1. What do you understand by entrepreneurship? Discuss the relevance of entrepreneurship for rural development.

**Ans:** Entrepreneurship is the process of designing, launching and running a new business, which is often initially a small business. The people who create these businesses are called entrepreneurs need quotation to verify.

Entrepreneurship has been described as the "capacity and willingness to develop, organize and manage a business venture along with any of its risks in order to make a profit". While definitions of entrepreneurship typically focus on the launching and running of businesses, due to the high risks involved in launching a start-up, a significant proportion of start-up businesses have to close due to "lack of funding, bad business decisions, an economic crisis, lack of market demand—or a combination of all of these.

A broader definition of the term is sometimes used, especially in the field of Economics. In this usage, an Entrepreneur is an entity which has the ability to find and act upon opportunities to translate inventions or technology into new products: "The entrepreneur is able to recognize the commercial potential of the invention and organize the capital, talent, and other resources that turn an invention into a commercially viable innovation." In this sense, the term "Entrepreneurship" also captures innovative activities on the part of established firms, in addition to similar activities on the part of new businesses.

Entrepreneurship is the act of being an entrepreneur, or "the owner or manager of a business enterprise who, by risk and initiative, attempts to make profits". Entrepreneurs act as managers and oversee the launch and growth of an enterprise. Entrepreneurship is the process by which either an individual or a team identifies a business opportunity and acquires and deploys the necessary resources required for its exploitation. Early 19th century French economist Jean-Baptiste Say provided a broad definition of entrepreneurship, saying that it "shifts economic resources out of an area of lower and into an area of higher productivity and greater yield".

Entrepreneurs create something new, something different—they change or transmute values. Regardless of the firm size, big or small, they can partake in entrepreneurship opportunities. The opportunity to become an entrepreneur requires four criteria. First, there must be opportunities or situations to recombine resources to generate profit. Second, entrepreneurship requires differences between people, such as preferential access to certain individuals or the ability to recognize information about opportunities. Third, taking on risk is a necessary. Fourth, the entrepreneurial process requires the organization of people and resources.

Entrepreneurship in rural areas is finding a unique blend of resources, either inside or outside of agriculture. This can be achieved by widening the base of a farm business to include all the non-agricultural uses that available resources can be put to or through any major changes in land use or level of production other than those related solely to agriculture. Thus, a rural entrepreneur is someone who is prepared to stay in the rural area and contribute to the creation of local wealth. Moreover the economic goals of an entrepreneur and the social goals of rural development are more strongly interlinked than in urban areas and relatively has large impact on a rural community (Nandanwar, 2011). Rural entrepreneurship implies entrepreneurship emerging in rural areas. There is a growing need for rural entrepreneurs because industrial units undertaken by rural entrepreneurs are providing much employment to men than machines.

Institutions and individuals promoting rural development now see entrepreneurship as a strategic development intervention that could accelerate the rural development process (Saxena, 2012). There are several reasons for the increasing interest in entrepreneurship in rural regions and communities. First and foremost, the traditional approaches of recruitment and retention are just not working for most places, and leaders are looking for viable alternatives. Second, there is a growing body of evidence from the Global Entrepreneurship Monitor, prepared annually by Babson College and the London School of Economics, on the critical role that entrepreneurs and small businesses play in driving local and national economies. Third, the structure of rural economies is essentially composed of small enterprises, which are responsible for most of the job growth and the innovation and in any event, small businesses represent an appropriate scale of activity for most rural economies (Dabson, 2005). Dabson has identified four principal components of a successful entrepreneurship development strategy that are: there has to be a community culture of support for entrepreneurs, the strategy has to be entrepreneur-focused, a systems orientation has to be central to the strategy, and make available funding for innovative financing models. Rural entrepreneurs have successfully diversified new business in markets as diverse as agro-food, crafts, recycling, leisure and health. Diversification into non-agricultural uses of available resources such as catering for tourists, blacksmithing, carpentry, spinning, etc. also fit into rural entrepreneurship (Nandanwar, 2011). Rural development is a key element of strategies to reduce poverty and create income and employment opportunities (UNIDO, 2003). It is important to unleash and harness the creativity of grassroots entrepreneurs but they are posed with many challenges, the biggest being these grassroots inventions don't scale up. To overcome these challenges and promote rural entrepreneurship, support roles are required. Such as: Infrastructure development by the government to increase the possibility for business service provider and industrial sector to enhance the entrepreneurship of women. Micro finance assistance by government to rural women in larger scale, Marketing assistance by marketing the products, Conduction of trade fairs specifically to advertise the work of rural women entrepreneurs (Chakravarty 2013). A few examples of Rural Entrepreneurs/ innovations are: UsmanShekhani from Kanker, Chhattisgarh developed an incense stick-making machine. The unique handy cutter consists of a wooden bracket, high-speed steel blades, adjustable screws and spring loaded pushing roller. This device helps in cutting a bamboo strip into five sticks at a time and thus improving the efficiency of stick making and reducing the cost per stick. The quality of sticks produced using this cutter is better than that made manually. In addition the device is inexpensive, easy to operate and easy to repair.

2. Describe the unfavourable conditions prevalent in the growth of Indian entrepreneurship during the colonial period.

**Ans:** Compared to the large volumes of merchandise exported, the amount of merchandise imported was proportionately less. What was imported to counterbalance the export was detrimental to Indian economy while it was a stimulus to the British economy. Goods that were imported to India were factory made products for mass consumption. It created a market for itself also in the rural areas.