

ISSN : 2321-9602



# Indo-American Journal of Agricultural and Veterinary Sciences



[editor@iajavs.com](mailto:editor@iajavs.com)  
[iajavs.editor@gmail.com](mailto:iajavs.editor@gmail.com)



## Rural Employment Development in Small Scale Industries among Salem District

1 R.Venkatesh, 2 Dr.M.Suryakumar

1Ph.D Research Scholar, Periyar Institute of Management Studies (PRIMS), Periyar University, Salem-11.  
Mail Id: akrvenkatnkl@gmail.com.

2Assistant Professor, Periyar Institute of Management Studies (PRIMS), Periyar University, Salem11.  
Mail Id: Suryakumarresearch@gmail.com.

### Abstract

A important component of our economic growth, small-scale industry offers greater job prospects for the rural population and export potentials for large-scale industry. The lifeblood of the Indian economy is micro and small-scale manufacturing. Small units are the primary source of innovation in Indian industry, and huge enterprises cannot exist without them. However, these units face a variety of issues, including a lack of raw materials, a lack of marketing, and a lack of high-quality employees. The Small Scale Industries of Salem were emphasised in this report. Small Scale Industries in the Salem region have done well in creating rural jobs, according to the study's findings. If the Government and Institutions provided them with efficient services and facilities, they may do extremely well in the future. Their output, employment, and income might rise.

**Keywords:** Small-scale industries and rural employment.

### Introduction

Indians place a great deal of attention on small-scale enterprises from the get-go. A substantial role was given to the small sector by the 1948 industrial strategy decision. Promotional measures and institutional assistance are two types of government policies for the small-scale industry. The growth of small businesses is a top focus for the administration. Promotional measures such as industrial regenerations, purchasing aid, concessions, financial support, subsidies for rural regions, etc., have been done to help this sector grow.

#### Role of Small Village Industries

Many people refer to India as a growing nation. Human resources are plentiful in many developing nations. As a result, it is vital that socioeconomic policies focus on their full and

efficient application. Emphasis must be placed on small businesses to absorb the extra labour that is being generated in those other countries. The concept of small business encompasses a wide range of activities, and its meaning changes with time. Small-scale rural industries in India are important since they demand less capital investment while still providing more jobs than large-scale ones. This is why the country has prioritised their development.

It is no longer necessary to run a large-scale rural business in a technologically advanced period. Therefore, it may be useful in rural areas where human people have yet to begin to be trained to face the challenge of state-of-the-art generation. In addition to its intrinsic value in terms of numerical supremacy.

**Resources are put to use:**

Industries on a smaller scale As a result of the rural environment, previously underutilised resources may now be used. Entrepreneurship, capital labour, and raw materials all fall under this category. They have the potential to mobilise rural savings that might otherwise sit idle, be squandered on frivolous items, or be funnelled into unproductive endeavours.

**Boosting the Economy: Creating Jobs**

Many of these businesses have a relatively cheap capital cost because of their high labour requirements. Overcrowding in non-agricultural occupations is a major issue for India, as is the need to provide more work opportunities for the growing population (Yoganandan & Vetrivelan, Youth Empowerment and Skill Development, 2016).

**The process of generating foreign currency:**

Rural small-scale companies may save and earn a lot of money in foreign currency. In rural areas around the nation, a wide variety of commonly used and easily manufactured commodities may be produced inexpensively on a small scale basis if enough centres are made available.

What is the significance of small business in India?

There is a vast variety of operations that fall under the umbrella term "small-scale industry," and its definition has evolved from time to time. The government has increased the investment from Rs. 60 lakhs to Rs. 3 crores for small-scale enterprises and from Rs. 5 lakhs to Rs. 25 lakhs for the tiniest industries in accordance with the recommendations of the Abid Hussain committee.

For small-scale/ancillary industrial ventures, the investment ceiling for equipment and machinery was cut from Rs. 3 crore to Rs. 1 crore by Notification No. S.O. 1288 (E) issued on December 24th, 1999.

As long as the investment in plant machinery does not exceed Rs. 300 million, the SSI status will continue for the units that obtained provisional registration on the basis of the notification dated December 10, 1997, and have taken concrete steps for implementing the

project such as preparation of a project report, approval of a loan, purchase of land, civil construction, and placing orders for plant and machinery prior to December 24, 1999.

Employment Generation by Small Scale Industries:

We may expect even greater results from the small industrial sector in the future, especially in terms of creating jobs and generating foreign currency, considering its impressive success over the last several years (Yoganandan & Vetrivelan, Entrepreneurship development in India, 2016).

1 clarification on the investment limit for small-scale/ancillary industries operations. Development of SSI, A&RI Ministry of Industry, Government of India, January - March 2000. P. 60. Laghu Udyoga samachar (in Hindi).

**Problem Description:**

Tamil Nadu has a slew of organisations that may function as catalysts for industrial growth, all guided by IDBI, India's premier industrial credit institution. Tamil Nadu Industrial Investment Corporation is one of eighteen state-owned financial institutions in India. More than anything, TIIC's most important role is to implement the socio-economic guidelines of the government, which aim to encourage small and medium-sized businesses to grow and provide jobs for the underprivileged and weaker members of society..

We can't ignore the importance of the village and small-scale companies in our economy. There is a large amount of self-employment in this area, which results in the expansion of industries and economic activities and the greatest usage of local resources for both personnel and materials. Small-scale devices have been encouraged by this authority's policy. In both the state and central government, there is a generous economic aid for small-scale companies.

**Objectives of the Study:**

To examine the role of rural industry in rural economic development.

There is a need to investigate the government's strategies for fostering the development of

This article can be downloaded from <http://www.iajavs.com/currentissue.php>

rural industries and to increase the self-employment and job prospects in rural areas.

To investigate the state, performance, structure, and management of selected rural industrial units in Salem district.

To learn more about the chosen rural entrepreneurs' financial, social, educational, and professional backgrounds.

Suggesting ways to increase the efficiency of Salem District's rural industrial units.

Review of Literature:

R.C. Arora (1978)<sup>2</sup> in his article 'Industry and Rural Development' assesses the importance of village industries in rural development. He was aware that these industries may help alleviate the problem of unemployment. As such, he addresses the current situation and probable options for development and future possibilities of some of the significant cottage and small-scale enterprises. Small and cottage industries are also mentioned in his speech.

Analyzed the economic features of small-scale enterprises in Agra District by Mathur SP (1979)<sup>3</sup>. Small-scale businesses like paper and scientific equipment will be highlighted in the research. Furniture made of wood and iron as well as agricultural tools. Products such as glassware are included. His research focuses mostly on the economic impact of small-scale businesses. he stated, "We'll have to concentrate on small-scale enterprises. These kind of businesses don't need a lot of cash or complicated technologies. As a result of this, they are well-suited to countries like India.

Industry and Rural Development, S. Chand & Company Limited, New Delhi, 1978, R.C. Arora.

Economics of Small Scale Industries, Sundeepr Prakashan, Delhi, by S.P. Mathur (1979).

S.N. Bhattacharya's (1981)<sup>4</sup> assessment of the importance of small-scale and cottage businesses to alleviating rural poverty and enhancing income creation has been widely discussed. "The importance of small scale and cottage businesses in India is increasing and this trend is projected to continue in the years to come for numerous reasons including the

eradication of poverty," he adds. In addition, he examines the progress made in the previous five-year plans.

Prabin Baishya (1989)<sup>5</sup> cites Small and cottage businesses play an important part in the rural economy of Assam, and the author examines that function critically. He believes that small and cottage industries are the most promising and long-term solution to the twin problems of economic resuscitation and providing additional employment opportunities: Industry is the pace-setter of modern life and industrialization is the only way out to solve the problem of poverty and penury, unemployment, and underemployment in our country and other developing countries. Industrialization, on the other hand, tends to focus on mass manufacturing, which leaves the majority of the population unemployed and impoverished.

Rural industry in India by G.K. Chadha, 2004<sup>6</sup>. It has been mentioned that - The rural industry continues to play an important role in expanding employment, improving productivity and earning capacity as well as reducing poverty in many non-industrialized nations; this is notably the case in India The policies and workings of India's rural industrial sector are examined in this book, based on published research and primary sources.

India's Rural Development Programs at the State Level (2012)

7 More over two-thirds of the country's population lives in rural areas, according to the 2011 census. Rural development remains a major policy concern despite the implementation of many programmes aimed at increasing chances for meaningful work and improving the quality of life for rural masses. People's increased economic well-being is the primary indicator of successful rural development. The rising standard of living in rural areas is a direct result of this.

#### **Research Methodology:**

##### **Sampling and Sampling Design**

In this study, rural employment development in small scale industries in Salem district is selected. In order to pursue the present study,

This article can be downloaded from <http://www.iajavs.com/currentissue.php>

the researcher has undertaken a study with a view to find out the suitability of information furnished in the questionnaire to the proprietor or 80 Respondents of the rural small-scale industry. The study is undertaken with reference to 80 sample respondents in study area, to conducting a survey on rural employment development of SSIs units in Salem, probability sampling methods have been used. Stratified random sampling techniques have been adopted in this survey. In Salem district thirteen taluks divided to the zone wise in each zonal 20 proprietor selected of the research.

4 Bhattacharya S.N. (1981) - Rural Industrialization in India - B.R. Publishing Corporation, Delhi

5 Prabin Baishya (1989) - Small and Cottage Industries of Assam, Manas Publications, Delhi.

6 Chadha G.K. (2004) - Rural industry in India. Policy perspectives, past performance and future options.

7 Rural Development in India: State Level Experiences (2012) - The Associated Chambers of Commerce and Industry of India - Delhi.

**Data Analysis and Interpretation**

**Table No: 1. Employment opportunities in rural small scale industries.**

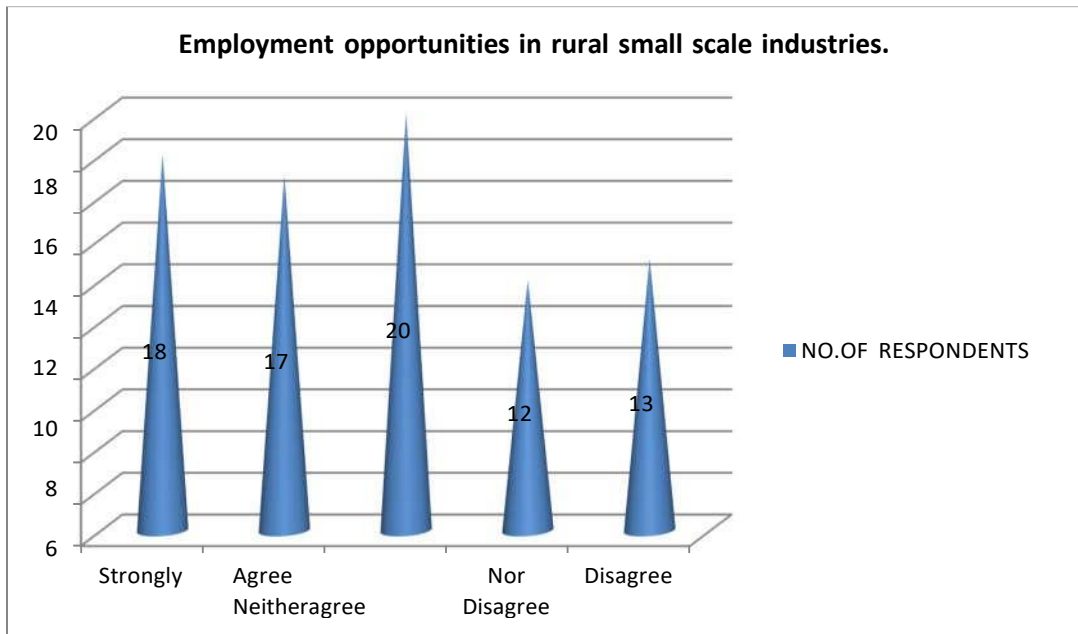
S.NO	PARTICULARS	NO.OF RESPONDENTS	PERCENTAGE
1	Strongly agree	18	22.5
2	Agree	17	21.25
3	Neither agree	20	25
4	Nor Disagree	12	15
5	Disagree	13	16.25
	Total	80	100

**INTERPRETATION**

According to the data in the table above, rural residents in Salem District may expect to find work in small-scale enterprises in a proportion of 22.5%. And 21.55% of respondents agreed, while 25.5% of respondents disagreed. Only 15.25 percent of responders are in agreement with this statement.

**Chart No: 1. Employment opportunities in rural small scale industries.**





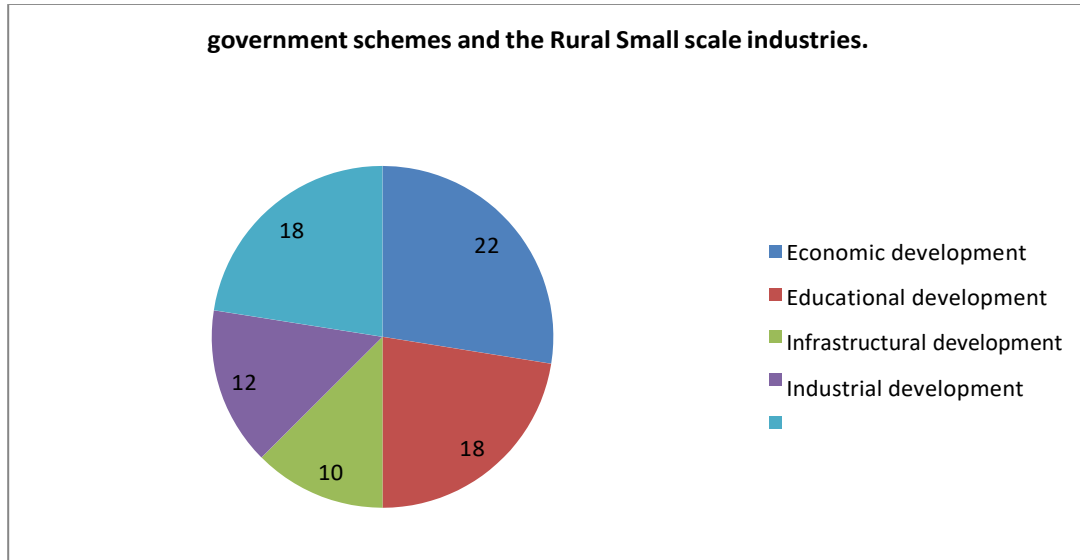
**Table No: 2 Impacts of government schemes and the rural small scale industries.**

<b>S.NO</b>	<b>PARTICULARS</b>	<b>NO.OF RESPONDENTS</b>	<b>PERCENTAGE</b>
1	Economic development	22	27.5
2	Educational development	18	22.5
3	Infrastructural development	10	12.5
4	Industrial development	12	15
5	National development	18	22.5
	<b>Total</b>	<b>80</b>	<b>100</b>

**INTERPRETATION**

There are 27.5 percent of respondents who favour economic growth, 22.5 percent who favour education development, and 17.5 percent who want government-sponsored rural SSIs.... Infrastructure development is cited by 12.5% of respondents, followed by industrial development with a 15.5% share and national development with a 22.5% share.

**Chart No: 2. government schemes and the Rural Small scale industries.**



## Conclusion

The Small Scale Industries in Salem's rural areas have grown tremendously. However, they've encountered some difficulties. If the Government and Institutions provided them with the most effective services and centres, they would be able to carry out their destiny to the fullest extent. Additional gains in productivity, employment, and earnings may also be achieved. It's not always a good idea to hire informal workers. By hiring permanent employees, they must be phased out. Recruitment, training, absenteeism, and employee turnover have been identified as the primary challenges encountered by the small-scale devices chosen for use in people management.

## Reference

1. For further information, please see Yoganandan and Vetrivelan (1999). (2016). Development of entrepreneurship in India.

Three (1) of the Shanlax International Journal of Management.

2. Vetrivelan and Yoganandan (G. and V.) (2016). Empowerment and training for young people School of Humanities and Social Sciences, Salem: 288-292.

3. Strengthening small and medium-sized enterprises (SMEs) for export competitiveness, by Bhagaban Das, Nikhil Chandra Shil and Alok Kumar Pramanik (2007). "Journal of Business and Technology Dhaka December 2007 02, 01-02," "Micro, Small and Medium Enterprises Development Act – Background Paper," The Small Business Finance Center at IFMR is run by Jessica Wade.

4. Indian Economy: Problems of Development and Planning, WileyEastern Ltd (Delhi), 1995

5.. Kiran Sankar Chakraborty (2006), Entrepreneurship and Small Business Development, New Delhi: Mittal Publications..

This article can be downloaded from <http://www.iajavs.com/currentissue.php>

6."Entrepreneurship Before and After Schumpeter," Mark Blaug, 1986, in Economic History and the History of Economics, New York University Press, New York, p.219-30.

7."Entrepreneurship and Small Business Development," by Kiran Sankar Chakraborty, Mittal Publications, New Delhi, 2006.

8.In Facts for You, Vol.26, No.6, p. 35, Subbiah and Navaneethakrishnan write about "Small Scale Industrial Units and Their Problems."

9.There are several factors that contribute to the growth and development of small businesses in India.