient, and environmentally responsible rural economy. By focusing on sustainable practices, community engagement, and leveraging modern technologies, rural entrepreneurs can not only secure their own livelihoods but also contribute significantly to the overall sustainability and development of rural areas. This holistic approach ensures that rural enterprises are well-positioned to face future challenges and capitalize on emerging opportunities.

Table 8.2 Suggested solution from the entrepreneurs

Sl, no	Trade	Particulars
1	**Food Processing**	**Price Control Mechanism** Implement minimum price control to stabilize pricing and prevent market fluctuations.
2		**Market Research and Reliable Agents** Conduct market surveys to identify trustworthy agents for distribution and marketing of products.
3		**Quality Product Handling** Focus on quality control measures to maintain product consistency and meet industry standards.
4		**Training for Unskilled Labor** Provide training programs to develop technical skills and enhance worker productivity in the food processing sector.
5		**Upgradation of Machinery** Invest in modern machinery and technology to improve production efficiency and product quality.
6		**Government Support for Marketing Outside the State** Seek governmental support for promoting products in markets outside the state, increasing visibility and sales.
7		**Financial Support from Government and Financial Institutions** Explore opportunities for financial assistance or grants from the government and financial institutions to support business expansion.
8		**Low-Interest Loans** Advocate for low-interest loans from financial institutions and the government to reduce financial burden and ensure business growth.
9		**Cold Storage Facilities** Develop and maintain cold storage units to preserve perishable products, extending shelf life and improving distribution.
10	**Furniture**	**Promote Local Products** Raise awareness among consumers about the benefits of purchasing locally made furniture, encouraging support for local businesses.
11		**Investigation of Modern Tools and Machinery**

		Research and invest in modern tools and machinery to improve production efficiency, enhance product quality, and reduce costs.
12		**Material Availability and Cost Reduction** Ensure a steady supply of raw materials to reduce costs, making products more affordable for consumers and more competitive in the market.
13		**Government Support for Export** Seek support from relevant government departments to facilitate the export of locally manufactured furniture to international markets.
14		**Identifying Trustworthy Partners or Agents** Identify and establish partnerships with reliable agents or distributors to ensure smooth business operations and reliable market access.
15	**Handloom**	**High Material Costs and Unbalanced Pricing** The cost of materials is high, and the labor-intensive nature of handloom work doesn't always result in fair pricing. Facilitating easier access to affordable materials will help entrepreneurs increase profits.
16		**Market Control by Middlemen** The marketing system is currently controlled by middlemen, reducing the profits of handloom entrepreneurs. Government control over the marketing system would enable entrepreneurs to capture a larger share of the profits.
17		**Shortage of Skilled Labor** Despite high demand for handloom products, a shortage of skilled labor is a key challenge. The government or relevant departments should intensify training programs to develop a skilled workforce.
18	**Repair Service**	**Commitment, Hard Work, and Patience** Success in the repair service sector requires strong dedication, consistent effort, and the patience to handle complex technical tasks.
19		**Focus on Quality** Emphasis should be placed on using and delivering quality products and services to build trust and customer satisfaction.
20		**Ease of Access to Materials** If materials and spare parts are easily accessible and affordable, entrepreneurs can reduce costs and increase their profit margins.

21	**Steel/Metal service**	**Establishment of Stock Room** Having a well-organized stock room is essential for smooth operations, ensuring timely access to raw materials and tools.
22		**Addressing Material Scarcity** The scarcity of raw materials directly affects production capacity. Ensuring a consistent and affordable supply is critical to maintaining output levels.
23		**Promotion Through Advertising** Effective advertising plays a key role in promoting rural entrepreneurship. Raising awareness of services through local and digital platforms can help expand market reach.
24	**Tailoring**	**Commitment and Hard Work** Dedication and a strong work ethic are essential for success in the tailoring industry.
25		**Time Management and Product Quality** Effective time management and a focus on delivering high-quality products are key to enhancing the reputation and growth of tailoring enterprises.
26		**Need for Financial Support** Financial assistance from government and financial institutions is vital to invest in machinery, raw materials, and business expansion.

Source: *Field Survey*

The data in Table 8.2 highlights the various challenges faced by rural entrepreneurs across different trades and the practical solutions they propose to enhance their enterprises. A recurring theme across all sectors is the need for financial support, including low-interest loans and assistance from government and financial institutions. This reflects the entrepreneurs' struggles with capital investment and sustaining operations.

Marketing and material availability emerge as critical areas of concern. Many respondents emphasize the importance of market access, price control, and minimizing the influence of middlemen, suggesting that current systems may not be

favorable to small entrepreneurs. The need for trustworthy agents, market surveys, and government support for marketing outside the state indicates an urgent call for structured and transparent marketing channels.

Skill development and training are also widely suggested, especially in trades like handloom, food processing, and repair services, where a shortage of skilled labor affects productivity. Entrepreneurs also highlight the significance of modern machinery, cold storage, and advertising as key infrastructural and promotional needs.

Furthermore, the entrepreneurs recognize the importance of quality production, time management, and dedication as essential to their success, indicating a willingness to improve and grow their businesses if the right support is provided.

Overall, the suggestions point to a strong need for a multi-faceted support system involving financial aid, capacity building, infrastructure, and market linkage to sustainably develop rural enterprises across different trades.

CHAPTER – 9

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

This chapter presents a consolidated overview of the key findings derived from the research study. It summarizes the primary insights gathered through field surveys, interviews, and data analysis across various rural enterprises, including food processing, furniture, tailoring, handloom, repair services, and steel/metal works. The study aimed to understand the challenges faced by entrepreneurs, assess their needs, and identify practical solutions to enhance sustainability and growth in rural entrepreneurship.

The conclusions drawn are based on the empirical evidence collected during the study, reflecting the realities of grassroots-level enterprises in the rural context. Based on these conclusions, the chapter also puts forward relevant recommendations directed towards policymakers, and development institutions. These recommendations are intended to support enterprise development, promote self-reliance, generate employment, and contribute to the broader goals of rural development and economic resilience.

9.1 Summary

The study on “Performance of Rural enterprises in Mizoram” was undertaken in Mizoram covering a total of thirteen villages in four districts viz. Champhai, Kolasib, Mamit and Serchhip. A total of 60 respondents for those who have more than two years of business experience under Udyum registration of MSMEs in Mizoram have been identified as a sample of the study. The primary source of information related to the socio-economic profile of the respondents, motivational factors of the entrepreneurs to enter the business, nature of the enterprises, sustainability and growth of the enterprises and problems and issues related to the entrepreneurs were gathered through interview scheduled purposively designed for the study by the researcher. The secondary data has also been collected from various

sources like books, articles, journals, census reports and some important information from various websites of government.

9.1.1 Socio-Economic Profile

Out of the 60 respondents of rural entrepreneurs, a little more than one-third of the entrepreneurs 23(38%) are females and the majority of 37(62%) were males. The mean age of the respondents was 43.5 years ranging from a minimum of 23 years to a maximum of 70 years. Regarding the marital status of the entrepreneurs, the majority of the respondents 40(66.60%) were married and 13(21.6%) were single while the rest of 7(11.60%) were widowed.

The majority of the respondents 37(62%) belonged to the nuclear family. While little more than one-third of the total respondents 23(38%) are joined family. The large majority of the nuclear family comprises (90%) each from furniture and steel/metal service was identified. The study reveals that the overall average household size is 5.91 ranging from a minimum of 2 to a maximum of 11 family members.

With regards to the educational qualification of the respondents, the study reveals that the highest percentage of the respondents in high school was 22(36.6%), followed by 20(33.3%) respondents who completed their middle school. 9(15%) completed their higher secondary school, whereas 5(8.3%) completed graduate degree. Only a few numbers of respondents completed primary and post graduate with 2(3.3%) each. The researcher found a good record from the entrepreneurs, there was an absence of illiterate respondents at the time of the research study.

The average family income of the respondents was Rs. 82083.33/- ranging from a minimum of Rs. 8000/- to a maximum of Rs. 250000/-. A large majority of the respondents 26 (43%) had a monthly income of between Rs. 30000-60000/- followed by 15 (30%) respondents who had below Rs. 30000/- family income.

Previous employment of the entrepreneurs, the study reveals that the majority of the respondents 43(72%) had engaged in employment before starting their enterprises in different jobs. While almost one-third of the respondents 17(28%)

don’t have any experience. It was observed food processing and furniture had good experience in different jobs (100%) respondents had experience before starting their entrepreneurial activity.

9.1.2 Motivational Factors of the Entrepreneurs

It was observed from the study, that motivational factors of rural entrepreneurs in the course of starting and running their respective entrepreneurial ventures were identified. The overall internal motivational factors of the respondent's mean value were 3.79 which is the rating scale of 3.51 - 4.50 (Agree) with a standard deviation of 0.86. Among the internal motivational statements, ‘achieve what one wants to have in life’ has the highest score with a mean value of 4.46 (AG) followed by ‘desire to do something new’ with a mean score of 4.13 (AG) found to be the primary internal motivational factors of many rural people to become an entrepreneur. It was found from the study that rural people have a certain to fulfil their vision as well as willing to do something new inspired by people to be innovative to start up new ventures.

The external motivational factors mean value is 3.22 which is undecided with a standard deviation of 1.00, the results show that there is no interest in pointing out of external motivation of the respondents, due to an absence of government support and lack of encouragement from big business. The external motivation factors ‘availability of labour and raw materials’ and ‘promising demand for the product’ have only positive impacts with a mean value of 3.6 (agree) and 4.11 (agree). It was observed from the findings; that rural people have their own knowledge and potential to take up entrepreneurial activity as a career.

As regards the entrepreneurs’ ambition, the overall respondent of the mean value is 3.3 (undecided) with a standard deviation of 0.67. The study reveals that ‘to make money’ had the highest mean value of 4.55 (strongly agree). To make money or the need for financial freedom is one of the factors that have been proven by many researchers as a significant factor in inspiring many people to become entrepreneurs. To be realistic, money cannot solve every problem, but we have to believe that money can somehow make it life easier.

Compelling reasons for motivational factors were found that the overall mean value is 4.17 (agree). The results proved that the entrepreneurs are pushed to be employed for their livelihood. It may be interesting to note that the factors of compelling reasons for the ‘unemployment’ score mean value is 2.88 (undecided), this is the cause of they are clear that they are thick.

Motivational factors of facilitating the respondents, the overall average of 3.09 (undecided) with a standard deviation of 1.02. The factors facilitating the emergence of entrepreneurship motivational of entrepreneurs ‘advice or influence (encouragement) of family members/relatives/mends’ had only a positive mean value of 3.83 (agree) with a standard deviation of 1.02.

Attributes of entrepreneurial motivation, the overall assessment of mean value is 4.50 (agree) with a standard deviation of 0.57. ‘Responsibility’ had the highest mean value of 4.71 (strongly agree), an entrepreneur is the highest risk bearer and a key person responsible for arranging the capital to support an idea and is primarily accountable for undergoing the consequences in case the idea fails. Followed by a ‘decisiveness’ score with a mean value of 4.46 (agree). It means Entrepreneurship usually considered to be bear risk while pursuing opportunities, and often are associated with creative and innovative actions.

Motives for deciding the present line of enterprises, the overall mean value is 3.56 (agree) with a standard deviation of 1.00. The present study reveals that ‘easily marketable’ and ‘high profitably’ have the highest mean values of 4.38 and 4.28 (agree), which is very interesting to note that pursuing a passion through a business venture can provide individuals with a sense of purpose and fulfilment.

9.1.3 Nature of the Enterprises

The generations of entrepreneurs were classified into two categories, namely the first-generation entrepreneur and second-generation entrepreneur. The first-generation entrepreneur refers to entrepreneurs who founded the business units. They took the first initiative to start the business. Whereas second generation entrepreneurs are those whose enterprises inherited the unit from their father, mother or close

relatives as well as acquired it from others. The results further reveal that from the 60 respondents, the first generation entrepreneurs were 42(70%) and 18(30%) are the second generation entrepreneurs.

The years of experience of the respondents, who have more than two years of entrepreneurial activities, it was found that the overall average years of experience were 14.83 years ranging from a minimum of 3 years to a maximum of 45 years. Food processing, repair service and steel/metal service had the same number of 3 years minimum experience each. Moreover, steel/metal service has a maximum experience of 45 years with an average of 24 years.

The availability of enough finance is one of the most important factors of sustainability of entrepreneurship, without it, the idea to start a business or enterprise will always remain a simple wish. The respondents of entrepreneurs invested in their enterprises, and it was found that the overall average of capital invested in the enterprises is Rs. 233816.66/-. Moreover, Rs. 3000/- is the lowest capital invested in the enterprises from repair service and the highest invested from the food processing unit of Rs. 1000000/-. The study reveals food process unit, steel/metal service has the highest investment an average of Rs. 353500/- followed by manufacturing of furniture enterprises with an average of Rs. 202500/-, whereas tailoring enterprises were the lowest invested in the enterprises with an average of Rs. 77900/-.

It would be very interesting to enquire about the sources from where the entrepreneurs raised the initial capital. Finance is the most significant of creating entrepreneurship. The research study observed that reveals that 46 (76.6%) respondents are starting businesses with their own finances. Therefore, rural entrepreneurs must need to be encouraged, motivated, financing more and more through government and financial institutions, because rural entrepreneurs are one of the development of a country from job seekers to job givers. Whereas, only 4 (6.6%) were starting enterprises through financial institutions of bank loans.

Equipment cost of the production line of enterprises, it was found that the overall average price of the approximate equipment cost is Rs. 260858.33/-, ranging from a minimum of Rs. 30416.66/- to a maximum of Rs. 491300/-. Repair service

has the lowest approximate cost of equipment ranging from a minimum of Rs. 7000/- to a maximum of Rs. 81000/- with an average of Rs. 44000/-. Followed by furniture trade, ranging from a minimum of Rs. 72500/- to a maximum of Rs. 206800/- with an average of Rs. 139650/-.

The volume of production is one of the assessments of successful entrepreneurs and the sustainability of enterprises. The overall performance of the mean value is Rs. 242936.11/-. With regards to the production level, rural entrepreneurs had performed in a better way. Regarding the performance of economic activities, respondents of furniture entrepreneurs have the highest average of Rs. 540375/- followed by handloom enterprises at an average of Rs.500000/-. Hence, steel/metal services also an incredible production with an average of Rs. 205064.58/-. Food processing trades products an average of Rs. 94552.08/- with a closed amount of tailoring comprises an average of Rs. 82875/-. Whereas repair service has the lowest volume of production with an average of Rs. 82875/-, it is clearly shown from the result, that in rural areas there are fewer people compared with urban areas, which means it can't compared the size of production and income with urban enterprises.

The performance of respondents' production of market place, out of the 60 respondents 7 (12%) entrepreneurs were sell their product outside the country of USA, Malaysia, Myanmar, and Australia etc. Moreover, 3 (5%) respondents had marketing in central India in some state and union territories. It can be observed from the study, that 23 (38%) of the respondents had sold their products in various northeast states of India. Thus, most of the entrepreneurs usually sell their products in the state and neighbouring villages.

Entrepreneurship creates employment opportunities. This is clearly shown in the research study. The overall average of family members engaged in entrepreneurial activities is 2.41 with a standard deviation of 2.00, ranging from a minimum of 1 to a maximum of 5 members respectively. It was found from the study that food processing, furniture and handloom enterprises have a maximum number of

5 family members each followed by tailoring comprises a maximum of 4 family members.

It could be very interesting to note that, the performance of rural enterprises achievement can be assessed by how many members are employed in the entrepreneurial activity. The study further reveals that the overall number of employees engaged in the enterprises without family members is an average of 15.08. Handloom enterprises have a maximum of 147 employees without their family members, whereas another remarkable was food processing enterprises ranging from a minimum of 1 to a maximum of 10 employees from outside the family members with an average of 5.5. While furniture enterprises employ an average of 4 members ranging from a minimum of 1 to a maximum of 7 employees.

Income is one of the indicators of the success of rural entrepreneurship. The monthly incomes of the entrepreneurs from their enterprise, it was observed that the overall average monthly income of the entrepreneurs was Rs. 45508.33/- with a standard deviation of 41330.39, ranging from a minimum of Rs. 16283.33/- to a maximum of Rs. 45508.33/-. The overall respondents of monthly income from the enterprises fell within the category of below Rs. 40000/- with the large majority of (82%) followed by (12%) of the respondent's income between Rs. 40000 to 80000/- with. Only (7 %) of the respondents had a monthly income of Rs. 80000/- above from the enterprises.

Respondents who have income beyond the enterprises, a little more than half of the respondents (37%) have additional income from different sources taken into consideration. The result as presented additional income of the respondents on average was Rs. 11650/- ranging from a minimum of Rs. 2000/- to a maximum of Rs. 40000/- with a standard deviation of 7094.63.

It would be very interesting to enquire about who has a monthly income before starting the enterprises of the respondents. The results show that the majority of the entrepreneurs 32(53%) had monthly income before starting the present line of business. It reveals that the income of the entrepreneurs before starting the enterprise from different jobs like farming, business, labour etc.

In addition to the measures of entrepreneurial performance and growth, time devoted by the entrepreneurs to their units can also be analysed as an important means of assessing the performance of enterprises. It was found that the average time devoted by the entrepreneurs in a day was 10.08 hours ranging from a minimum of 7.33 to a maximum of 12.83 hours.

Indicators of the economic standard of the family include materialism and household needs. Nowadays, items like cars, motorcycles, new houses, new land and savings money, as well as household furniture and electrical goods like televisions, refrigerators, washing machines, computers etc. This entire become the symbol of the standard of living in rural areas. It could be interesting to note that table 2.20 reveals that 18(30%) of the respondents had new houses through their income from the enterprises. whereas 15(25%) had a new car and 13(22%) had savings money for the children and the future of their family. Hence, 10(17%) of the respondents had a two-wheeler.

Participating in the community development of entrepreneurs, less than half of the respondents 27(45%) participate in community development. Handloom, repair service, steel/metal service and tailoring enterprises had 5(50%) each involved in community development.

It was found that business organizations or associations aren't active functionally and do not have activities in some study areas. The majority of the respondents 35(58%) were not involved in business organizations due to dysfunction. Whereas 25(42%) of the respondents are active in the organization. They have some activities through organization like price control, social work and training for the purpose of production, marketing and so on.

Keeping the importance of EDPs in the development of entrepreneurship in view, an attempt is here, attending training/workshops on EDPs after starting their entrepreneurial activities. Less than half of the respondents 27(45%) were attending training on entrepreneurial training programmes through the government and some organizations. The majority of the entrepreneurs 33(55%) had not attended

training/workshop on EDPs because of unnecessary to attend. It was observed from the study, that they were confident enough by not attending EDPs.

9.1.4 Sustainability and Growth of the Enterprises

Perceptions of sustainability of the enterprises are broadly classified into i) commitment ii) production of materials iii) quality marketing of the product iv) chance of growth of the enterprises and v) government support (need of support). The result found out the overall perception of sustainability of the enterprises was an average of 4.12 (agree) with a standard deviation of 0.74.

Commitment is about having the willingness to choose the present line of enterprises, willingness to bear risks, ability and developed capabilities and lead to confidence in their entrepreneurial activity.

The majority of the respondents, an average of 3.88 (agree) with a standard deviation of 0.83, are strongly believe that they can supply regularly to the customer from their demands materials of the products.

A large majority of the entrepreneurs extremely accepted they produce and sell only quality materials. It was shown in the results, an average of 4.55 (strongly agree), which means customers were satisfied with buying the products of rural entrepreneurs.

It was very interesting to note that from the results, an average of 4.51 (strongly agree) with a standard deviation of 0.55, which means the respondents believed that the present business is worthy of reliance of livelihood for their family and future references.

The majority of the respondents are an average of 3.15 (agree) believed and needs of government support, incentives, support finance or industrial development will make a better position and more production of rural entrepreneurs

9.1.5 Entrepreneurship: Growth and Potentials

The results of the factor analysis clearly indicate that among the multiple variables considered, only one factor — 'developed financially' — significantly contributes to the economic growth of entrepreneurs. The Kaiser-Meyer-Olkin (KMO) Measure of Sampling Adequacy, with a high value of 0.894, confirms that the data is suitable for factor analysis. Additionally, Bartlett's Test of Sphericity confirms sufficient correlation among variables, validating the appropriateness of this analytical method.

The extraction of a single factor with an Eigenvalue greater than one, accounting for 70% of the total variance, highlights that financial development is the primary and most impactful driver of entrepreneurial economic growth. Other factors, though initially considered, were found to be statistically insignificant and thus do not meaningfully affect economic performance.

In conclusion, the factor analysis reinforces the critical role of financial development in fostering entrepreneurship. Ensuring better access to finance, credit, and capital support mechanisms should, therefore, be a top priority in policy planning and support programs aimed at promoting sustainable entrepreneurial growth.

9.1.6 Entrepreneurs: Future Plan for the Enterprises

Entrepreneurs create employment opportunities not only for themselves but for others as well. Entrepreneurial activities may influence a country's economic performance by bringing new products, methods, and production processes to the market and by boosting productivity and competition more broadly. The entrepreneur now becomes a job provider and can hire labour and increase the employment level of our economy.

The respondents were further asked about the future plans for the enterprises identified by them. Out of the 60 entrepreneurs from 6 different trades, there are 29 points of future plans were answered by the respondents. It was found from the

study, that entrepreneurship is not only meant for entrepreneurs' jobs, and it is the creator of another job as well as stable employment opportunities.

9.1.7 Entrepreneurs: Problems

In the present study "Performance of Rural Enterprises in Mizoram", it was observed that rural entrepreneurs were suffering various problems and constraints faced by them in the course of starting and managing their business enterprises.

It has been found that the important problems faced by the entrepreneurs from their commencement and running their business were finance. As can be observed from the table 8.1 majority of the respondents 33 (55%) entrepreneurs faced financial problems.

In government assistance, only a few numbers of 6 (10%) respondents reported having problems; lack of proper training or training centers is another problem for rural entrepreneurs. These will affect poor performance, low productivity, lack of specialization, enhancing expenses, wastage, breakdown of machinery, and difficulty in the adoption of the latest technology.

The majority of the respondents 33 (55%) entrepreneurs faced the problems of market fluctuation, high cost of transportation, natural calamities, lack of latest technology etc. Most villages are badly connected to main roads, and every year during monsoon seasons some of villages are disconnected for a long period, which will effect of proper transportation and hinder marketing activities.

Rural customers are economically backward. More than one-third of the rural masses live below the poverty line. Backwardness also affects their mentality to change negligence. It was a common problem of the entrepreneurs found in rural areas, most of the customers neglected to pay the debt to the entrepreneurs. Half of the respondents 30 (50%) entrepreneurs report problems faced by customers who refuse to pay off debts.

Most of the family problems faced by the respondents were women. India is a patriarchal society, so women have more activity than men in the house chores. Her

involvement in family problems leaves very little energy and time to come out of her shell and play in economic activities. 9 (15%) of the respondents had family problems in their entrepreneurial activity.

Rural entrepreneurs commonly problems face in marketing their products such as competition from other micro-enterprises, large-scale enterprises, transportation etc. A little more than one-third of the respondents 21 (35%) had several problems in marketing the products.

Raw materials problems. The problems might be scarcity, high price and low quality. The majority of the respondents 35 (58%) of them specified faced the problems of raw materials.

The majority of the respondents 34 (57%) reported suffering from the uncertainty of power supply, scarcity, irregular power supply and high cost of electric bill. The manufacturing enterprises of furniture and steel/metal services have faced the main problem of scarcity of power.

As regards other problems faced by the respondents 18 (30%) reported labour problems. Among them, the entrepreneurs suffered from the problems of shortage of skilled labour, followed by labour turnover, high cost of labour and absenteeism.

9.1.8 Suggested solution from the entrepreneurs

Rural entrepreneurship is an important input influencing the economic development of the country. If some states like Mizoram have remained underdeveloped till today, it is obviously because of the hilly terrain geographical area and almost absence of industrial areas, as well as the dearth of entrepreneurship development.

It was found from the study, that rural entrepreneurs have positive attitudes to take entrepreneurship as a career due to many reasons of push and pull factors. Among the 60 respondents from 6 different trades, there are 26 points of suggestion were made by the entrepreneurs to resolve the various issues relating to rural entrepreneurship problems (see on chapter 8 table 8.2).

9.2 Conclusion

The conclusion of this study brings together the core findings and reflections drawn from an in-depth analysis of the entrepreneurial landscape in rural areas. The study has highlighted both the opportunities and constraints faced by entrepreneurs in their day-to-day operations and long-term growth.

This section aims to synthesize the main insights that emerged from the research, offering a clear understanding of the structural and operational gaps that hinder rural enterprise development. It also emphasizes the resilience and aspirations of entrepreneurs who, despite limited resources, continue to innovate and contribute meaningfully to their local economies. The conclusions presented here are intended to inform future policy directions and practical interventions for sustainable rural entrepreneurship.

It was observed that the majority of the respondents 62 percent were males. Furniture, repair service and steel/metal service were only male respondents. The age of the respondents' average was 43.5 years with the highest number of them belonging to the age group of 31-40 years. Out of the 60 respondents, 11.60 percent were widowed and 21.6 percent were single status. The family status of the respondents was categorized by nuclear and joint family, majority of the respondents 62 percent belonged to the nuclear family and 38 percent were joint family.

The household size of the respondents was an average of 5.19. As a result of educational qualification, only 3.3 percent completed postgraduate degree, majority of the respondents 36.6 percent completed high school level. From the data of the entrepreneurs, there is an absence of illiterate respondents at the time of research studies.

The respondent's family income on average was Rs. 82083.33/- ranging from a minimum of Rs. 8000/- to a maximum of Rs. 250000/-. Moreover, a large majority of the respondents 72 percent employed before starting their entrepreneurial venture.

The remarkable things in the study were the motivational factors of rural entrepreneurs in the course of starting and running their respective entrepreneurial

ventures. The study reveals motivational and encouraging factors related to internal and external motivational factors of the entrepreneur, entrepreneurial ambitions, push factor of compelling reasons, facilitating factors, attributes and skills of the entrepreneur and motives for deciding the present line of business.

Pull factors of internal motivation, there is a positive impact of the respondents agree to start-up entrepreneurial activity for the reasons of achieving what one wants to have in life and desire to do something new was one of the main reasons of internal motivational factors. On the other hand, external motivational factors of the respondents only availability of labour and raw materials and promising demand for the products has only a positive impact to do for the reasons of enterprises. Whereas, entrepreneurs' ambition, the ambitions to make money, to fulfill desires of self/wife and husband was the highest score.

For every successful entrepreneur, there is behind who is supporting financing and manpower. It is proved in the research study. It may be interesting to note that the unemployed had no compelling reasons to start their enterprises. It has been observed that there are at least three important factors in facilitating entrepreneurship. They are previous experience, encouragement of family members/relatives/mends and success stories of entrepreneurs. It has been observed that the entrepreneur's motives for deciding the present line of business, high profitability and easy marketability are the main reasons to take up their enterprises.

The first-generation entrepreneurs mostly depended themself on managing their enterprises, whereas second-generation respondents were following in the footsteps of their parents or relatives to continue their enterprises. In the promotion of enterprises, the availability of enough finance is one of the most important factors of sustainability of entrepreneurship.

It has been found that the initial capital of the enterprise of the respondents on average of Rs. 233816.66/-. Majority of the entrepreneurs 57 percent invested below Rs. 50000/- starting their enterprises. It reveals that the respondents have the highest 76.6 percent self as a source of initial capital. The respondents identified the

requirement of equipment for the production line of business, which reveals the average price of the approximate equipment cost is Rs. 260858.33/-.

The results show that out of the 60 respondents 7 (12%) entrepreneurs were selling their product outside the country USA, Malaysia, Myanmar, and Australia etc. Whereas, the rest of 88 percent marketing in the country. It was observed that the overall average of family members engaged in the enterprises is 2.41 and outside the family members employee on average of 5.5. Another interesting to note is that the monthly income from the enterprises was Rs. 45508.33/-. Less than half of the respondents 22 percent have additional income from the different sources. Time devoted by the entrepreneurs in a day with an average is 10.08 hours. In participation in community development, almost half of the respondents 27 percent were involved, whereas 25 percent were enrolled in a business organization.

Regarding the sustainability of the enterprises, the study reveals that rural entrepreneurship is one of the developments of socio-economic, personal and enhancement of rural livelihood. Through this rural entrepreneurship, they were developed financially, increased in household expenditure, improved in daily life, freedom to make financial decisions, financial stability, savings for the next generation and stable domicile facilities.

It has been found that the most important problem faced by the enterprises from their commencement was financing, in the overall situation, most of the entrepreneurs faced a shortage of working capital. Whereas another problem were market fluctuation, lack of repayment from the customer, marketing, raw materials, and shortage of power supply and the majority of the respondents faced by covid-19.

9.3 Recommendations

The following recommendations are made based on the findings and conclusions from the study of rural enterprises in Mizoram.

i) Finance is often regarded as the lifeblood of any enterprise, essential for both its establishment and smooth operation. In the case of rural entrepreneurs, it was observed that financial constraints remain one of the most significant challenges.

Therefore, it is crucial that timely financial assistance is made accessible on soft and favourable terms, particularly to those who genuinely require support to initiate or sustain their business ventures.

ii) To address the marketing challenges faced by rural enterprises, it is essential to establish and develop common production-cum-marketing centers equipped with modern infrastructure. These centers should be strategically located in areas with strong production capabilities and high growth potential. Such facilities would not only support the promotion of export-oriented businesses but also facilitate direct interaction between buyers and sellers, effectively minimizing the middlemen in between them.

iii) The government or concerned authorities should conduct thorough market research to ensure that modernization and marketing efforts are aligned with actual market needs. This would help guarantee that new products or services introduced have a high level of acceptance and adaptability. Additionally, there should be a focus on providing access to modern machinery and equipment that enable more cost-effective production, whether in small or large volumes, to enhance the overall competitiveness of rural enterprises.

iv) Training plays a vital role in the overall development of entrepreneurship. Therefore, government agencies, non-governmental organizations, and financial institutions should regularly organize Entrepreneurship Development Programmes (EDPs) to equip rural entrepreneurs and executives with essential skills in key functional areas such as marketing, finance, management, and personal development.

Findings from the present research indicate that rural enterprises have a greater need for skilled human capital than for machinery and equipment. Enhancing the capabilities of the workforce will significantly improve working capital efficiency. Hence, it is important that entrepreneurs undergo proper training through relevant government and non-government agencies before launching their ventures. This proactive approach can help safeguard rural enterprises from potential operational challenges and business failures.

v) The data indicates a significantly low proportion of rural entrepreneurs possessing higher educational qualifications, with the majority having education below the high school level. This underscores the need for more intensive promotion of education in rural areas. Integrating entrepreneurship education into school, college, and university curricula can be an effective strategy to cultivate entrepreneurial mindset and skills. Early exposure to such education can foster a positive attitude toward entrepreneurship, encouraging youth to consider it as a viable and sustainable career option.

vi) Participation in Entrepreneurship Development Programmes (EDPs) can significantly enhance the capacity of entrepreneurs to manage their enterprises efficiently and profitably. Furthermore, the promotion of export marketing for rural enterprises and their products should be strengthened to higher standards. This would not only increase income for rural entrepreneurs but also contribute to national economic growth through the generation of foreign exchange.

vii) Despite facing numerous challenges, rural individuals are often driven to pursue entrepreneurship by various motivational factors, such as the desire for self-reliance, the need for income generation, a passion for addressing local issues, and a strong sense of community responsibility. To encourage more rural inhabitants to embark on entrepreneurial ventures, there is a pressing need for targeted motivational campaigns, capacity-building training, and symposiums at the grassroots level. Government agencies, non-governmental organizations, and financial institutions should also identify and recognize successful rural entrepreneurs through awards and public acknowledgment. Such recognition not only validates their efforts but also serves as a powerful inspiration for others to engage in entrepreneurial activities.

viii) Banks should be more attentive and concerned about their role in the promotion of rural entrepreneurship. For this consequence, the government should constitute a committee to monitor the extent of rejection applications and delay of sanctions, and the possible reasons scrutinized and solutions be availed. Make application procedures and approval criteria simple and quick loan approvals should be done at the branch levels.

ix) The government plays a vital role in enhancing both the quantity and quality of micro-entrepreneurs, particularly in rural areas. Various policies have been introduced to support the development of rural entrepreneurship, with both the central and state governments showing growing commitment to this cause. Entrepreneurs are being supported through incentives, infrastructure such as buildings and roads, and improved communication systems to facilitate business creation. This support must continue, as policymakers increasingly recognize that new enterprises generate employment and boost economic growth in underdeveloped regions. Each state government should also formulate innovative industrial strategies to encourage entrepreneurial activity and ensure the timely advancement of technology suited to local needs.

x) Governments and non-governmental organizations (NGOs) play a crucial role in fostering rural entrepreneurship by implementing supportive policies, offering incentives, creating favorable regulatory environments, and providing targeted assistance programs. To enhance product quality and marketing, entrepreneurs should adopt the latest production techniques and utilize skilled labor.

xi) Investing in capacity building and skill development initiatives is key to empowering rural entrepreneurs. By providing them with the essential knowledge, technical skills, and business acumen, we can significantly improve their chances of success and long-term sustainability.

xii) Promoting collaboration and networking among rural entrepreneurs can facilitate knowledge sharing, resource exchange, and collective problem-solving. Establishing strong networks enhances the resilience and competitiveness of rural enterprises.

xiii) Sustainability and inclusive growth, these will includes promoting sustainable business practices and ensuring inclusive growth are paramount objectives in rural entrepreneurship development. Initiatives should prioritize environmental conservation, social equity, and economic prosperity for all stakeholders.

It may finally be stated that, the findings of this study indicate that the "Performance of Rural Enterprises in Mizoram" is positively correlated with the ability of rural entrepreneurs to sustain their micro-enterprises successfully. A key factor in this success is the screening of prospective entrepreneurs by assessing their performance and achievement motivation. By identifying and nurturing these traits, the success rate of rural micro-enterprises is likely to improve, leading to increased incomes and enhanced economic stability in rural areas. This approach not only contributes to the economic growth of rural entrepreneurs but also promotes social development by addressing poverty and inequality. By empowering the rural poor and supporting their entrepreneurial ventures, there is potential to foster inclusive growth, benefiting both individuals and the broader community. Such initiatives can help reduce income disparities across socio-economic strata, ultimately leading to a more prosperous and equitable society. Furthermore, by creating a supportive ecosystem for rural enterprises, long-term sustainable development can be achieved, ensuring that rural communities thrive both economically and socially.

(Strictly Confidential)

Appendix - A

MIZORAM UNIVERSITY

Interview Schedule for the Doctor of Philosophy of Research scholar.

Performance of Rural Enterprises in Mizoram

Interview Schedule

Name of the Village: _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ Schedule no _____

Contact No. *(Optional)*: _____ Date of interview: _____

Section - A

Socio-Economic Profile.

General Information

1.	Name						
2.	Age:		Gender :				
3.	Marital Status	a) Single		b) Married	c)	Divorced	
		d) Widowed		e) Widower			
3.	Types of Family	a) Nuclear		b) Joint		c) Independent	
4.	Household Size:	Male		Female		Total	
5.	Educational Qualification	a) No Schooling			b) Primary		
	c) Secondary	d) Higher	e) Graduate		f) Post Graduate		
6.	Household income:						

7. Previous occupation:

a) Farming (Specify):
_____

b) Business
(Specify):_____

c) Others (Specify):
_____

Section – B

Motivational factors of the entrepreneurs.

1. Internal motivational factors of entrepreneur

1=strongly disagree / 2=disagree / 3=Neutral view / 4=Agree / 5=strongly agree

Sl.no	Internal motivational Factors	Levels				
1.	Desire to do something new.	1	2	3	4	5
2.	Become independent.	1	2	3	4	5
3.	Achieve what one wants to have in life.	1	2	3	4	5
4.	Be recognized for one's contribution.	1	2	3	4	5
6.	One's occupational background and experience in the relevant field.	1	2	3	4	5

2. External motivational factors of entrepreneur.

1=strongly disagree / 2=disagree / 3=Neutral view / 4=Agree / 5=strongly agree

Sl.no	External motivational Factors	Levels				
1.	Government assistance and support.	1	2	3	4	5
2.	Financial assistance from institutions.	1	2	3	4	5
3.	Availability of labour and raw material.	1	2	3	4	5
4.	Promising demand for the product.	1	2	3	4	5
5.	Encouragement from big business units.	1	2	3	4	5

3. Entrepreneurial ambitions

1=strongly disagree / 2=disagree / 3=Neutral view / 4=Agree / 5=strongly agree

Sl.no	Ambition Factors	Levels				
1.	To make money	1	2	3	4	5
2.	To continue family business	1	2	3	4	5
3.	To secure self-employment/independent living	1	2	3	4	5
4.	To fulfil desire of self/wife/parents/husband	1	2	3	4	5
5.	One's educational background.	1	2	3	4	5
6.	To gain social prestige	1	2	3	4	5

4. Compelling reasons

1=strongly disagree / 2=disagree / 3=Neutral view / 4=Agree / 5=strongly agree

Sl.no	Factors	Levels				
1.	Unemployment	1	2	3	4	5
2.	Make use of idle funds	1	2	3	4	5
3	Dissatisfaction with the job so far held or occupation pursued	1	2	3	4	5
4.	Make use of technical/professional skills.	1	2	3	4	5

5. Facilitating factors

1=strongly disagree / 2=disagree / 3=Neutral view / 4=Agree / 5=strongly agree

Sl.no	Factors	Levels				
1.	Success stories of entrepreneurs	1	2	3	4	5
2.	Previous association (experience in the same or other line of activity)	1	2	3	4	5
3.	Previous employment in the same or other line of activity	1	2	3	4	5
4.	Property inherited/self acquired/wife's	1	2	3	4	5
5.	Advice or influence (encouragement) of family members/ relatives/mends.	1	2	3	4	5
6.	Others- association as apprentices and sleeping partners.	1	2	3	4	5

6. Attributes and skills of entrepreneur.

1=strongly disagree / 2=disagree / 3=Neutral view / 4=Agree / 5=strongly agree

Sl.no	Attributes and skills Factors	Levels				
1.	Risk-taking	1	2	3	4	5
2.	Expertise	1	2	3	4	5
3.	Perseverance	1	2	3	4	5
4.	Responsibility	1	2	3	4	5
5.	Decisiveness	1	2	3	4	5

7. Motives for deciding the present line of enterprises.

1=strongly disagree / 2=disagree / 3=Neutral view / 4=Agree / 5=strongly agree

Sl.no	Motive Factors	Levels				
1.	Ease to start the business	1	2	3	4	5
2.	High profitability	1	2	3	4	5
3.	Less competition	1	2	3	4	5
4.	Previous experience	1	2	3	4	5
5.	Easily marketable	1	2	3	4	5

Section - C

Nature of the enterprise.

1. First generation entrepreneur.

(a) Yes ☐ (b) No ☐

2. Name of the enterprises.

_____

3. Types of enterprise.

_____

4. Years of starting the enterprises.

_____

7. Amount of investment for the enterprises.

_____

8.	**Source of funding for the enterprises.**			
i)	Self		Amount	
ii)	Government			
iii)	Loan			
iv)	Others			

9. Equipment of requirement for the production line of the enterprises.

	Equipment	Approximate cost
a)	_____	_____
b)	_____	_____
c)	_____	_____

10. Raw materials required.

Materials

_____

_____

_____

_____

Source

_____

_____

_____

11. Volume of production.

Monthly_____

Annual_____

12. Arrangement of marketing the product.

_____

_____

_____

_____

13. Number of person engaged in the enterprises.

(i) Household member Male_____ Female_____ Total _____

(ii) Employee Male _____ Female_____ Total_____

14. Income from the enterprise.

(i) Annual gross income _____

(ii) Net income _____

15. Changes before and after establishment of enterprises.

Particulars	Before	After
Job	_____	_____
Income	_____	_____
Working hour	_____	_____

16. Household assets.

Before	After
_____	_____
_____	_____
_____	_____

17. Involvement/ Participation in community development.

Before	After
_____	_____
_____	_____
_____	_____
_____	_____

18. Income activity beyond the business.

If yes, specify..

_____

19. A member of any business organization. Yes ☐ No ☐

If yes, name of the organization.

_____

Activities

_____

_____

_____

20. Participation in training/workshop on Entrepreneurship development programme.

Yes ☐ No ☐

Sl.no	Name of training	Duration	Organizer
1.			
2.			
3.			
4.			

Section - D

Sustainability of the enterprises

1. Perception on sustainability of the enterprises.

1=strongly disagree / 2=disagree / 3=Neutral view / 4=Agree / 5=strongly agree

1	Commitment	1	2	3	4	5
2	Supply of raw materials	1	2	3	4	5
3	Quality marketing of the product	1	2	3	4	5
4	Chance of growth of the enterprises	1	2	3	4	5
5	Government support (always need to support)	1	2	3	4	5
6	Others	1	2	3	4	5

2**. Future plant for the enterprises:**

_____

_____

_____

_____

Section – E

Factors Effecting Economic Growth

1=strongly disagree / 2=disagree / 3=Neutral view / 4=Agree / 5=strongly agree

1	Developed financially	1	2	3	4	5
2	Increase in expenditure	1	2	3	4	5
3	Quality of life changed / improved	1	2	3	4	5
4	Freedom to take financial decisions	1	2	3	4	5
5	Financial stability	1	2	3	4	5
6	Capable of saving for next generation	1	2	3	4	5
7	Good and stable domicile facilities	1	2	3	4	5

Section – F

1. Problem and Issues

(i) _____

(ii) _____

(iii) _____

(iv) _____

(v) _____

2. **Suggested solution from the entrepreneur.**

(i) Marketing _____

(ii) Raw materials _____

(ii) Production _____

(iv) Others _____

Appendix - B

APPENDIX TABLES

Appendix Table 4.1 Previous occupation of the respondents

Sl, no	Trade	Statement				Total
		Farming	Business	Others	Jobless	
1	Food Processing	2	4	4	0	10
2	Furniture	3	1	6	0	10
3	Handloom	6	1	1	2	10
4	Repair Service	0	2	3	5	10
5	Steel/Metal Service	2	1	6	1	10
6	Tailoring	0	1	0	9	10
	Total	**13**	**10**	**20**	**17**	**60**
Sl, no		**Percentage**				
1	Food Processing	20	40	40	0	10
2	Furniture	30	10	60	0	10
3	Handloom	60	10	10	20	10
4	Repair Service	0	20	30	50	10
5	Steel/Metal Service	20	10	60	10	10
6	Tailoring	0	10	0	90	10
	Total	**22**	**17**	**33**	**28**	**100**

Source: *Field Survey*

Appendix Table 5.2 Internal motivational factors of the respondents

(Food processing)

Sl. No	Particular	Mean	Std. Dev	Description
1	Desire to do something new	3.9	1.1	AG
2	Become independent	3.1	1.1	UD
3	Achieve what one wants to have in life	4.2	0.42	AG
4	Be recognized for one's contribution	3.3	0.94	UD
5	One's occupational background and experience in the relevant field	2.8	1.13	UD
	Overall	**3.46**	**0.94**	**UD**

(Furniture)

Sl. No	Particular	Mean	Std. Dev	Description
1	Desire to do something new	4.1	0.87	AG
2	Become independent	3.8	0.63	AG
3	Achieve what one wants to have in life	4.3	0.48	AG
4	Be recognized for one's contribution	3.3	0.82	UD
5	One's occupational background and experience in the relevant field	3.7	1.49	AG
	Overall	**3.84**	**0.86**	**AG**

(Handloom)

Sl. No	Particular	Mean	Std. Dev	Description
1	Desire to do something new	3.7	1.25	AG
2	Become independent	3.9	1.19	AG
3	Achieve what one wants to have in life	4.6	0.51	SA
4	Be recognized for one's contribution	4.5	0.7	SA
5	One's occupational background and experience in the relevant field	2.7	1.15	UD
	Overall	**3.88**	**0.96**	**AG**

(Repair service)

Sl. No	Particular	Mean	Std. Dev	Description
1	Desire to do something new	4.1	1.19	AG
2	Become independent	4.1	0.31	AG
3	Achieve what one wants to have in life	4.6	0.51	SA
4	Be recognized for one's contribution	3.8	0.91	AG
5	One's occupational background and experience in the relevant field	2.8	1.22	UD
	Overall	**3.88**	**0.83**	**AG**

Appendix Table 5.2 Internal motivational factors of the respondents (Contd..)

(Steel/metal service)

Sl. No	Particular	Mean	Std. Dev	Description
1	Desire to do something new	4.5	0.97	SA
2	Become independent	3.2	0.91	UD
3	Achieve what one wants to have in life	4.5	0.52	AG
4	Be recognized for one's contribution	3.3	1.25	UD
5	One's occupational background and experience in the relevant field	2.6	1.07	UD
	Overall	**3.62**	**0.94**	**AG**

(Tailoring)

Sl. No	Particular	Mean	Std. Dev	Description
1	Desire to do something new	4.5	0.52	SA
2	Become independent	4.2	0.42	AG
3	Achieve what one wants to have in life	4.6	0.51	SA
4	Be recognized for one's contribution	3.9	0.99	AG
5	One's occupational back ground and experience in the relevant field	3.3	1.05	UD
	Overall	**4.1**	**0.7**	**AG**

Source: *Field Survey*

Level of involvement

4.51 - 5.00 Strongly Agree (SA)
3.51 - 4.50 Agree (AG)
2.51 - 3.50 Undecided (UD)
1.51 - 2.50 Disagree (DA)
1.00 - 1.50 Strongly Disagree (SD)

Appendix Table 5.3 External Motivational factors of the respondents

(Food processing)

Sl. No	Particular	Mean	Std. Dev	Description
1	Government assistance and support	2.7	1.41	UD
2	Financial assistance from institution	2.8	1.51	UD
3	Availability of labour and raw materials	3.7	0.67	AG
4	Promising demand for the product	4.3	0.94	AG
5	Encouragement from big business unit	4.2	0.63	AG
	Overall	**3.54**	**1.04**	**AG**

(Furniture)

Sl. No	Particular	Mean	Std. Dev	Description
1	Government assistance and support	2.7	1.41	UD
2	Financial assistance from institution	2.7	1.41	UD
3	Availability of labour and raw materials	3.7	0.82	AG
4	Promising demand for the product	4.4	0.51	AG
5	Encouragement from big business unit	3.3	1.41	UD
	Overall	**3.36**	**1.11**	**UD**

Appendix Table 5.3 External Motivational factors of the respondents (Cont..)

(Handloom)

Sl. No	Particular	Mean	Std. Dev	Description
1	Government assistance and support	2.8	1.31	UD
2	Financial assistance from institution	2.5	1.08	UD
3	Availability of labour and raw materials	3.3	1.15	UD
4	Promising demand for the product	3.8	0.63	AG
5	Encouragement from big business unit	2.4	0.84	DA
	Overall	**2.96**	**1.002**	**UD**

(Repair service)

Sl. No	Particular	Mean	Std. Dev	Description
1	Government assistance and support	2.2	1.03	DA
2	Financial assistance from institution	3	1.56	UD
3	Availability of labour and raw materials	3.3	0.94	UD
4	Promising demand for the product	3.6	1.17	AG
5	Encouragement from big business unit	2.7	1.15	UD
	Overall	**2.96**	**1.17**	**UD**

Appendix Table 5.3 External Motivational factors of the respondents. (Contd..)

(Steel/metal service)

Sl. No	Particular	Mean	Std. Dev	Description
1	Government assistance and support	2	0.81	DA
2	Financial assistance from institution	2.6	1.5	UD
3	Availability of labour and raw materials	4.1	0.73	AG
4	Promising demand for the product	4.7	0.48	SA
5	Encouragement from big business unit	3.9	0.87	AG
	Overall	**3.46**	**0.88**	**AG**

(Tailoring)

Sl. No	Particular	Mean	Std. Dev	Description
1	Government assistance and support	2.4	0.69	DA
2	Financial assistance from institution	2.7	0.94	UD
3	Availability of labour and raw materials	3.5	0.7	UD
4	Promising demand for the product	3.9	0.99	AG
5	Encouragement from big business unit	2.9	0.87	UD
	Overall	**3.08**	**0.84**	**UD**

Source: *Field Survey*

Level of involvement

4.51 - 5.00 Strongly Agree (SA)
3.51 - 4.50 Agree (AG)
2.51 - 3.50 Undecided (UD)
1.51 - 2.50 Disagree (DA)
1.00 - 1.50 Strongly Disagree (SD)

Appendix Table 5.4 Entrepreneurial ambition

(Food processing)

Sl. No	Particular	Mean	Std. Dev	Description
1	To make money	4.1	1.19	AG
2	To continue family business	2	0.47	DA
3	To secure self-employment/independent living	3.7	1.05	AG
4	To fulfill desire of self/wife/parent/husband	4.3	0.48	AG
5	One's educational background	1.7	0.48	DA
6	To gain social prestige	2.7	1.05	UD
	Overall	**3.08**	**0.79**	**UD**

(Furniture)

Sl. No	Particular	Mean	Std. Dev	Description
1	To make money	4.5	0.52	AG
2	To continue family business	2	0.47	DA
3	To secure self-employment/independent living	3.7	1.05	AG
4	To fulfill desire of self/wife/parent/husband	4.3	0.48	AG
5	One's educational background	1.7	0.48	DA
6	To gain social prestige	2.7	1.05	UD
	Overall	**3.15**	**0.68**	**UD**

(Handloom)

Sl. No	Particular	Mean	Std. Dev	Description
1	To make money	4.8	0.42	SA
2	To continue family business	2.6	1.5	UD
3	To secure self-employment/independent living	4	0.81	AG
4	To fulfill desire of self/wife/parent/husband	4.3	0.48	AG
5	One's educational background	1.9	0.31	DA
6	To gain social prestige	2.4	0.51	DA
	Overall	**3.33**	**0.67**	**UD**

(Repair service)

Sl. No	Particular	Mean	Std. Dev	Description
1	To make money	4.9	0.31	SA
2	To continue family business	2.9	1.44	UD
3	To secure self-employment/independent living	4.1	0.31	AG
4	To fulfill desire of self/wife/parent/husband	4.5	0.52	AG
5	One's educational background	2.2	0.63	DA
6	To gain social prestige	2.5	0.7	DA
	Overall	**3.51**	**0.65**	**AG**

Appendix Table 5.4 Entrepreneurial ambition (Cont..)

(Steel/metal service)

Sl. No	Particular	Mean	Std. Dev	Description
1	To make money	4.4	0.51	AG
2	To continue family business	2.5	1.35	DA
3	To secure self-employment/independent living	4	0.94	AG
4	To fulfill desire of self/wife/parent/husband	4.2	0.42	AG
5	One's educational background	1.9	0.31	DA
6	To gain social prestige	2.9	0.73	UD
	Overall	**3.31**	**0.71**	**UD**

(Tailoring)

Sl. No	Particular	Mean	Std. Dev	Description
1	To make money	4.6	0.51	SA
2	To continue family business	2.5	0.97	DA
3	To secure self-employment/independent living	4.2	0.42	AG
4	To fulfill desire of self/wife/parent/husband	4.2	0.42	AG
5	One's educational background	2.2	0.42	DA
6	To gain social prestige	2.8	0.78	UD
	Overall	**3.41**	**0.59**	**UD**

Source: *Field Survey*

Level of involvement

4.51 - 5.00 Strongly Agree (SA)

3.51 - 4.50 Agree (AG)

2.51 - 3.50 Undecided (UD)

1.51 - 2.50 Disagree (DA)

1.00 - 1.50 Strongly Disagree (SD)

Appendix Table 5.5 Compelling reasons

(Food processing)

Sl. No	Particular	Mean	Std. Dev	Description
1	Unemployment	2.9	0.99	UD
2	Make use of idle funds	4.6	0.51	SA
3	Dissatisfaction with the job so far held or occupation pursued	3.1	1.19	UD
4	Make use of technical/professional skills	3.9	1.1	AG
	Overall	**3.62**	**0.95**	**AG**

(Furniture)

Sl. No	Particular	Mean	Std. Dev	Description
1	Unemployment	2.8	1.13	UD
2	Make use of idle funds	5	0.01	SA
3	Dissatisfaction with the job so far held or occupation pursued	3.1	1.44	UD
4	Make use of technical/professional skills	4.7	0.48	SA
	Overall	**3.9**	**0.76**	**UD**

(Handloom)

Sl. No	Particular	Mean	Std. Dev	Description
1	Unemployment	3.4	0.96	UD
2	Make use of idle funds	4.5	0.52	SA
3	Dissatisfaction with the job so far held or occupation pursued	2.5	0.97	DA
4	Make use of technical/professional skills	4.2	1.22	AG
	Overall	**3.65**	**0.92**	**AG**

(Repair service)

Sl. No	Particular	Mean	Std. Dev	Description
1	Unemployment	2.9	1.19	UD
2	Make use of idle funds	4.8	0.42	SA
3	Dissatisfaction with the job so far held or occupation pursued	2.8	1.31	UD
4	Make use of technical/professional skills	4.8	0.42	SA
	Overall	**3.82**	**0.83**	**AG**

(Steel/metal service)

Sl. No	Particular	Mean	Std. Dev	Description
1	Unemployment	2.8	1.03	UD
2	Make use of idle funds	4.5	0.52	SA
3	Dissatisfaction with the job so far held or occupation pursued	2.7	1.05	UD
4	Make use of technical/professional skills	4.2	0.91	AG
	Overall	**3.55**	**0.88**	**AG**

Appendix Table 5.5 Compelling reasons (Cont..)

(Tailoring)

Sl. No	Particular	Mean	Std. Dev	Description
1	Unemployment	2.5	0.84	DA
2	Make use of idle funds	4.9	0.31	SA
3	Dissatisfaction with the job so far held or occupation pursued	2.3	0.48	DA
4	Make use of technical/professional skills	4.7	0.67	SA
	Overall	**3.6**	**0.58**	**AG**

Source: *Field Survey*

Level of involvement

4.51 - 5.00 Strongly Agree (SA)

3.51 - 4.50 Agree (AG)

2.51 - 3.50 Undecided (UD)

1.51 - 2.50 Disagree (DA)

1.00 - 1.50 Strongly Disagree (SD)

Appendix Tale 5.6 Facilitating factors

(Food processing)

Sl. No	Particular	Mean	Std. Dev	Description
1	Success stories of entrepreneurs	4.1	0.87	AG
2	Previous association (Experience in the same or other line of activity)	3	1.15	UD
3	Previous employment in the same or other line of activity	2.9	0.99	UD
4	Property inherited/self-acquired/wife's/husband	2.2	0.63	DA
5	Advice or influence (encouragement) of family members/relatives/mends	4	0.81	AG
6	Others association as apprentices and sleeping partners	2.9	1.19	UD
	Overall	**3.18**	**0.94**	**UD**

(Furniture)

Sl. No	Particular	Mean	Std. Dev	Description
1	Success stories of entrepreneurs	3	1.15	UD
2	Previous association (Experience in the same or other line of activity)	3.8	1.31	AG
3	Previous employment in the same or other line of activity	3.7	1.25	AG
4	Property inherited/self-acquired/wife's/husband	3.4	1.17	UD
5	Advice or influence (encouragement) of family members/relatives/mends	3.8	1.31	AG
6	Others association as apprentices and sleeping partners	2.4	0.69	UD
	Overall	**3.35**	**1.15**	**AG**

(Handloom)

Sl. No	Particular	Mean	Std. Dev	Description
1	Success stories of entrepreneurs	2.9	1.19	UD
2	Previous association (Experience in the same or other line of activity)	2.7	1.15	UD
3	Previous employment in the same or other line of activity	2.7	1.15	UD
4	Property inherited/self-acquired/wife's/husband	3	1.33	UD
5	Advice or influence (encouragement) of family members/relatives/mends	4	0.81	AG
6	Others association as apprentices and sleeping partners	3.1	1.28	UD
	Overall	**3.06**	**1.15**	**UD**

Appendix Table 5.6 Facilitating factors (Cont..)

(Repair service)

Sl. No	Particular	Mean	Std. Dev	Description
1	Success stories of entrepreneurs	3	1.33	UD
2	Previous association (Experience in the same or other line of activity)	3.1	1.19	UD
3	Previous employment in the same or other line of activity	3.4	1.26	UD
4	Property inherited/self-acquired/wife's/husband	2.7	1.25	UD
5	Advice or influence (encouragement) of family members/relatives/mends	3.7	1.25	AG
6	Others association as apprentices and sleeping partners	2.3	0.94	DA
	Overall	**3.03**	**1.2**	**UD**

(Steel/metal service)

Sl. No	Particular	Mean	Std. Dev	Description
1	Success stories of entrepreneurs	3.9	0.87	AG
2	Previous association (Experience in the same or other line of activity)	2.6	0.96	UD
3	Previous employment in the same or other line of activity	2.7	0.94	UD
4	Property inherited/self-acquired/wife's/husband	2.4	0.69	DA
5	Advice or influence (encouragement) of family members/relatives/mends	3.9	0.73	AG
6	Others association as apprentices and sleeping partners	1.9	0.31	DA
	Overall	**2.9**	**0.75**	**AG**

(Tailoring)

Sl. No	Particular	Mean	Std. Dev	Description
1	Success stories of entrepreneurs	3.4	1.34	UD
2	Previous association (Experience in the same or other line of activity)	3	1.05	UD
3	Previous employment in the same or other line of activity	3	0.94	UD
4	Property inherited/self-acquired/wife's/husband	3	1.05	UD
5	Advice or influence (encouragement) of family members/relatives/mends	3.6	1.26	AG
6	Others association as apprentices and sleeping partners	2.2	0.63	DA
	Overall	**3.03**	**1.04**	**UD**

Source: *Field Survey*

Level of involvement

4.51 - 5.00 Strongly Agree (SA)

3.51 - 4.50 Agree (AG)

2.51 - 3.50 Undecided (UD)

1.51 - 2.50 Disagree (DA)

1.00 - 1.50 Strongly Disagree (SD)

Appendix Table 5.7 Attributes and skills of the entrepreneurs

(Food processing)

Sl. No	Particular	Mean	Std. Dev	Description
1	Risk-taking	4.5	0.52	SA
2	Expertise	4.3	0.48	AG
3	Perseverance	4.3	0.48	AG
4	Responsibility	4.5	0.52	AG
5	Decisiveness	4.4	0.51	AG
	Overall	**4.4**	**0.5**	**AG**

(Furniture)

Sl. No	Particular	Mean	Std. Dev	Description
1	Risk-taking	4.4	0.96	AG
2	Expertise	4.6	0.51	SA
3	Perseverance	4.3	0.48	AG
4	Responsibility	4.8	0.42	SA
5	Decisiveness	4.4	0.51	AG
	Overall	**4.5**	**0.58**	**AG**

(Handloom)

Sl. No	Particular	Mean	Std. Dev	Description
1	Risk-taking	4.4	0.69	AG
2	Expertise	4.6	0.51	SA
3	Perseverance	4.4	0.51	AG
4	Responsibility	4.6	0.51	SA
5	Decisiveness	4.5	0.52	AG
	Overall	**4.5**	**0.55**	**AG**

(Repair service)

Sl. No	Particular	Mean	Std. Dev	Description
1	Risk-taking	4.5	1.08	SA
2	Expertise	4.8	0.42	SA
3	Perseverance	4.6	0.96	SA
4	Responsibility	4.9	0.31	SA
5	Decisiveness	4.7	0.48	SA
	Overall	**4.7**	**0.65**	**SA**

Appendix Table 5.7 Attributes and skills of the entrepreneurs (Cont..)

(Steel/metal service)

Sl. No	Particular	Mean	Std. Dev	Description
1	Risk-taking	4.4	0.96	AG
2	Expertise	4.4	0.51	AG
3	Perseverance	4.4	0.51	AG
4	Responsibility	4.8	0.42	SA
5	Decisiveness	4.4	0.51	AG
	Overall	**4.48**	**0.58**	**AG**

(Tailoring)

Sl. No	Particular	Mean	Std. Dev	Description
1	Risk-taking	4.5	0.97	AG
2	Expertise	4.4	0.51	AG
3	Perseverance	4.4	0.51	AG
4	Responsibility	4.7	0.48	SA
5	Decisiveness	4.4	0.51	AG
	Overall	**4.48**	**0.60**	**AG**

Source: *Field Survey*

Level of involvement

4.51 - 5.00 Strongly Agree (SA)
3.51 - 4.50 Agree (AG)
2.51 - 3.50 Undecided (UD)
1.51 - 2.50 Disagree (DA)
1.00 - 1.50 Strongly Disagree (SD)

Appendix Table 5.8 Motives for deciding the present line of enterprises

(Food processing)

Sl. No	Particular	Mean	Std. Dev	Description
1	Ease to start the business	3.4	1.26	UD
2	High profitability	4.5	0.52	AG
3	Less competition	3.8	1.03	AG
4	Previous experience	2.6	0.96	UD
5	Easily marketable	4.3	1.25	AG
	Overall	**3.72**	**1.00**	**AG**

(Furniture)

Sl. No	Particular	Mean	Std. Dev	Description
1	Ease to start the business	3.1	1.19	UD
2	High profitability	4.5	0.52	AG
3	Less competition	2.8	0.78	UD
4	Previous experience	3.6	1.42	AG
5	Easily marketable	4.5	0.70	AG
	Overall	**3.7**	**0.93**	**AG**

(Handloom)

Sl. No	Particular	Mean	Std. Dev	Description
1	Ease to start the business	2.9	1.19	UD
2	High profitability	4.4	0.51	AG
3	Less competition	2.4	0.69	UD
4	Previous experience	2.6	1.07	UD
5	Easily marketable	4.5	0.52	AG
	Overall	**3.36**	**0.80**	**UD**

(Repair service)

Sl. No	Particular	Mean	Std. Dev	Description
1	Ease to start the business	2.9	1.19	UD
2	High profitability	4	0.81	AG
3	Less competition	2.7	1.15	UD
4	Previous experience	3.3	1.25	UD
5	Easily marketable	4.3	0.67	AG
	Overall	**3.44**	**1.01**	**UD**

Appendix Table 5.8 Motives for deciding the present line of enterprises (Cont..)

(Steel/metal service)

Sl. No	Particular	Mean	Std. Dev	Description
1	Ease to start the business	3.1	1.44	UD
2	High profitability	3.9	0.87	AG
3	Less competition	3.8	1.39	UD
4	Previous experience	3	1.56	UD
5	Easily marketable	4.3	0.94	AG
	Overall	**3.62**	**1.24**	**AG**

(Tailoring)

Sl. No	Particular	Mean	Std. Dev	Description
1	Ease to start the business	3	1.15	UD
2	High profitability	4.4	0.69	AG
3	Less competition	2.9	1.10	UD
4	Previous experience	3.1	1.19	UD
5	Easily marketable	4.4	0.96	AG
	Overall	**3.56**	**1.02**	**AG**

Source: *Field Survey*

Level of involvement

4.51 - 5.00 Strongly Agree (SA)
3.51 - 4.50 Agree (AG)
2.51 - 3.50 Undecided (UD)
1.51 - 2.50 Disagree (DA)
1.00 - 1.50 Strongly Disagree (SD)

Appendix Table 6.9 Attending in training/workshop on entrepreneurship development programme (EDP)

Name of training					
Food Processing	**Furniture**	**Handloom**	**Repair Service**	**Steel/Metal Service**	**Tailoring**
Angels training	EDP	Handloom training	Business Theory	Welder training	Tailoring training
Chenrang leh Ngenmu	Wood processing training		Business Training		
Grossberry Training			Two wheeler training		
Ice cream training					
Duration					
1Day	1 week	1month	1day	1 month	1years
2Days	14days	3months	2months		20days
50Days		6months	2weeks		4months
5Days			5months		6months
7days			8months		
Organiser					
Industry Dept	KVI Zemabawk	Government	State Govt sponsor	Private	BDO
KVK	Rural Development Dept	Industry Dept	PMEGP		Private
KVK and Angles		Ministry of textile	Private		Social welfare Dept
Private Institute		SHGs Under VOs	Youth commission		Synod

Appendix Table 6.10 Requirement for the production line of Food processing

(Gooseberry)

Sl, no	Equipment	Approximate cost	materials	Source
1	Shredding machine	380000	Gooseberry	Mizoram
2	Grinder machine	25000	Sugar	Tripura
3	Hydraulic machine	3500	Potassium metabisulfite	Assam
4	Packing machine	2000	Plastic packing	West Bengal
5	Drying plate	1500	Plastic bottle & Label paper	Delhi
Total approximate cost		**412000**		

(Bakery)

Sl, no	Equipment	Approximate cost	materials	Source
1	Oven deck	300000	Refined wheat flour	Mizoram
2	Spiral mixer	150000	Egg & Butter	Assam
3	Planetary mixer	120000	Sugar	
4	Stand mixture	120000	Oil & Coconut	
5	Six tray	145000	Gee & Yeast powder	
Total approximate cost		**835000**		

(Ice cream)

Sl, no	Equipment	Approximate cost	materials	Source
1	Ice cream plant	370000	Milk	Mizoram
2	Churner/mixing machine	120000	Sugar	Assam
3	Deep freezer	40000	Food colour	
4	Malt	7000	Emulsifiers	
Total approximate cost		**530000**		

(Furniture)

Sl, no	Equipment	Approximate cost	materials	Source
1	Band saw machine	80000	Wood	Mizoram
2	Circular saw	50000	Plywood boards	Assam
3	Wood trimmer	38000	Varnish oil	Myanmar
4	Wood planner	7000	Colours	
5	Angle grinder	4500	Nail	
6	Wood design	5500		
7	Air compressor	25000		
Total approximate cost		**210000**		

Table 6.10 Requirement for the production line of Food processing (Cont..)

(Handloom)

Sl, no	Equipment	Approximate cost	materials	Source
1	Weaving machine	15000	Cotton yarn	Mizoram
2	Healed frame	2000	Silk yarn	Assam
3	Spinning wheel	1000	Woollen	
4	Bobbin	120		
5	Picker	60		
6	Open reed	800		
7	Shuttle	100		
Total approximate cost		**19080**		

Requirement for the production of (Repair service)

(Mobile repair service)

Sl, no	Equipment	Approximate cost	materials	Source
1	Microscope	18000	LCD folder	Mizoram
2	Soldering	2700	Charging connector	Assam
3	LCD separator	7000		Online market
4	SMD rework station	6000		
5	Computer	35000		
6	Miracle box	25000		
7	Multi-meter	700		
8	Separator machine	3000		
9	Hot air gun machine	6500		
Total approximate cost		**103900**		

(Two wheeler repair service)

Sl, no	Equipment	Approximate cost	materials	Source
1	Welding machine	12000		Mizoram
2	Compressor	32000		Assam
3	Grinder machine	2500		
Total approximate cost		**46500**		

Appendix Table 6.10 Requirement for the production of steel/aluminium (Cont..)

(Steel fabrication)

Sl, no	Equipment	Approximate cost	materials	Source
1	Welding machine	22000	Square pipe	Mizoram
2	Gas welding	60000	flat iron	Assam
3	Miter saw	15000	Steel	
4	Driller	16000	Aluminium	
5	Plasma	28000		
6	Bending machine	170000		
7	Air compressor	70000		
8	Punching	30000		
9	Pipe bender	120000		
10	Pipe moocher	90000		
11	Tic welding machine	150000		
Total approximate cost		**771000**		

(Utensil)

Sl, no	Equipment	Approximate cost	materials	Source
1	Angle grinder	4500	Aluminium	Mizoram
2	Pot	5000	Charcoal	Assam
3	Potters wheel	10000	Zinc	
4	Electric fan	3000		
Total approximate cost		**22500**		

Requirement for the production of Tailoring

Sl, no	Equipment	Approximate cost	materials	Source
1	Sewing machine	13000	A cloth	Mizoram
2	Over lock	6000	Cotton yarn & Beads	Assam
3	Manual fashion maker	8000	Buttons & Trims	
4	Flora	12000	Borders and laces	
Total approximate cost		**39000**		

Source: *Field Survey*

Appendix Table 7.11 Perception on sustainability of the enterprises

(Food processing)

Sl,no	Particular	Mean	Std. Dev	Description
1	Commitment	4.7	0.48	SA
2	Supply of raw materials	4.1	0.99	AG
3	Quality marketing of the product	4.4	0.51	AG
4	Chance of growth of the enterprises	4.6	0.51	SA
5	Government support (Need for support)	3.3	0.94	UD
	Overall	**4.22**	**0.69**	**AG**

(Furniture)

Sl,no	Particular	Mean	Std. Dev	Description
1	Commitment	4.3	0.48	AG
2	Supply of raw materials	3.8	0.63	AG
3	Quality marketing af the product	4.5	0.52	AG
4	Chance of growth of the enterprises	4.7	0.48	SA
5	Government support (Need fo support)	2.9	0.87	UD
	Overall	**4.04**	**0.6**	**AG**

(Handloom)

Sl,no	Particular	Mean	Std. Dev	Description
1	Commitment	4.1	1.19	AG
2	Supply of raw materials	4.1	1.19	AG
3	Quality marketing af the product	4.5	0.52	AG
4	Chance of growth of the enterprises	4.5	0.52	AG
5	Government support (Need fo support)	4.6	0.51	SA
	Overall	**4.36**	**0.79**	**AG**

(Repair service)

Sl,no	Particular	Mean	Std. Dev	Description
1	Commitment	3.6	1.26	AG
2	Supply of raw materials	3.9	0.56	AG
3	Quality marketing af the product	4.6	0.51	SA
4	Chance of growth of the enterprises	4.3	0.67	AG
5	Government support (Need fo support)	3.8	1.47	AG
	Overall	**4.04**	**0.89**	**AG**

(Steel/metal service)

Sl,no	Particular	Mean	Std. Dev	Description
1	Commitment	3.6	1.26	AG
2	Supply of raw materials	3.7	0.67	AG
3	Quality marketing af the product	4.7	0.48	SA
4	Chance of growth of the enterprises	4.3	0.67	AG
5	Government support (Need fo support)	3.1	0.87	UD
	Overall	**3.88**	**0.79**	**AG**

Appendix Table 7.11 Perception on sustainability of the enterprises (Cont..)

(Tailoring)

Sl,no	Particular	Mean	Std. Dev	Description
1	Commitment	4.7	0.48	SA
2	Supply of raw materials	3.7	0.94	AG
3	Quality marketing af the product	4.6	0.51	SA
4	Chance of growth of the enterprises	4.7	0.48	SA
5	Government support (Need fo support)	3.4	1.34	UD
	Overall	**4.22**	**0.75**	**AG**

Source: *Field Survey*

Level of involvement

4.51 - 5.00 Strongly Agree (SA)
3.51 - 4.50 Agree (AG)
2.51 - 3.50 Undecided (UD)
1.51 - 2.50 Disagree (DA)
1.00 - 1.50 Srongly Disagree (SD)

Appendix Table 7.13 Entrepreneurs: Problems

(Food Processing)

Sl, no	Problems	Frequency			Percentage		
		Yes	No	Total	Yes	No	Total
1	Financial Problem	7	3	10	70	30	100
2	Govt Assistance	1	9	10	10	90	100
3	Market fluctuation	8	2	10	80	20	100
4	Lack of Repayment	5	5	10	50	50	100
5	Problems of Marketing	6	4	10	60	40	100
6	Problems of Raw Materials	7	3	10	70	30	100
7	Power problems	7	3	10	70	30	100
8	Labour Problems	2	8	10	20	80	100
9	Effect of Pandemic	7	3	10	70	30	100

Entrepreneurs: Problems

(Furniture)

Sl, no	Problems	Frequency			Percentage		
		Yes	No	Total	Yes	No	Total
1	Financial Problem	7	3	10	70	30	100
2	Govt Assistance	2	8	10	20	80	100
3	Market fluctuation	3	7	10	30	70	100
4	Lack of Repayment	6	4	10	60	40	100
5	Family Problems	1	9	10	10	90	100
6	Problems of Marketing	3	7	10	30	70	100
7	Problems of Raw Materials	7	3	10	70	30	100
8	Power problems	9	1	10	90	10	100
9	Labour Problems	5	5	10	50	50	100
10	Effect of Pandemic	7	3	10	70	30	100

Entrepreneurs: Problems

(Handloom)

Sl, no	Problems	Frequency			Percentage		
		Yes	No	Total	Yes	No	Total
1	Financial Problem	8	2	10	80	20	100
2	Govt Assistance	1	9	10	10	90	100
3	Market fluctuation	8	2	10	80	20	100
4	Lack of Repayment	2	8	10	20	80	100
5	Family Problems	6	4	10	60	40	100
6	Problems of Raw Materials	4	6	10	40	60	100
7	Power problems	1	9	10	10	90	100
8	Labour Problems	2	8	10	20	80	100
9	Effect of Pandemic	8	2	10	80	20	100

Appendix Table 7.13 Entrepreneurs: Problems (Cont..)

(Repair service)

Sl, no	Problems	Frequency			Percentage		
		Yes	No	Total	Yes	No	Total
1	Financial Problem	6	4	10	60	40	100
2	Market fluctuation	7	3	10	70	30	100
3	Lack of Repayment	6	4	10	60	40	100
4	Family Problems	1	9	10	10	90	100
5	Problems of Marketing	4	6	10	40	60	100
6	Problems of Raw Materials	7	3	10	70	30	100
7	Power problems	5	5	10	50	50	100
8	Labour Problems	2	8	10	20	80	100
9	Effect of Pandemic	10	0	10	100	0	100

(Steel/metal service)

Sl, no	Problems	Frequency			Percentage		
		Yes	No	Total	Yes	No	Total
1	Financial Problem	2	8	10	20	80	100
2	Gov. Assistance	1	9	10	10	90	100
3	Market fluctuation	5	5	10	50	50	100
4	Lack of Repayment	3	7	10	30	70	100
5	Problems of Marketing	4	6	10	40	60	100
6	Problems of Raw Materials	5	5	10	50	50	100
7	Power problems	6	4	10	60	40	100
8	Labour Problems	3	7	10	30	70	100
9	Effect of Pandemic	5	5	10	50	50	100

Entrepreneurs: Problems

(Tailoring)

Sl, no	Problems	Frequency			Percentage		
		Yes	No	Total	Yes	No	Total
1	Financial Problem	3	7	10	30	70	100
2	Govt Assistance	1	9	10	10	90	100
3	Market fluctuation	2	8	10	20	80	100
4	Lack of Repayment	8	2	10	80	20	100
5	Family Problems	1	9	10	10	90	100
6	Problems of Marketing	4	6	10	40	60	100
7	Problems of Raw Materials	5	5	10	50	50	100
8	Power problems	6	4	10	60	40	100
9	Labour Problems	4	6	10	40	60	100
10	Effect of Pandemic	7	3	10	70	30	100

Appendix – C

FIELD WORK PHOTOS

1. Food processing product of Gooseberry juice and candy.

2. Food processing of Bakery making.

3. Interview with a respondent in their work place of Chow making.

4. Rural women working on sewing machine.

5. Interview with respondent in her tailoring.

6. A respondent woman operating a mechanical handloom producing traditional Mizo fabric.

7. Helping their mother weaving cloth.

8. Interview with a respondent in his work place of Furniture.

9. Product of furniture (Long chair).

10. Mobile repair service center.

11. Making of utensil.

12. Product of Steel/Metal service trade (utensil).

13. Interview with a respondent in his work place of Steel/Metal service trade.

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ABSTRACT

PERFORMANCE OF RURAL ENTERPRISES IN MIZORAM

AN ABSTRACT SUBMITTED IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE DEGREE OF DOCTOR OF PHILOSHOPHY

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DEPARTMENT OF EXTENSION EDUCATION AND RURAL DEVELOPMENT

SCHOOL OF EARTH SCIENCE AND NATURAL RESOURCES MANAGEMENT

OCTOBER 2024

PERFORMANCE OF RURAL ENTERPRISES IN MIZORAM

BY

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In partial fulfillment of the Requirement of the Degree of Doctor of Philosophy in Extension Education and Rural Development Mizoram University, Aizawl.

1. Introduction

The present study "Performance of Rural Entrepreneurship in Mizoram" has identified the performance of rural entrepreneurs, motivational factors, sustainability of the enterprises, problems and impact of economic development through rural enterprises in Mizoram.

"India lives in it's a village" – Mahatma Gandhi. According to the census of 2011 or the 15th census of India since 1872 rural population comprises 68.8 percent, that is more than two third of the total population. The majority of the people live in rural areas and their livelihood depends on agriculture and allied activities. Therefore, the government of India is striving to improve economic and social security through the development of farm and non-farm sectors of rural people.

Importance of Rural Entrepreneurship

Rural entrepreneurs are from rural areas i.e. from villages. Rural entrepreneurship is gaining more and more importance in today's scenario. The majority of India still lives in villages. We have an agriculture-based rural economy which necessitates improvement in the lives of farmers and other rural people. It is very important to promote local industry and to protect basic fundamental industries like food, agriculture, etc. It can reduce skewed distribution towards urbanization. It creates jobs at the local level. Almost every location has some specialty. There is a need to identify and promote specialties at various locations. Rural artisans can earn their living at the local level by practicing their basic skills. The creation of enterprises brings out overall improvement in rural life by making them provide easy access to basic healthcare facilities, education and without making they lose their traditional skills and culture. Rural entrepreneurship is a tool to improve life and infrastructure.

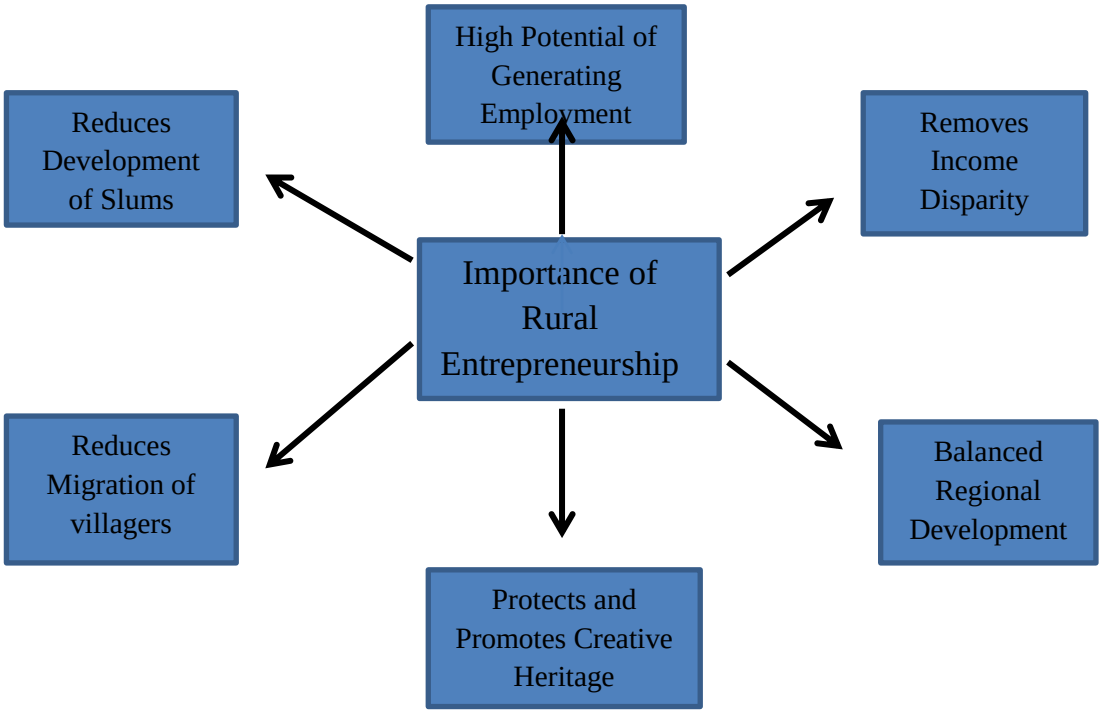

Figure 1.1: Importance of Rural Entrepreneurship.

Rural entrepreneurship plays an important role in economic development in developing countries like India. Rural entrepreneurship helps in the development of backward regions and removes poverty. Rural entrepreneurs need support for infrastructure development, investment in agriculture, promotion of non-farm rural activities, education, and health services, etc.

Role of development in Rural Entrepreneurship

Rural entrepreneurship contributes immensely to the economic growth and thereby plays a vital role in the development process. It sows the seeds of development and that, in turn, facilitates the growth and spread of entrepreneurship. As society moves gradually from underdevelopment to the phase of development, market opportunities widen and individuals acquire more finance, purchasing power, skills, abilities and motives. As a result, the social and economic environments tend to become more conducive to growth as well as further expansion of entrepreneurship. Putting more simply, throughout time the cumulative effect of development helps to generate increasing entrepreneurial activities. Therefore,

governments should start creating an economy for micro-entrepreneurs that would employ the modern trends and tools such as the sharing economy that are powered by novel technologies and approaches. All of these would lead to the creation of a new class of sustainable and digital micro-enterprises and would result in increasing energy efficiency and the transition to a green economy.

Entrepreneurship in Mizoram

The state of Mizoram is one of the most backward states in the country due to the absence of many prerequisite factors for industrial development. Still, despite the natural disadvantages in terms of geographical location, difficult topography, financial constraint and lack of technology faced by the State. But the industry department plays an important role in the economic development of the state; according to an economic survey in Mizoram, the industry sector has shown a steady since the past few years with a growth rate of 17.07 percent showing in 2018-19 only lower than 2.72 percent in agriculture and allied activities. In terms of employment generation the contribution of the industry sector is commendable. The flow of investment and employment generated under the industry sector is 4505 lakh of investment, unit register of 235 and employment generated of 1635 (Economic Survey of Mizoram, 2019-20).

Table 1 Status of District Industries Centre During 2007-2019 in Mizoram

Year	No. of unit registered during the year	Investment during the year (` in lakh)	Employment (No)
2007-2008	594	593.00	594
2008-2009	487	866.30	4113
2009-2010	457	1978.29	3977
2010-2011	200	2164.50	1328
2011-2012	131	1072.98	906
2012-2013	122	1432.20	930
2013-2014	213	2323.12	1440
2014-2015	120	600.00	420
2015-2016	169	1178.75	922
2016-2017	71	284.00	902
2017-2018	504	5418.86	851
2018-2019	235	4505	1635

Source: ***Economic survey 2019-20. Department of Planning and Programme Implementation, government of Mizoram.***

The entire state has been notified as a 'No Industry State' according to Shailaja, and there is a predominance of tiny, household and small-scale enterprises in the state. The people have preferred a government job due to a lack of skill development and institutional support for the entrepreneur. The government officials claim that they do try to provide a better exposure to entrepreneurs by taking them to trade fairs and expos, but the entrepreneurs apparently have not been able to capitalize on these opportunities. Almost all of Mizo's entrepreneurs are first generation entrepreneurs. The enterprises are mainly sole proprietorships where the proprietor along with his family members manages all aspects of his business himself - right from product development to finance and marketing.

Entrepreneurship & Start-up in the State

Mizoram is witnessing the emergence of a young business class with sharp entrepreneurial acumen and a drive for success. The entrepreneur potential and contributors to the economy need to be encouraged and supported, and the spirit of entrepreneurship needs to be promoted further, especially among the youth of the State. With this perspective, the Mizoram Entrepreneurship & start-up Policy, 2019 has been formulated to build a better environment in which entrepreneurs can innovate and commercialize the results of their creativity, and in which businesses and start-ups can thrive to create jobs and wealth.

The Mizo's societies have their own unique social, economic, cultural and political institutions that influence various spheres of their activities, including their entrepreneurial behaviour as well. According to Mizoram Entrepreneurship & Start-up Policy (2019), An Entrepreneurship development centre (EDC) has been set with the mission to become a catalyst in facilitating the emergence of a competent group of entrepreneurs and providing hand-holding support for entrepreneurs through spreading awareness on entrepreneurship, promote innovation and novelty, impart skills necessary to prepare the youth to start and run their ventures successfully through training & workshops, facilitate consultation meetings, provide mentoring and facilitate networking to potential and early-stage entrepreneurs, and channel micro-financing for start-ups. It bases its activities on the belief that–Mizoram is witnessing the emergence of a young business class with sharp entrepreneurial acumen and a drive for success. The entrepreneur potential and contributors to the economy need to be encouraged and supported, and the spirit of entrepreneurship needs to be promoted further, especially among the youth of the State. With this perspective, the Mizoram Entrepreneurship & start-up Policy, 2019 has been formulated to build a better environment in which entrepreneurs can innovate and commercialize the results of their creativity, and in which businesses and start-ups can thrive to create jobs and wealth.

Udyam Registration is a new enterprise registration declared by the ministry of Micro Small and Medium Enterprises (MSMEs) for businesses. As per the notification of the Ministry, all existing Indian companies and enterprises shall file and register as Udyam on or before 31st March 2021. The Udyam registration portal

is a self-declaration basis portal without adding or uploading any document or certificate. Udyam can be filed online by local entrepreneurs from all places of the state without any problem. More than 2637 Entrepreneurs from Mizoram have filed online Udyam till date. The flow of micro, small and medium under the Industries sector as per the Udyam filed at DICs is shown below:-

Table 2 No. of Udyam Registered in Mizoram

Sl. No	***Classification***	***No of Registered***
1	Micro	2567
2	Small	62
3	Medium	8
	Total	2637

Source: Economic survey of Mizoram 2021-22.

In India, According to the Ministry of Micro Small and Medium Enterprises Development (MSMED) defined Micro, Small and Medium Enterprises (MSMEs) are classified into two classes are;

(I) Manufacturing Enterprises – enterprises engaged in the manufacture or production of goods about any industry or employing plant and machinery in the process of value addition to the final product having a district name or character or use.

(II) Service enterprises – the enterprises engaged in providing or rendering of services and are defined in terms of investment in equipment.

The limit for investment in plant and machinery/equipment for manufacturing and service enterprises, as per the Act are as under.

Table 3	**Investment in Manufacturing Enterprises**
Enterprises	**Investment in plant and machinery**
Micro enterprise	Does not exceed 25 lakh rupees
Small enterprise	More than 25 lakh but does not exceed rupees 5crore
Medium enterprise	More than 5 crore but does not exceed rupees 10crore
Table 4	**Investment in Service Enterprises**
Enterprises	**Investment in equipment**
Micro enterprise	Does not exceed rupees 10 lakh
Small enterprise	More than 10 lakh but does not exceed rupees 2crore
Medium enterprise	More than 2 crore but does not exceed rupees 5crore

Source: Micro, Small and Medium Enterprises Development (MSMED) Act, 2006

Scope of the Study

India has been steadily growing as an economic power in the past two decades and has been able to create the bare necessary infrastructure required to sustain this rate of growth. The connectivity to remote areas has been improved to a great extent both in terms of physical accessibility by road and virtual accessibility in terms of telecommunications and information technology. Combined with this there is a steady growth in education among the rural population including professional qualifications among rural youth. This presents the ideal situation for enterprises to spring in the rural areas where the cost of operation, labour and availability of raw materials is substantially cheaper as compared to urban parts of the country (Sharma, 2013).

Causes of sickness in small and micro enterprises are a cumulative effect of many factors which can be broadly classified into external causes and internal causes. External causes consist of the factors over which the entrepreneur has no control, e.g. power cuts, erratic supply of inputs, demand and credit restraint, govt. policies related to taxes, import and export, regulation, licensing etc. whereas internal causes refer to the factors within the enterprise e.g. fault in planning and management, defective plan and machinery, delay and implementation of the project, financial problem, entrepreneurial incompetence, dissension among partners, poor information system, competition in the market etc. All these factors heavily plague

the entrepreneurial framework in a country and a state the worst affected are the rural entrepreneurs who suffer many consequences of sickness in their enterprises. As a direct consequence of sickness, future employment prospects suffer a setback; there is fear of industrial unrest, wasted resources, and loss of revenue to the government and banking sector along with the adverse impact on related ancillary units and investors. Thought movement has implemented many policies and programmes to promote entrepreneurial activity, especially in rural areas, it has done little to neutralize the factors related to entrepreneurial sickness as a result of which the scope of entrepreneurship in India is vastly limited.

The study mainly focuses on selected rural villages based on those who are registered micro small and medium enterprises (MSMEs) in Mizoram, to analyse the rural entrepreneurship growth and potential and performance of rural enterprises. Some of the objectives of this research studies to find out the objective are, to assess the employment and income generation of the rural enterprises. The status of rural entrepreneur and calculate the achievement of his/her business and performance of their entrepreneurial activity. Whereas, sustainability of the enterprises and impact of economic growth from the entrepreneurial activity. The performance of their enterprises is the main factor that is the objective of this research study. Review and find out the problems faced by a rural entrepreneur in the promoting and developing of rural entrepreneurship, financial assistance from the government and financial institution, motivation of the respondent to become an entrepreneur, socio-economic status and general information of the respondents. This research study is required to answer the entire question.

Objectives of the Study

The following objectives of the study are:

1. To identify the motivational factors of rural entrepreneurs;
2. To study the nature of business and sustainability of rural enterprises;
3. To examine the impact of rural enterprises on income and employment generation;
4. To find out the problems and issues facing the rural entrepreneurs;

5. To recommend policy measures for further development of rural entrepreneurship.

2. Research Methodology

This chapter presents the research methodology, to achieve the objective of the study, a sound and effective methodology is a pre-requisite in research. A selection of research topic, area of the study, sample size, tools of data collection and data analysis determines the validity of the research fulfilling the objectives of the study.

To assess the performance of rural enterprises in Mizoram, the study employed a mixed-methods approach, combining both quantitative and qualitative data collection and analysis. This approach was chosen to capture not only measurable performance indicators such as income, employment generation, and productivity, but also contextual and experiential insights from enterprise owners.

Quantitative data was analysed using descriptive statistics and performance metrics such as growth of income from the enterprises, employment size, and capital investment. Qualitative responses were thematically analysed to identify common problems, opportunities, and perceptions of enterprise sustainability.

Sample of the Study

The study follows purposive sampling method where in the selection of sample for the study follows the purposive sampling method, because the research studies aim at identifying the significant performance of rural enterprises in the selected villages in Mizoram. The study describes the factors that motivational factors of the respondents, economic development and employment generation through the enterprises.

The research study sample size is based on the secondary source of Udyum registration under MSMEs in Mizoram. There are 2637 enterprises in 2022 registered in service and manufacturing sector. For this research study, 6 trades of service and manufacture were selected from the list of MSMEs in Mizoram. The selected

respective respondents were active and functions of enterprises in their entrepreneurial activity, with at least two or more than a year of experience in their enterprises. A total of 10 each were selected from the trade to make a total of 60 entrepreneurs from service and manufacturing enterprises. The sampling procedure followed by the study is presented below on the table 5 and 6.

Table 5 Sample District with Number of MSMEs Under Udyum

District	Urban	Rural	Total
Champhai	253	40	293
Kolasip	123	59	182
Mamit	79	24	103
Serchhip	41	227	268
Total	**496**	**350**	**846**

Table 6 Distribution of sample size

District	Village	Name of Trade						
		Food processing	Furniture	Handloom	Repair Service	Steel/Metal Service	Tailoring	Total
Champhai	**Ngopa**	2	2	-	2	1	3	**10**
	Kawlkulh	-	-	3	-	-	-	**3**
	North							
Serchhip	**Vanlaiphai**	4	-	-	-	-	3	**7**
	Baktawng	-	5	-	-	4	-	**9**
	Thenzawl	-	-	5	3	-	-	**8**
Kolasib	**Bairabi**	1	2	-	2	-	2	**7**
	Vairengte	1	-	-	-	1	-	**2**
	Kawnpui	-	-	-	-	2	-	**2**
mamit	**Zawlnuam**	1	-	-	-	-	1	**2**
	Lengpui	1	-	-	-	-	-	**1**
	West Phaileng	-	1	-	2	1	-	**4**
	Kawrthah	-	-	-	1	1	1	**3**
	Rawpuichhip	-	-	2	-	-	-	**2**
	Total	**10**	**10**	**10**	**10**	**10**	**10**	**60**

Tools of Data Collection

The required data for the research study were collected from primary and secondary sources. The primary data were collected with the help of an interview schedule and tabulated to make it suitable for further statistical methods. The structure of the interview schedule was formulated in accordance with the objectives of the study which is basically grouped into the socio-economic profile of the respondents, motivational factors of the entrepreneurs, nature of the enterprises, sustainability of the enterprises and problems faced by the entrepreneurs.

The interview schedule was pre-tested to rural entrepreneurs who were not included in the sample of the study. Based on the result of the pre-test, necessary revision or improvement of the interview schedule was made before the actual collection of field data. The secondary data has also been collected from various sources like books, articles, journals, census reports and some important information from various websites of government.

Data Collection

In addition, primary data was collected by the researcher in all the sample villages conducting personal interviews with the help of interview schedules. Most of the interviews were carried out in their workplace of the entrepreneurs. The researcher conducted in the form of conversation but always makes sure that to cover all the key points of the study in the course of those conversations. The field data collection was carried out from April 2022 to July 2022.

Data Analysis

Analysis and interpretation of the data was done with the help of simple statistical tools such as frequency counts, percentages, mean and standard deviation. Motivational factors of the entrepreneurs and the sustainability of the enterprises are rated by weighted score. Quantifiable data were processed and analysed using a statistical package for social sciences (SPSS).

3. Results

Gender

Gender wise study is extremely significant while studying rural entrepreneurship; in terms of gender equality as well as empowerment of rural women. As a matter of the fact that women are economically empowered through this rural entrepreneurship, because India is a patriarchal society, they are empowered in social, economic and psychological spheres. The distribution of gender-wise is presented in table 7. Out of the total respondents, more than one-third of entrepreneurs 23(38%) are females and the majority of 37(62%) were males.

Table 7 Distribution of Gender-wise.

Sl, no	Trade	Frequency			Percent		
		Male	Female	Total	Male	Female	Total
1	Food processing	5	5	**10**	50	50	**16.6**
2	Furniture	10	0	**10**	100	0	**16.6**
3	Handloom	2	8	**10**	20	80	**16.6**
4	Repair service	10	0	**10**	100	0	**16.6**
5	Steel/Metal service	10	0	**10**	100	0	**16.6**
6	Tailoring	0	10	**10**	0	100	**16.6**
	Total	**37**	**23**	**60**	**62**	**38**	**100**

Source*: Field survey.*

Age of the Respondents.

The age group of the respondents are presented in table 8. The table reveals that the age of the respondents' average is 43.5 years ranging from a minimum of 23 years to a maximum of 70 years with a standard deviation of 19.56. The age of respondents from the handloom trade has the highest average of 53 years, followed by the steel/metal service trade at 49 years. While a group of repair service entrepreneurs has the youngest average age of 31 years. The respondents 23 years and 70 years are the youngest and elder entrepreneurs found in the present study.

Table 8 Age of the respondents

Sl, no	Trade	Age			
		Minimum	**Maximum**	**Mean**	**Std. Dev**
1	Food Processing	33	62	47.5	20.5
2	Furniture	30	60	45	21.21
3	Handloom	37	69	53	22.62
4	Repair Service	23	39	31	11.31
5	Steel/Metal Service	28	70	49	29.69
6	Tailoring	27	44	35.5	12.02
	Overall	**23**	**70**	**43.5**	**19.56**

Source*: Field survey.*

Educational Qualification of the Respondents.

According to Joyti et al, (2020), education is the base to be successful in any field or domain one wishes to pursue. Having said this for entrepreneurs, it's extremely important that they have sound knowledge regarding the business activities and how to go about when having a start-up of their own. It's required that the entrepreneurs have good know-how in all the different fields be it sales, marketing, managing human resources, accounting or logistics and supply chain. Most of the people tend to start their business after quitting their jobs midway which is why it's extremely important to have an educational background in entrepreneurship. When one knows the basics and foundational aspects of entrepreneurship, that knowledge helps the person in the long run.

Education is one of the significances of entrepreneurship development for rural areas. Because rural people have indigenous skills in entrepreneurial activity, it will help to develop the basic skills and abilities to promote knowledge, innovation, management and production of their enterprises. It is accelerating entrepreneurial growth and ensuring socio-economic development. It was helpful in the process of market information of selling, purchase of raw materials, financing of bank and production of quality items.

Table 9 Educational Qualification

Sl, no	Trade	Category						Total
		Primary	Middle	High school	Higher	Graduate	Post Graduate	
1	Food Processing	0	2	4	4	0	0	10
2	Furniture	0	8	0	1	1	0	10
3	Handloom	1	6	3	0	0	0	10
4	Repair Service	0	0	5	2	3	0	10
5	Steel/Metal Service	1	2	4	0	1	2	10
6	Tailoring	0	2	6	2	0	0	10
	Total	**2**	**20**	**22**	**9**	**5**	**2**	**60**
Sl, no		**Percent**						
1	Food Processing	0	20	40	40	0	0	100
2	Furniture	0	80	0	10	10	10	100
3	Handloom	10	60	30	0	0	0	100
4	Repair Service	0	0	50	20	30	0	100
5	Steel/Metal Service	10	20	40	0	10	20	100
6	Tailoring	0	20	60	20	0	0	100
	Total	**3.3**	**33.3**	**36.6**	**15**	**8.3**	**3.3**	**100**

Source: *Field survey.*

Motivational Factors of the Entrepreneurs

Understanding the motivational factors that drive rural entrepreneurs is crucial for fostering their engagement, success, and the sustainability of their enterprises. The motivations behind rural entrepreneurship can be diverse and multifaceted, reflecting both personal aspirations and broader socio-economic contexts. Many rural entrepreneurs are motivated by the desire to achieve economic independence and reduce reliance on traditional employment or external assistance. This drive fosters innovation and resilience. Their potential for higher and more stable income through entrepreneurial activities is a significant motivator, encouraging individuals to start and grow their own businesses.

Internal Motivational Factors of Entrepreneurship

Among the internal motivational statements, ‘achieve what one wants to have in life’ has the highest score with a mean value of 4.46 (AG) followed by ‘desire to do something new’ with a mean score of 4.13 (AG) found to be the primary internal motivational factors of many rural people to become an entrepreneur. It was found from the study that rural people are certain to fulfill their own vision as well as willing to do something new with an innovation to start a new venture.

Table 10 Internal motivational Factors of Entrepreneur

Sl. No	Particular	Mean	Std. Dev	Description
1	Desire to do something new	4.13	0.98	AG
2	Become independent	3.71	0.76	AG
3	Achieve what one wants to have in life	4.46	0.49	AG
4	Be recognized for one's contribution	3.68	0.93	AG
5	One's occupational background and experience in the relevant field	2.98	1.18	UD
	Overall	**3.79**	**0.86**	**AG**

Source: *Field Survey*

Level of agreement : 4.51 - 5.00 Strongly Agree (SA)
3.51 - 4.50 Agree (AG)
2.51 - 3.50 Undecided (UD)
1.51 - 2.50 Disagree (DA)
1.00 - 1.50 Strongly Disagree (SD)

External motivational Factors of Entrepreneurship

Table reveals that the overall mean value of external motivational factors of the mean value is 3.22 which are undecided with a standard deviation of 1.00, the results show that there is no interest in pointing out external motivation of the respondents, due to an absence of government support and lack of encouragement from big business.

Table 11 External motivational factors of entrepreneurs

Sl. No	Particular	Mean	Std. Dev	Description
1	Government assistance and support	2.46	1.11	DA
2	Financial assistance from institution	2.71	1.33	UD
3	Availability of labour and raw materials	3.6	0.83	AG
4	Promising demand for the product	4.11	0.78	AG
5	Encouragement from big business unit	3.23	0.96	UD
	Overall	**3.22**	**1**	**UD**

Source: *Field Survey*

Level of agreement : 4.51 - 5.00 Strongly Agree (SA)
3.51 - 4.50 Agree (AG)
2.51 - 3.50 Undecided (UD)
1.51 - 2.50 Disagree (DA)
1.00 - 1.50 Strongly Disagree (SD)

Entrepreneurs Ambition

Aims, ambition, desires and drives motives a person to achieve the destination. Prasain and Nixon (2007) defined ambition as motivating men. Ambition is an index of one's resourcefulness. It actives men, broadens their vision and makes life more meaningful. Ambition is not something which is akin to greed or windfall. Ambition is the wrench of all motives. The intentions and initiatives of a man are motivated by his ambitions. However, ambitions differ from one person to another person depending upon the characteristics, priorities etc. which they have set for themselves.

As regards the entrepreneurs' ambitions are presented in table 12. The assessment of particulars ambitions of entrepreneurs included – 'to make money', 'to continue family business', 'to secure self-employment/independent living', 'to fulfil desire of self/wife/parent/husband', 'one's educational background' and 'to gain social prestige'. The table clearly shows that the overall ambition of the respondents of the mean value is 3.3 (undecided) with a standard deviation of 0.67 respectively.

Table 12 Entrepreneurs Ambition

Sl. No	Particular	Mean	Std. Dev	Description
1	To make money	4.55	0.57	SA
2	To continue family business	2.41	1.03	UD
3	To secure self-employment/independent living	3.95	0.76	AG
4	To fulfil desire of self/wife/parent/husband	4.3	0.46	AG
5	One's educational background	1.93	0.43	DA
6	To gain social prestige	2.66	0.8	DA
	Overall	**3.3**	**0.67**	**UD**

Source: *Field Survey*

Level of agreement : 4.51 - 5.00 Strongly Agree (SA)
3.51 - 4.50 Agree (AG)
2.51 - 3.50 Undecided (UD)
1.51 - 2.50 Disagree (DA)
1.00 - 1.50 Strongly Disagree (SD)

Reasons of compelling entrepreneurs to enter business.

Push factors are seen as necessity factors, and they are negative motivations for a person to set up his or her own business. Push entrepreneurs are those people who start self-employment so that they can overcome the impoverished negative environmental impacts, such as unemployment, unstableness of the job, a potential gap in the market, dissatisfaction of the present job, lack of jobs in the job market, or even that they were tending to change their lifestyle. These push factors which are related to work are the key factors to push these individuals to be prepared for an entrepreneurial career.

According to Divya et al., (2023), money is not always the main reason for job satisfaction. When employees spend most of their waking hours working, they need more than a pay check to keep them satisfied. Utilizing their talents, involving them in challenging projects, encouraging and creating a friendly, respectful and

stress-free environment are just some of the reasons your team has the pleasure of working every day to contribute to the company's ultimate success.

Table 13 Reasons compelling entrepreneurs

Sl. No	Particular	Mean	Std. Dev	Description
1	Unemployment	2.88	1.02	UD
2	Make use of idle funds	4.71	0.38	SA
3	Dissatisfaction with the present job so far held or occupation pursued	4.71	0.38	SA
4	Make use of technical/professional skills	4.41	0.8	AG
	Overall	**4.17**	**0.64**	**AG**

Source: *Field Survey*

Level of agreement : 4.51 - 5.00 Strongly Agree (SA)
3.51 - 4.50 Agree (AG)
2.51 - 3.50 Undecided (UD)
1.51 - 2.50 Disagree (DA)
1.00 - 1.50 Strongly Disagree (SD)

Generation of Entrepreneurs.

As briefly stated above, an attempt is made here to ascertain the generation to which the entrepreneurs under study belong. The generations of entrepreneurs were classified into two categories, namely the first-generation entrepreneur and second-generation entrepreneur. The first-generation entrepreneur refers to entrepreneurs who founded the business units. They took the first initiative to start the business. Whereas second generation entrepreneurs are those whose enterprises inherited the unit from their father, mother or close relatives as well as acquired it from others.

Table 14 Generation of entrepreneurs : Trade-wise classifications

Sl, no	Trade	Frequency			Percent		
		First Generation	Second Generation	Total	First Generation	Second Generation	Total
1	Food Processing	7	3	10	70	30	100
2	Furniture	4	6	10	40	60	100
3	Handloom	7	3	10	70	30	100
4	Repair Service	8	2	10	80	20	100
5	Steel/Metal Service	8	2	10	80	20	100
6	Tailoring	8	2	10	80	20	100
	Total	**42**	**18**	**60**	**70**	**30**	**100**

Source: *Field Survey*

Years of Experiences in the Enterprises.

The years of experiences of the respondents who have more than two years of entrepreneurial activities are presented in table 15. The data reveals that the overall average years of experience were 14.83 ranging from a minimum of 3 years to a maximum of 45 years with a standard deviation of 14.61. Moreover, food processing, repair service and steel/metal service had the same number of 3 years minimum experience each, followed by furniture and handloom enterprises had a minimum of 5 years' experience and a large number of tailoring has 8 years of minimum experience. Whereby, steel/metal service has a maximum experience of 45 years with an average of 24 years. Followed by furniture enterprises has 27 years of maximum experience with an average of 16 years.

Table 15 Years of experience the enterprise

Sl, no	Trade	Less than 5 years	6 to 10 years	More than 11 years	Total
1	Food Processing	5	3	2	10
2	Furniture	1	1	8	10
3	Handloom	2	3	5	10
4	Repair Service	5	3	2	10
5	Steel/Metal Service	3	2	5	10
6	Tailoring	0	4	6	10
	Total	**16**	**16**	**28**	**60**
			Percent		
1	Food Processing	50	30	20	100
2	Furniture	10	10	80	100
3	Handloom	20	30	50	100
4	Repair Service	50	30	20	100
5	Steel/Metal Service	30	20	50	100
6	Tailoring	0	40	60	100
	Total	**27**	**27**	**47**	**100**

Source: *Field Survey*

Initial Capital Invested in the Enterprises

Regarding the initial capital invested in the enterprises is one of the significant of success entrepreneurship. The respondents of entrepreneurs invested are presented in table 16. The table reveals that the overall average of capital invested in the enterprises is Rs. 233816.66/- with a standard deviation of 317514.51. Moreover, Rs. 3000/- is the lowest capital invested in the enterprises from repair service and the highest invested from the food processing unit of Rs. 1000000/-. It can be noted that after the food process unit, steel/metal service has the highest investment an average of Rs. 353500/- followed by manufacturing of furniture enterprises with an average of Rs. 202500/-, whereas tailoring enterprises were the lowest invested in the enterprises with an average of Rs. 77900/-.

Table 16 Initial capital invested of the respondents

Sl, no	Trade	Minimum	Maximum	Mean	Std. Dev
1	Food Processing	15000	1000000	507500	696500.2
2	Furniture	5000	400000	202500	279307.2
3	Handloom	20000	200000	110000	127279.2
4	Repair Service	3000	300000	151500	210010.7
5	Steel/Metal Service	7000	700000	353500	490025
6	Tailoring	5800	150000	77900	101964.8
	Overall	**3000**	**1000000**	**233816.7**	**317514.5**

Source: *Field Survey*

Sources of Initial Capital

It would be very interesting to enquire about the sources from where the entrepreneurs raised the initial capital. Finance is the most significant of creating entrepreneurship. It is very important to note that a rural entrepreneur has a nature of knowledge, skills, ability and management in their business activity. Rural entrepreneurs developed the family, society, and community in the last nation. So, rural entrepreneur must need to support their entrepreneurial activity. The study revealed the financial sources of starting an enterprise during the field survey of data collected from the entrepreneurs were analysed in table 17.

Table 17 Financial sources of initial capital

Sl, no	Source	Frequency	Percentage
1	Self	46	76.6
2	Bank loan	4	6.6
3	Government incentive	7	11.6
4	Self-help group	3	5
	Total	**60**	**100**

Source: *Field Survey*

Sales of Marketing Place of the Production

The marketing mix, also known as the four P's of marketing, refers to the four key elements of a marketing strategy: product, price, place and promotion. As a

matter of the fact that rural entrepreneurs are paying attention to the following four components of the marketing mix, they maximize and enlarge their products being recognized and bought by customers. Nowadays, rural entrepreneurship is a crucial figure in the economic growth of a developing country like India as well as a nation. What is so remarkable in this study was found that many of them sell their products outside the country and in other states.

Table 18 Categorisation sales of marketing place

Sl, no	Trade	Mizoram	North East	Central India	International
1	Food Processing	10	4	1	1
2	Furniture	10	5	0	1
3	Handloom	10	3	0	4
4	Repair Service	10	0	0	0
5	Steel/Metal Service	10	8	2	1
6	Tailoring	10	3	0	0
	Total	**60**	**23**	**3**	**7**
			Percent		
1	Food Processing	100	40	10	10
2	Furniture	100	50	0	10
3	Handloom	100	30	0	40
4	Repair Service	100	0	0	0
5	Steel/Metal Service	100	80	20	10
6	Tailoring	100	30	0	0
	Total	**100**	**38**	**5**	**12**

Source: *Field Survey*

The performance of respondents' production of the marketplace is presented in table 18. The results show that out of the 60 respondents 7 (12%) entrepreneurs were selling their product outside the country of USA, Malaysia, Myanmar, and Australia etc. Moreover, 3 (5%) respondents had marketing in central India in some state and union territories. It can be observed from the table, that 23 (38%) of the respondents had sold their products in various

northeast states of India. Thus, most of the entrepreneurs usually sell their products in the state and neighbouring villages.

Management of the Present Enterprises

The experience of the past few years of global crisis has shown clearly that unemployment remains a pressing economic and development problem. It remains unsolved not only in the underdeveloped but also in the most developed countries. Jerzy (2014) argues the key to effective employment policies is a better identification of the internal structure of the business sector.

Size of Employment.

The growth in the size of employment made by the enterprises is also another measure for assessing entrepreneurial performance. It could be very interesting to note that, the performance of rural enterprises achievement can be assessed by how many members are employed in the entrepreneurial activity. Hence, an attempt is made here to present the size of employment in the enterprises under the study. Table 18 reveals the overall number of employees engaged in the enterprises without family members is an average of 15.08 with a standard deviation of 1.97. It can thus be concluded that rural entrepreneurship is the sustainable development of the rural economy as well as the development of poor people.

Table 19 Numbers of employees in the enterprises

Sl, no	Trade	Minimum	Maximum	Mean	Std. Dev
1	Food Processing	1	10	5.5	6.36
2	Furniture	1	7	4	4.24
3	Handloom	1	147	74	103.23
4	Repair Service	1	2	1.5	0.7
5	Steel/Metal Service	2	5	3.5	2.12
6	Tailoring	1	3	2	1.41
	Overall	**1**	**147**	**15.08**	**1.97**

Source: *Field Survey*

Monthly Income of Entrepreneurs from the Enterprises

The economic status of the entrepreneurs at the time of research study from different trades has been identified. For this purpose, the monthly incomes of the entrepreneurs from their enterprise sources were taken into consideration. Table 20 observed that the overall average monthly income of the entrepreneurs was Rs. 45508.33/- with a standard deviation of 41330.39, ranging from a minimum of Rs. 16283.33/- to a maximum of Rs. 45508.33/-.

Table 20 Monthly income of entrepreneurs from the enterprises

Sl, no	Trade	Minimum	Maximum	Mean	Std. Dev
1	Food Processing	16700	83400	50050	47164.02
2	Furniture	25000	80000	52500	38890.87
3	Handloom	6000	100000	53000	66468.03
4	Repair Service	10000	45000	27500	24748.73
5	Steel/Metal Service	30000	100000	65000	49497.47
6	Tailoring	10000	40000	25000	21213.2
	Overall	**16283.33**	**74733.33**	**45508.33**	**41330.39**

Source: *Field Survey*

Entrepreneurs: Problems

The researcher examined the respondents of rural entrepreneurs from the study villages were found several problems while running enterprises. The problems may be related to finance, lack of Govt assistance, market fluctuation, lack of repayment, family, marketing, raw materials, power, labour and the pandemic (covid 19). During the present study, it was observed that rural entrepreneurs were suffering various problems and constraints faced by them in the course of starting and managing their business enterprises.

Table 21 Entrepreneurs; Problems

Sl, no	Problems	Number			Percent		
		Yes	No	Total	Yes	No	Total
1	Finance	**33**	**27**	**60**	**55**	**45**	**100**
2	Gov. Assistance	**6**	**54**	**60**	**10**	**90**	**100**
3	Market fluctuation	**33**	**27**	**60**	**55**	**45**	**100**
4	Lack of Repayment	**30**	**30**	**60**	**50**	**50**	**100**
5	Family	**9**	**51**	**60**	**15**	**85**	**100**
6	Marketing	**21**	**39**	**60**	**35**	**65**	**100**
7	Raw Materials	**35**	**25**	**60**	**58**	**42**	**100**
8	Power (Electricity)	**34**	**26**	**60**	**57**	**43**	**100**
9	Labour	**18**	**42**	**60**	**30**	**70**	**100**
10	Effect of Pandemic (Covid – 19)	**44**	**16**	**60**	**73**	**27**	**100**

Source: *Field Survey*

4. Recommendations

The following recommendations are made based on the findings and conclusions from the study of rural enterprises in Mizoram are.

i) As regards finance is considered as a lubricant for setting up and running enterprises. It was observed that finance is one of the main problems of rural entrepreneurs. Therefore, financial assistance needs to be made available on time at soft terms and conditions to those who really need it.

ii) In order to solve the problem of marketing for rural enterprises, common production-cum-marketing centers need to be set up and developed with modern infrastructural facilities, particularly, in the areas having good production and growth potential. This would help in promoting export business, on the other hand, bringing the buyers and sellers in close interaction avoiding the middlemen in between them.

iii) The government or concerned authority market research should be done to ensure that the modernization and marketing, which is to take place in the right direction and also to ensure that there is a high degree of adaptability of the new product/service in the market. Supply of new machinery and equipment required for better cost-effective production of small or large volumes of goods.

iv) Training is essential for the overall development of entrepreneurship. So, government, non-government and financial institutions EDPs should conduct training periodically for the rural entrepreneurs and the executive to sharpen their skills in different functional areas like marketing finance, management skills, personal development etc. From the findings of the present research study, rural enterprises require more for a larger working human capital than machinery and equipment. This measure will certainly improve the working capital efficiency. The entrepreneurs should take proper training through the governmental and non-government agencies before starting up an enterprise, this enables the rural entrepreneurs to protect their unit from sickness.

v) With regards to the data on the ratio of higher educational qualification status of rural entrepreneurs was very low, the majority of the respondents were under high school standards. In the matters of this education should be promoted more intensively in the rural areas. One effective way to inculcate entrepreneurial acumen and attitude may be imparting entrepreneurial education in schools, colleges, and universities. It encourages younger minds to be more susceptive to being molded in promising entrepreneurship to carry out entrepreneurial activities as a career.

vi) Attending EDPs can help entrepreneurs in running enterprises smoothly and in profitability. The export marketing of rural enterprises and products should be promoted to a higher standard to generate income not only for the entrepreneurs but also to earn foreign exchange for the nation as a whole.

vii) Despite the obstacles, various motivational factors drive rural individuals to engage in entrepreneurship. These may include a desire for autonomy, the need to generate income, a passion for solving local problems, and a sense of community responsibility. There is a need to motivate more rural entrepreneurs to take up business ventures. This calls for more motivational campaigns, training and symposiums in the rural areas. Government, non-government and financial institutions should find out the success of rural entrepreneurs and award them. This recognition and publicity will motivate other people to participate in the business activity.

viii) Banks should be more attentive and concerned about their role in the promotion of rural entrepreneurship. For this consequence, the government should constitute a committee to monitor the extent of rejection applications and delay of sanctions, and the possible reasons scrutinized and solutions be availed. Make application procedures and approval criteria simple and quick loan approvals should be done at the branch levels.

ix) The government can play an important role in improving the quantity and quality of micro-entrepreneurs in several ways. There are several policies for developing rural entrepreneurship. Both, the central government and state governments are taking increased interest in promoting the growth of entrepreneurship, individuals are being provided such government support, incentives, building, roads and a communication system to facilitate this creation process. The encouragement by central and state governments should continue in future as more lawmakers realize that new enterprises create jobs and increase the economic output of the backwards region. Every state government should develop innovative industrial strategies for fostering entrepreneurial activity and timely development of the technology of the areas.

x) Governments and non-governmental organizations (NGOs) play a vital role in nurturing rural entrepreneurship by implementing supportive policies, offering incentives, creating conducive regulatory environments, and delivering targeted assistance programs. Therefore, entrepreneurs should employ the latest techniques of production, and skilled labour to improve the quality of the product and marketing.

xi) Investing in capacity building and skill development initiatives is essential for empowering rural entrepreneurs. Equipping them with the necessary knowledge, technical skills, and business acumen enhances their chances of success and sustainability.

xii) Encouraging collaboration and networking among rural entrepreneurs can foster knowledge exchange, resource sharing, and collective problem-solving. Building strong networks strengthens the resilience and competitiveness of rural enterprises.

xiii) Sustainability and inclusive growth, these will includes promoting sustainable business practices and ensuring inclusive growth are paramount objectives in rural entrepreneurship development. Initiatives should prioritize environmental conservation, social equity, and economic prosperity for all stakeholders.

5. Conclusion

Based on the findings of the research studies, it was observed that rural entrepreneurship in Mizoram holds significant potential for driving economic growth, reducing poverty, and empowering local communities. The state's rich natural resources, unique cultural heritage, and growing emphasis on sustainable practices provide a strong foundation for entrepreneurial activities. By fostering innovation, improving access to finance, and providing training and support, rural entrepreneurs can create jobs, enhance livelihoods, and contribute to the overall development of the region.

However, challenges such as limited infrastructure, market access, and skilled labour need to be addressed to fully realize this potential. With targeted government policies, community involvement, and support from various stakeholders, rural entrepreneurship in Mizoram can become a powerful catalyst for sustainable development and social change.