

❖ Entrepreneurship

Entrepreneurship is the activity performed by an entrepreneur to organise and run an enterprise

Entrepreneurship = Entrepreneur + Enterprise

- Entrepreneur is generally to be the owner, manager of an enterprise.
- Entrepreneurship is the activity of an entrepreneur which includes all the activities performed from the inception stage of an enterprise till its death.
- Entrepreneurship is a person-oriented task where the entrepreneur creates a small world of his own and becomes the master of his own business universe.
- Entrepreneurship is a creative activity. It is the ability to create and build something from practically nothing.

❖ Small Scale Industries (SSI)

Small scale industries are referred to as those industries in which the process of manufacturing, production and servicing are done on a small scale.

The investment on such industries is one time and these investments are mostly done on plant and machinery, **the total investment on such industries do not exceed 1 crore.**

In small scale industries, the manufacturing of goods and rendering of services are done with the help of smaller machines and very limited manpower.

Small scale industries or SSIs are known as the lifeline of an economy, which is very important for a country like India. Being a labour-intensive industry, it is very helpful in creating employment opportunities for the population of the country.

They are also a crucial part of an economy from a financial standpoint, as they help in stabilising the per capita income of the country.

❖ What are the Characteristics of Small-Scale Industries?

In accordance with the small-scale business meaning, such industries are characterized by the following features –

I. Ownership

Generally, such businesses are sole proprietorships or, in some cases, partnerships. It means that the ownership of the business rests on a single individual, in most cases.

II. Labor Requirements

Since capital investment in such industries is comparatively lower than that of the large-scale ones these mostly rely on manpower, to carry out production activities.

III. Management

One of the most significant characteristics of SSI is that both the control and management of such businesses lie with owners. The owner, thus, participates actively in the day-to-day business conduction.

IV. Flexible

They are more adaptable to changes in the business environment.

V. Optimal Usage of Resources

Since they do not have excess resources at their disposal, small-scale industries make optimal usage of the available resources without wastage.

VI. Operation Restrictions

Most small-scale businesses are limited in their area of operation. As a result, they only operate either locally or regionally. These are a few of the characteristics of a small business that helps to effectively gauge its operation, administration, and scope.

❖ Objectives of Small-Scale Industries

The objectives of small-scale industries are as follows:

1. To create job opportunities for the population.
2. To help in the development of the rural areas of the economy.
3. To play an active role in reducing the regional imbalances in the nation.
4. To help in improving the standard of living for people in rural areas.
5. To ensure there is equal distribution of wealth and income

❖ **Role of Small-Scale Industries in the Indian Economy**

Following are the roles of small-scale industries in the Indian Economy

1. They are the major sources of employment for the people living in rural areas and therefore, play a vital role in generating employment in an economy.
2. Small scale industries account for almost 40% of the total goods and services in India hence, is a very important contributor to the economy.
3. Small scale industries help in promoting the Make in India initiative which helps in increasing demand for local made products.
4. Majority of the export materials are provided to the Indian companies from the small-scale industries. It is estimated that around 50% of all the material exported are produced from such industries.

❖ **Examples of Small-Scale Industries**

Some examples of small-scale industries are:

1. Paper Bags industries
2. Leather belt manufacturing industries
3. Small toys manufacturing industries
4. Bakeries
5. School stationeries
6. Water bottles manufacturing industries
7. Beauty parlours
8. Pickle manufacturing industries

9. Incense stick manufacturing industries

10. Paper plate manufacturing industries