



Rural Entrepreneurship, a perspective with special reference to Arunachal Pradesh: an Empirical Study

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Introduction: Contemporary economists agree that entrepreneurs play the role of a business leader who has pivotal position in fostering economic growth and development. Entrepreneurship is one of the most important inputs in the economic development of a country or a region. It is the dynamic need of a developing nation and a knack of sensing an opportunity where other sees chaos, contradiction and confusion. The entrepreneur, term coined by European economist *Richard Cantillon*, in 1755, through his enterprise helps in employment generation, generating national income, dispersal of economic power, balancing regional development and in harnessing youth vigour. It is also defined as 'the ability of communities to turn grass into gold'. The region of North East India in particular will have to realize how confidently it can rely upon the rural enterprises but for that the Society will have to walk extra-miles with innovation, dedication and determination.

Rural Urban Dichotomy: The Gandhian ideal of self-sufficient village is a faint dream today. Villages from a distance may look very idyllic, moving at a pace in harmony with nature but the reality is unfortunately quite pathetic. We need to engage fresh look on the issue as we cannot anymore be sitting on ideological ivory towers. The hard fact is that there isn't enough for people. Even if people are engaged in some work, most often they remain underemployed. A study by Gopinath Pradhan on Indian villages reveals a startling fact that a village on its own can fulfil, at the most, 30% of its overall economic needs. While 10% of the need is rendered by the forest

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resources, the remaining 60% is managed by activities outside the village economy system. Village economy is not at all self-sufficient; rather it is dependent on the Government initiative and the backward linkages with the township. The fact well sets for Arunachal Pradesh, a totally Government dependent fragile economy.

In fact, the urban poverty is also a reflection of rural poverty. The nature of underemployment and the number of unemployed would have been more severe if all the villagers continue to live in villages for good. To beat the odds people have moved out of their villages as skilled, semiskilled or unskilled workers to neighbouring towns and cities. Such large scale migrations of people have lead to growth of urban slums. People have preferred to leave their own villages to live in filth and horrible conditions of human existence in urban centers for sake of earnings. Metros and cities are virtually bloating with population which these can hardly support and sustain with the limited basic amenities. Delhi has about 70% of its population living in slums, mostly because of an exodus of villagers.

Sociologist Dipanker Gupta commented that the villages in India 'have started disappearing'. By this he meant that people of the villages no more want to reside in the villages, they are moving out to relocate to the town and the cities. It is not far from truth for this state too. In the recent years the twin capital city of Arunachal Pradesh Itanagar-Naharlagun has been receiving influx of fresh population with its scanty civic amenities. Once the people move out of the villages will lose their significance. The question is not whether really the villages have started disappearing. In case this trend is accentuated which is only more likely given the deteriorating economic condition of rural areas what is going to happen to towns and cities of India? If India were to live only in its towns and cities, it is possible to accommodate all within a fraction of the space. This lopsided development is only going to ensure more misery for the people. What is needed is a deliberate attempt to make the villages economically viable units integrated with one another and having a *symbiotic relationship* with the urban centres. The rural-urban dichotomy has to be reduced. This is possible only when innovative minds set themselves to the task of bringing the urban set-up closer to nature, developing our villages with the basic amenities of living, creating ambience for employment to sustain economy! The dire need is establishing viable economic enterprises in the rural areas.

Unleashing Rural Entrepreneurship: Rural Entrepreneurship (RE) is that entrepreneurship which ensures value addition to rural resources in rural areas engaging largely rural human resources. The concept of Village Industries (VI) stands

on it. The perception is to promote entrepreneurs who would take to RE in utmost earnestness and sincerity to ensure rural development. Such enterprising people who prefer RE may or may not themselves belong to rural areas. Entrepreneurs taking RE should not only set up enterprises in rural areas but should be also using rural produce as raw material and employing rural people in their production processes. Young people with perspective to think positively, creatively, purposefully and with the help of rightly channelized efforts would usher in an era of RE. Perhaps, this is where our dream for Arunachal Pradesh locates. A handful of youths of the state, we are gifted with, can do a miracle! In this country successful rural entrepreneurs would solve many of the chronic problems within a short time. Indeed, the enterprising youths should not change their minds to join the bandwagon of jobseekers for compulsion of any magnitude. In the pre-independence era, the North East Frontier Agency, now Arunachal Pradesh was loosely administered and the various tribal communities inhabiting the land were left to manage their own affairs as per their own customary laws and practices. The tribal communities were extremely self reliant; they constructed their own inter village path, build their own cane bridge, devised their own indigenous equipments to husk or grind rice & millets, weaving their own cloths, ornaments & jewels, hats, cooking vessels, weapons. The People of the state have a rich tradition of craftsmanship and are very adept at crafts such as weaving, woodcarving, carpet weaving, cane and bamboo works, smithy works, etc. This shows an exceptional similarity of Gandhian philosophy of self-reliance among them. The concern is that there has been an erosion of ideology of self-reliance, dignity of labour in once egalitarian society. Therefore in the context of changing scenario the study aims at initiating an intimate investigation on if the concept of VI is still relevant in the development process of the State. A rededicated need is anticipated in preservation of age old of tradition of dignity of labour.

Each village has some or other form of unexploited resources - both human and physical. Before exploitation these resources are considered 'waste'. In fact 'waste' is nothing but misplaced and unexploited resource. Dr. (Md.) Yunus worked among the famine ridden poor of Bangladesh (perhaps thought to be waste human-folk) with his magic bullet of poverty alleviation strategy. His research project designing a credit delivery system (1976) started with 42 rural women and US\$27.

So, the future perspectives needs to rely heavily on policies and strategies for taking up micro enterprises in rural areas with objectives of realizing the great dreams of modern, virulent, democratic, socialist, self-reliant India as envisaged in the

Constitution. The country has chosen the path of Mixed-Economy, a Welfare Capitalism or a hybrid of Socialism and Capitalism. In this system the market operates but Government regulates markets significantly, many good things can happen for the RE through the intervention of the Government.

In absence of private enterprises in Arunachal Pradesh, there is only Government sector to provide job which is over saturated. Moreover, few jobs, if available, are non-productive clerical type. Although the State is comparatively peaceful, the North-East Region has been facing problem of militants mainly because of dearth of employment. Setting up VI is therefore the probable answer. The effort will correct regional imbalances by initiating industrial activities on dispersed basis in the neglected, backward inaccessible areas of Arunachal Pradesh where perhaps large scale sector is unable to penetrate. To enable the vast numbers of people living below the poverty line (43%) to rise above BPL, the appropriate intervention is RE. It is a key to rural development, an effective tool for rural reconstruction, empowering women and checking rural-urban migration. Luckily the State has rich natural resources for rapid industrialization. In this backdrop, an attempt is made to make an empirical study on the vast scope of development of VI in this hilly Terrain State.

Objectives: The following aims are in target to study the role of Village Industries (VI) in the socio-economic development of Arunachal Pradesh:

1. To access the present scenario of VI in the state.
2. To evaluate the relevance of VI in the socio-economic development in the study area.

Research Methodology

Area under Study: Papum Pare district was created in 21st September, 1992 with its head quarter at Naharlagun. Itanagar, the capital of the state, is located in this district. The district occupies an area of approximately 2,875 sq km inhabited by a population of 1, 21,750. There are 274 villages and 2 towns in the district. It is the abode of the energetic Nyishis who are known in history for their valour. The Nyishis belong to the Indo-Mongoloid group of people and their language belongs to the Tibeto-Burman family. Itanagar, the capital of Arunachal Pradesh, is about 300 kms from Guwahati and connected by helicopter service and luxury bus services. The basic infrastructure in the district particularly in and around Itanagar is much better

than elsewhere in the rest of the state. People from all over the country and State are inhabiting the capital giving it a cosmopolitan character.

Handloom weaving and cane & bamboo works are major traditional VI in the district. There are 4 State Government run Craft Centres at Balijan, Sagalee, Mengio and Doimukh and a Handloom Research and Design Centre at Doimukh. There are two Industrial Estates which houses a few SSI units. Khadi & Village Industries Commission has a Multi Disciplinary Training Centre at Doimukh. A number of NGOs are registered in the district, the Arunachal Pradesh Seva Sangh, Doimukh and the Oju Welfare Association, Naharlagun are leading NGOs engaged in VI activities.

Data Source: To carry out the research in addition to the primary data, sources like DIC, Circle Offices, BDO offices, offices of Extra Assistant Commissioners and different institutions of the district has been explored to collect secondary data. Therefore, the present study is based on primary as well as secondary data sources. Primary data had been collected through structured questionnaires.

Selection of Sample: The researcher has to select the sample, which represent the total population of the study and also the characteristics of the population. The size of the sample depends upon degree of the homogeneity of the population. The population of the present study covered the total number of VI units of the study area. We considered 30 VI units out of 70 (total of VI & SSI is 91 as on 31-03-2010) in the district owned by 15 males and 15 female entrepreneurs.

Present scenario of VI in the State: The industrial growth in the State is dismal and at a nascent stage despite its enormous potential for so. The Government of India has given tremendous thrust on the “Look East Policy” which itself calls for greater infrastructure for industries and trade. The North East Industrial Investment Promotion Policy-2007 (NEIIPP-2007) has been formulated by the Union Ministry of Commerce and Industry, for industrialization and development of N.E. Region. Arunachal Pradesh with its huge hydropower potential of over 57,000 MW, which is being developed in a phased manner, will soon have surplus power to feed power intensive industrial units. Therefore, the State Government felt the need of reviewing the State Industrial Policy, 2001 in order to make it investor-friendly and to facilitate optimum utilization of locally available raw materials by encouraging setting up of appropriate value added industrial units. The Policy also aims at providing industry access to high quality infrastructure, extending institutional support for technology up-gradation, deregulating the business environment for an efficient, proactive and transparent

administrative frame-work and catalyzing the entrepreneurial as well as creative capabilities of the human resources. Accordingly, the Industrial Policy, 2008 of Arunachal Pradesh has been formulated.

Present scenario of VI in respect of SSI and Medium Scale Industries and their employment, investment and annual production, activities of Textiles and Handicrafts, Craft centres etc. in the State is shown in the Table-1, Table-2 and Table-3 below.

Table-1: District-wise SSI/ Medium Scale Industries, Employment / Investment &

Annual Production

District	No. of VI and SSI units registered permanently (functioning) as on 31-03-2006	Total No. of employment as on 31-03-2006	Total investment during 2005-06 (₹ in Lakhs)
Tawang	23	110	25.20
West Kameng	55	70	105.00
East Kameng	6	30	12.50
Papum pare	91	1500	2500.00
Lower Subansiri	12	60	50.00
Kurung Kumey	3	20	11.00
Upper Subansiri	9	30	21.00
West Siang	51	125	151.00
East Siang	48	1251	300.00
Upper Siang	3	62	95.70
Dibang Valley	3	12	10.00
Lower Dibang Valley	72	679	350.00
Lohit/Anjaw	63	234	280.00
Changlang	21	350	582.37
Tirap	44	58	300.00
Total in A.P.	504	4591	4793.77

Source: Statistical Abstract of Arunachal Pradesh 2006

Table-2: Textiles and Handicrafts in Arunachal Pradesh

Year	Craft / Weaving Centre (in nos.)	Trainees in Craft & Weaving Centre (in nos.)	Handloom Development Centre and Quality Dyeing unit (in nos.)	Value of Production of cloth/crafts (₹)	No. of Emporia	No. of Showrooms cum Sales Counters	Annual sale proceeds of emporia & sales counters (credit & cash in ₹)
2000	88	673	-	2759000	-	-	3150000
2001	88	480	6	9750000	18	5	3383000
2002	88	347	6	3371508	15	3	3980114
2003	88	303	6	3095191	16	5	4009000
2004	88	303	6	2858515	18	5	4497446
2005	88	886	6	7420080	18	5	3718316
2006	88	886	6	1677827	18	6	3362053
2007	88	384	6	1565907	18	6	2174094
2008	88	344	6	1426570	18	6	2363476

Source: Statistical Abstract of Arunachal Pradesh, Directorate of Economics and Statistics, Government of A.P., Itanagar, Compiled from Statistical Abstract of different years.

Table-3: District-wise Crafts/Weaving Centres and Other Activities in A.P. as on 31.03.2008

District	Nos. of Craft/ Weaving Centres	Nos. of Trainees in Craft & Weaving Centres	Nos. of Handloom Development centre & quality dyeing unit	Value of production of cloth/ crafts during the year (in ₹)	No. of emporia	No. of show rooms cum sale counter	Yearly sale proceed of emporia & show room cum sale counters (credit & cash during the year 07-08 (in ₹)
Tawang	2	16	1	66911	1	-	100860
West Kameng	3	9	-	148592	1	-	150050
East Kameng	8	34	-	100050	1	-	64383
Papum Pare	5	4	1	65940	2	-	26264
Lower Subansiri	3	14	1	151473	1	-	167637
Kurung Kumey	5	Nil	-	-	-	-	6090
Upper Subansiri	6	35	1	9098	1	-	50354
West Siang	12	61	1	270447	1	1	162651

East Siang	4	7	-	46636	1	-	49906
Upper Siang	6	33	-	98756	1	2	132920
Dibang Valley	2	3	-	32470	1	-	72738
Lower Dibang Valley	3	27	-	45614	1	-	116685
Lohit	5	13	1	79000	1	-	67006
Changlang	6	25	-	101115	-	-	119880
Tirap	18	59	-	143247	1	1	173449
N. Delhi Emporia	-	-	-	-	-	-	-
Kolkata Emporia	-	-	-	-	1	1	93244
Itanagar Emporia	-	-	-	-	1	-	34159
Anjaw	-	-	-	-	1	-	675070
RDC Doimukh	-	4	-	67218	-	1	100130
Total for A.P.	88	344	6	1426567	17	6	2363476

Source: Department of Textiles and Handicrafts, Government of Arunachal Pradesh, Itanagar

Table-4: Information of the Beneficiaries on Age, Sex and Caste (Total Respondents= 30)

Source: Field Study during January- June, 2010

Age (years)	Sex and Caste						Total
	Male			Female			
	Nontribal	Tribal	Total	Nontribal	Tribal	Total	
Below 30	-	3	3	-	4	4	7
30-40	-	7	7	-	6	6	13
Above 40	-	5	5	-	5	5	10
Total	-	15	15	-	15	15	30

Relevance of VI in the Socio-Economic Development in the Study Area: VI offers enormous prospects for employment generation and enhanced income in the State as the people here have a rich tradition of craftsmanship. The researcher think, Arunachal Pradesh is a promising land in fulfilling what Mahatma Gandhi wanted through rural industrialization. Revival and revitalization of the traditional handlooms, handicrafts and best utilization of locally available raw-materials should be the basic aims of the VI programme. In every district

VI can be applied as efficient tools for rural development. So, Arunachal Pradesh Khadi & Village Industries Board (APKVIB), nodal agency for the matter needs to play an effective role of facilitator. Regrettably some districts of the State are yet to open account of the KVI activity. There is also a wide dispersion in numbers of VI units assisted in districts. Therefore, APKVIB need to focus on rational distribution of funds. In spite of abundant natural resources available in the State the scope for large scale industries is very less due to inherent conditions and so hope is SSI or VI. Also establishing of VI units is easier. The Department of Textile & Handicrafts is another agency involved in promotion of this sector in dispersed areas of the State.

Findings and discussions: The sample chosen 30 with equal number of male and female. 23.3% sample is below 30 years, there were 43.4% beneficiaries between 30 to 40 years and 33.3% are above 40 years. In the age bracket of below 30 years female represents 57% and male 43%, in the age bracket of 30 to 40 male represents 54% and female beneficiaries 46% and for 40 years above the participation is equal i.e., 50% each.

Table-5: Information of the Beneficiaries on Ownership, Construction, Qualification, Training and Duration of unit (Total Respondents= 100)

Ownership of house & shed		Types of construction of house & shed		Qualification					Vocational Training			How long set up			
Self	Rent	Kacha	Pakka	<X	X or >X	<BA	BA	>BA	Trained in scheme undertaken	Trained in other vocation	Untrained	0-5 yrs	5-10 yrs	10-15 yrs	Above 15
24	6	21	9	12	11	4	3	-	4	8	18	12	9	6	3

Source: Field Study during January- June, 2010; Note: X = class X

Findings and discussions: 80% unit holder operated in their own house cum work-shed while 20% in rented house cum work-shed out of t 69% were kacha and 31% were pakka as types of construction. 40% beneficiaries were below class X passed, 38 % were class X passed or above the class X, 12% were below BA passed and only 10% were graduates but none found post graduate. If VI activities failed to reach to the poor rural artisans who could be illiterate even, the objective is partially defeated.

On account of training, it gave a half-baked scenario. Requisite skill is one of the key factors of success but only 12% were found trained in respective trade. 27% took training in other vocation and 60% did not take training. This indicated inter-alia that parameter like training was not emphasized in the process of beneficiary selection. Moreover, the gap in between completion of training and receiving financial assistance are even more than seven years in some cases. Such gaps results rusting on the skill imbibed and loss of active years of life. It also indicated that there was no adequate awareness on need of skill development to attract candidates. The KVIC has a large network of training institutes; it is in high demand of the time that local candidates are deputed in good numbers to avail these Programmes. State Government may give incentives to the desiring candidates as KVIC's stipends etc. are inadequate. Training in modern mode is extremely lagging.

The data indicates 40% of units were set up within last five years and number of units existing got dwindled gradually with the passage of times. Only 30% of the units were found sustained since last five to ten years. 20% sustained for ten to fifteen years and only 10% were running for more than ten years. Although, virtually it means that more numbers of units were financed / set up in last two years, an intimate investigation says something else. It emerged as ground reality that the units that are being set up fall sick and finally get closed. Non-sustaining of units is a complicated area needs elaborate investigation. If the underlying reasons are not diagnosed and the trend is checked all efforts are bound to end up fruitlessly. By not implementing the scheme and diverting money for other conspicuous cause, the beneficiary become rich for a short period and then again falls back to the trap.

The activities taken-up were Weaving, Carpentry, Wire netting, Barbed Wire manufacture, Tailoring, Making of Readymade Garments, Cane & Bamboo, Hollow bricks making, Black-smithy, Bamboo crafts, Beauty parlour, Rice hauler, Steel Fabrication, Knitting work, Spices processing, Noodles making, designing of mill made cloths as traditional garments and car servicing etc.

The chart shows that there has been an array of activities that opted, positive indicator. However, it also has its other consequences which may not be in tune to the absolute prosperity of the local people. As explained above that, the beneficiaries were not having skill in their respective trade. To run the unit they completely depended on the outsiders who had requisite skill. The ignorance of the proprietor on the technology / process involved in production / service compelled him to engage key person or the workers, who were mostly Non-Arunachalee to manage the affairs.

Consequently that key person played the top role and eventually became 'Proxy Proprietor' diluting former's control over the venture. As a result, in one hand the unemployment problem of local people was not solved in true sense and on the other hand the profit that finally reached to the actual owner was negligible. The goodwill, stability and sustainability of the unit depended on the attitude and performance of the 'Proxy Proprietor'. This also made the unit prone to be sick or down-shuttered as outsiders neither preferred nor allowed to settle down in the State for multiple reasons. The local beneficiaries lack good entrepreneurial traits like inquisition to imitate, dignity of labour resulting their failure to be conversant with the job. The need is to develop self-competence to run the unit efficiently.

Table-6: Information on Family and Unit (Total Respondents = 30)

Family members			M igrated		Helping for setting up the unit motivationally					Monitoring/ administers the unit				
6	6-10	More than 10	Yes	No	APKVIB	KVIC	Bank	leader	NGO	APKVIB	KVIC	Bank	None	Can't say
9	5	1 6	1 1	9	0 1					1		6		

Source: Field Study during January- June, 2010

Findings and discussions: The people of the State generally don't encourage the small family norm. Moreover, concept of nucleus family has not over-ridden the ideal of extended family. This makes the requirement on basic amenities of a family unit more than that of a lean family. They maintain a compact form of family or the kith & kin relation. The number of family members was 6 for 30% unit holders, 6 to 10 for 50% unit holders and more than 10 for 20% unit holders.

Migration within the district and from other districts was reported. Peoples migrated and settled in and around the capital town and even in small market. One of the important most mottos of KVIC is to act as bulwark against the migration of population to city slum. The titular VI activities had no impact in attaining this motto.

37% responded were migrated from rural areas or from other districts for their livelihood and 63% were not migrated.

Here the term motivation refers to the information passed on by other to the beneficiaries about the schemes. This shows couple of agencies have publicized the KVIC's scheme. The contribution of Panchayat members was negligible but as per the Arunachal Pradesh Panchayat Raj Manual 2002, the KVI sector came under their jurisdiction. It is therefore felt that to enable to reach out to the remote of rural mass the participatory involvement of Panchayat Members appears to be the best vehicle. The field study say, APKVIB motivated 10 units, KVIC 7 units, Bank 6 units, elected leaders 3 and NGOs 4 to set up their VI units.

Monitoring of units, extending escort services are the important parameters for the success and sustainability of the units. Although the above data supported that 37% of units were monitored by APKVIB, 23% by KVIC, 20% by bank, 7% by none and 13% respondents did not response meaningfully, through close interaction with the beneficiaries it revealed that the monitoring part was badly lagging. This could be one of the reasons for failure of the units to sustain. Lacks of monitoring & administration also had other ripple effects like non-availability of correct information on productions, sales, employments etc., as the agency lose control over the units. It was therefore urgently needed that the agencies responsible should boost their monitoring mechanism.

Table-5: Information of the beneficiaries on registration and equipment (Total respondents = 30)

Status of registration of units			Registration is beneficial			Equipment		Equipment replacement needed		
SSI	VI	Not registered	Beneficial	Useless	Makes no difference	Traditional	Modern	Yes	No	Additi onal needed
8	17	5	10	8	12	17	13	14	7	9

Source: Field Study during January - June, 2010

Findings and discussions: There are few units having Provisional SSI and VI Registrations both, however, for simplicity of study only the last registration have

been recorded. 27% have SSI registration, 57% have VI registration and 16% have no registration. As per rule SSI registration is optional. KVIC's guideline makes it compulsory that all REGP units are to be registered as VI. The initial fees are 1% of the project cost and renewable after every three years with fees 0.5% of the project cost. The registration is an instrument to enable enjoying other fiscal benefits and concessions available with the Central and State Governments. All the beneficiaries equivocally reported that none of them ever had enjoyed any special incentives consequent upon their registration status. Although 33% responded that registration was beneficial, they could not pin point what special concession they could enjoyed. 27% of the respondents outspokenly confessed that the registration practically helped in no way. Further none of the registered units renewed their registration as required. This status indicated that the benefits like Price Preference, Transport Subsidy so on and so forth were never extended to beneficiaries of VI fold. There was tremendous lack of awareness on the needs and benefits of registration. 40% responded that registration made no difference.

Study also reveals that the VI Sector needs input of appropriate technology, better grade machineries to enable it to augment productions and quality with reduced drudgery. There should be guiding mechanism in selecting right machineries and implements. 57% have traditional equipments and only 43% had modern equipments. 47% needed replacement of equipment, 23% not needed replacement while 30% needed additional equipment and machineries.

Table-6: Information of the Beneficiaries on Investment (Total Respondents = 30)

Investment (₹ in Lac)					
Below 1.00	1.00 - 2.00	2.00 - 3.00	3.00 - 4.00	4.00 - 5.00	above 5.00
1	3	7	6	6	7

Source: Field Study during January- June, 2010

Findings and discussions: The field investigation supported to reiterate that low investment has better rate of implementation. A bigger project (around ₹10.00 Lac) has low chance of proper execution. One of the reasons may be that inflated project cost provide higher subsidy. There has been a visible motive to grasp subsidy. Low project are availed by comparatively less privileged candidates as they can't convince

banks for bigger project. It is felt that units having project cost up to ₹ 5.00 Lac had better chance to be availed by target group and had fair chance to get implemented. Around 3% unit invested below 1 Lac, around 10% unit had investment between ₹ 1 to 2 Lacs, 23% between ₹ 2 to 3 Lacs, 21% between ₹ 3 to 4 Lacs, 20% between 4 to 5 Lacs and 23% were above ₹ 5.00 Lacs.

Table-8: Information of the Beneficiaries on Livelihood, Gender, Status of Worker and Skill Acquired (Total Respondents = 30)

Can you manage livelihood from this activity only?		Has any gender bias, explain		Status of worker			Skill Acquired	
Yes	No	Yes	No	Hired	Family members	Mix	Traditional	Formal Training
6	24	9	21	9	6	15	17	13

Source: Field Study during January- June, 2010

Findings and discussions: On the basis of earnings 80% of the beneficiaries said that they couldn't rear their family solely depending on the income from their project. This indicated that the ventures were not fully employment worthy. 20% were able to manage their family from the income of project.

In the units making readymade garments, handloom weaving women workers were suitable for as per the opinion of the proprietor women are adept for the job and in rest of the units male workers dominated. 30% respondents preferred to female and 70% preferred male workers. Thus the preference of male and female workers was on the basis of nature of production.

30% unit owner depended on the hire workers, 20% completely independent on their own family members to run the units. In 50% cases it's a mix of two. In question of skill acquired 57% respondents acquired their skill from their own parents or their grand fathers/ grant mothers while 43% acquired their skill through training organized by different line agencies.

Conclusion: As Arunachal Pradesh, having largest area amongst the country's North-eastern States, having endowed with abundant natural resources, the Central as well as State Government may give special attention to promote VI which can bring

new momentum in much needed rural development of the State. Economic growth will be inclusive, sustainable if wealth creation and poverty reduction occur at a faster pace in rural India, more specifically in the State. A successful entrepreneur believes in “Hope for the best, but prepare for the worst.” At the end of the day we carry in mind that rural heartland is a market waiting to explode. Who the sparks then? – may be few of these entrepreneurs, the youths of Arunachal! The researcher who has been associated with the promotion of VI in the State for decades, have silently counted the steps of a few promising entrepreneurs, mostly women, walking towards the cherished goal of shaping self as an entrepreneur, the *change agent*.

In conclusion, we can say that “entrepreneurship” has proven to be an exceptionally fertile concept within economic theory. Indeed, this term has played such a valuable role within economics that each era has adapted it to meet the innovations and spirit of the times. Though consensus on a precise definition of entrepreneurship may be impossible, what cannot be denied is the economic power of entrepreneurship and its way of inspiring creative individuals to pursue opportunities and take risks. It is necessary to extend the facilities to the rural areas to promote agro-based and locally available raw material based industries in the locality and ensure markets for their products. Therefore, the authority should conduct research surveys to guide the prospective entrepreneurs. The VI holds much prospect and affords good opportunities for the rural entrepreneurship to flourish in the State. For intrinsic reasons it is difficult to set up Large Scale Industry but on the contrary, there is much opportunity to set up Village Industries.

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