



ROLE OF NGO'S AND GOVERNMENT IN ENTREPRENEURSHIPS OF TEXTILE

Ms.Meghna P. Polkat

Mahalaxmi Jagdamba college of Library and Information Science, Nagpur MS

ABSTRACT:

Indian Textile industry plays an important role in the economy of the country . The textile industry of India is having a positive growth not only in the domestic market but also in the international market .There are so many opportunities in the textile business. It is board area where one can increase their earning.

Entrepreneurships is the backbone of economic development of nation as it open new job avenues. So entrepreneurships and innovations have become increasiliy important part of economic development in almost every country, region and community.

Textile entrepreneurs have the potential to become entrepreneurs they do not have the right opportunities to explore it. Therefore the role of government and Non government originations are imminent in supporting entrepreneurial causes in textiles.

Keywords: Textile Industry, entrepreneurships, NGO and government entrepreneurship policy

Introduction:

The Textile sector of India is one of the oldest sector ranks next to the Agriculture. Textile is one of India's oldest industries and has a formidable presences in the national economy in as much as it contribute to about 14 percent of manufacturing value addition , accounts for around one third of our gross export earning and provides gainful employment to millions of people . The textile industry occupies a unique place in our country .one of the earliest to come into existence in India. It is second largest employment generator after agriculture. Textile industry is providing one of the most basic needs of people and the holds importance maintaining sustained growth for improving quality of life. It has a unique position as a self reliant industry from the production of raw materials to the delivery of finished product with substantial value addition at each stage of processing. This Textile industry is booming like never before .It is a major contribution to the country's economy.

Economic well being has been the aim and Endeavour for survival or overall progress of nations. Entrepreneurial development is the key to economic development of country. Entrepreneurship is the process of discovering, evaluating and exploiting opportunities which go on to reify themselves in the form of new business ventures. In a country like ours confronted with the twin problem of unemployment on one hand and scarcity of financial resources on the other it is only entrepreneurial development which has got answer for the these theses problem . Entrepreneurship is the backbone of economic

development of a nation as it opens new job avenues. All the attention flows towards the assistance for entrepreneurial ventures in this context.

There is no denying of the fact that development of entrepreneurship has emerged as a national movement due to its strength to solve the twin problem of unemployment and poverty. In fact the need for development of sprit of enterprise among the target population intensified more during the nineties.

Among the Asian countries especially India has the highest number of educated youth population. The government of India has been promoting the growth of entrepreneurship through various campaigns skill India, Make in India and Startup India.

Non Governmental Organization (NGOs) act as a link in the implementation of various developmental programs of the government. They are able to implement the developmental activities by training and assisting the barefoot entrepreneurs. NGO work along with Government and Private sectors in the rural entrepreneurship. The role of NGO is usually bridging the gap of government and private sector intervention. For examples Government is more focused on larger scale infrastructure development and regulations of policies, where as private sectors are more engaged in investments. Hence NGOs are more focused to bridge the intervention of private sector and government through the interventions of capacity building, institutional development, community mobilization, advocacy and piloting the small scale project to demonstrate the success and

best practices so that government and private sectors can scale up later.

What is an 'Entrepreneur':

An entrepreneur is an individual who, rather than working as an employee, founds and runs a small business, assuming all the risks and rewards of the venture. The entrepreneur is commonly seen as an innovator, a source of new ideas, goods, services and business/or procedures.

Entrepreneurs play a key role in any economy. These are the people who have the skills and initiative necessary to anticipate current and future needs and bring good new ideas to market. Entrepreneurs who prove to be successful in taking on the risks of a startup are rewarded with profits, fame and continued growth opportunities. Those who fail suffer losses and become less prevalent in the markets.

Entrepreneurship:

It can be described as a creative and innovative response to the environment and the process of giving birth to a new enterprise. Such response can take place in any field of social Endeavour, business, agriculture, education, social work etc. Entrepreneurship is the attempt to create value through recognition of business opportunity, the management of risk taking, and through the communicative and management skills to mobilize human, financial, and material resources necessary to bring a project to fruition

IMPORTANCE OF ENTREPRENEURSHIP

It has been said that entrepreneurship is essential for economic development. In capitalistic economies, the entrepreneurs played an important role in their development. In socialist economies, the state played the role of the entrepreneur. But in a developing country like India which followed the path of mixed economy, both the government and the private entrepreneurs played an equally important role. Of course, there has been a significant increase in entrepreneurship in India in the post liberalization period. People have now begun to realize the crucial role the entrepreneurs have to play for achieving the goal of economic development. They are regarded as the prime movers of innovations and act as key figures in economic development of a country. Thus, entrepreneurship:

- (a) helps the formation of capital by bringing together the savings and investments of people
- (b) Provides large-scale employment opportunities and increases the Purchasing power of the people
- (c) Promotes balanced regional development in the country
- (d) Helps in reducing concentration of economic power (power to own the Factor of production in a few hands)

Indian Textile Industry:

Indian textile industry is one of the largest in the world with a massive raw material and textiles manufacturing base. Our economy is largely dependent on the textile manufacturing and trade in addition to other major industries. About 27% of the foreign exchange earnings are on account of export of textiles and clothing alone. The textiles and clothing sector contributes about 14% to the industrial production and 3% to the gross domestic product of the country. Around 8% of the total excise revenue collection is contributed by the textile industry. So much so, the textile industry accounts for as large as 21% of the total employment generated in the economy. Around 35 million people are directly employed in the textile manufacturing activities. Indirect employment including the manpower engaged in agricultural based raw-material production like cotton and related trade and handling could be stated to be around another 60 million.

A textile is the largest single industry in India (and amongst the biggest in the world), accounting for about 20% of the total industrial production. It provides direct employment to around 20 million people. Textile and clothing exports account for one-third of the total value of exports from the country. There are 1,227 textile mills with a spinning capacity of about 29 million spindles. While yarn is mostly produced in the mills, fabrics are produced in the power loom and handloom sectors as well. The Indian textile industry continues to be predominantly based on cotton, with about 65% of raw materials consumed being cotton. The yearly output of cotton cloth was about 12.8 billion m (about 42 billion ft). The manufacture of jute products (1.1 million metric tons) ranks next in importance to cotton weaving. Textile is one of India's oldest industries and has a formidable presence in the national economy inasmuch as it contributes to about 14 per cent of

manufacturing value-addition, accounts for around one-third of our gross export earnings and provides gainful employment to millions of people. They include cotton and jute growers, artisans and weavers who are engaged in the organized as well as decentralized and household sectors spread across the entire country.

Indian textile industry can be divided into several segments, some of which can be listed as below:

- Cotton Textiles
- Silk Textiles
- Woolen Textiles
- Readymade Garments
- Hand-crafted Textiles
- Jute and Coir

ROLE OF NON-GOVERNMENTAL ORGANISATIONS IN Textile Entrepreneurships:

The organizations which are outside the direct control of government agencies or autonomous bodies and are engaged in providing financial and nonfinancial services to the community are called non-governmental organizations (NGOs).

NGO work along with Government and Private sectors in the rural entrepreneurship. The role of NGO is usually bridging the gap of government and private sector intervention. For examples Government is more focused on larger scale infrastructure development and regulations of policies, where as private sectors are more engaged in investments. Hence NGOs are more focused to bridge the intervention of private sector and government through the interventions of capacity building, institutional development, community mobilization, advocacy and piloting the small scale project to demonstrate the success and best practices so that government and private sectors can scale up later.

NATURE OF NGOs

NGOs are directed towards improving the socio-economic situations of people with whom they work. Bhoose (2003)³ presented the following important characteristics of NGOs:

1. **Voluntary:**
NGOs are formed voluntarily and are built upon the commitment of a few persons.
2. **Legal Status:**
NGOs are registered with the Government under the Societies Act, Trust Act, etc. They are also registered under Foreign Contribution Regulation Act (FCRA) with

the ministry of Home Affairs, Government of India. This is required to be entitled to obtain funds from .

3. **Independent:**
NGOs are independent in planning and implementation of their programmers.
4. **Flexible:**
NGOs are flexible in interventions. They are not bound by redtops
And bureaucratic obstacles.
5. **Quicker in decision making:**
NGOs take quick decisions in response to the needs of the community. As decisions are taken quickly, their services are delivered timely to the people.
6. **High motivation:**
The members and the staff are endowed with high motivation and inspiration to work for the cause of the people. They strive tirelessly to achieve their purpose for the benefit of the target groups.
7. **Freedom in Work:**
NGO workers enjoy freedom in their field work, in organizing the community and carrying out the development schemes.
8. **Catalytic:**
NGOs facilitate the communities towards social action but they do not dilute and distort themselves in the process of intervention.
9. **People-Centered:**
NGOs facilitate people's participation. They plan things with the people and implement the same through the people. Thus they learn the best from the people and replicate the same with other groups.
10. **Non-profit oriented:**
NGOs are not run on profit motives. The surplus and gains from economic projects, if any, are not distributed to the members or stakeholders. They are re-used for development purposes.

The training imparted to the needy by the NGOs can be classified into three broad types:

1. **Stimulation:**
Conducting EDPs and other programmes for the target people with a view to stimulate enterprising attitude among them.
2. **Counseling:**
Providing counseling and consultancy services to the needy ones how to prepare a project, feasibility report, purchase of plant and machinery, and performing other procedural activities.

3. Assistance:

Assisting the target group in marketing their products and securing finance from financial institutions.

The NGOs have revealed the following strengths as an edge over others:

- a) The lean overhead and operating costs to reach the poor and needy.
- b) Flexibility and responsiveness in operation to invent appropriate solution.
- c) Nearness to client groups made them to be sensitive to community need.
- d) Capacity for innovation and experimentation with new groups and untried development approach.
- e) Stimulating and mobilizing interest in the community.
- f) Dependence on customer satisfaction.
- g) Act as a test bed and sound board for government policies and programmes.

Role of Government in Textile Entrepreneurship:

The function of entrepreneurship in economy is not hidden to anybody. Most of the Business activities are executed by entrepreneur. These persons with reference to their characteristics can enter business market. Entrepreneur's role is not only in the boost of production but also in the recruitment of mass labour force. With due to awareness to role of entrepreneurship in economy, government is interested to direct and guide entrepreneurs' need to capital, technology and other amenities for performing their activities. For that reason government can play imperative role for providing these facilities. With support of laws and regulations, Governments can give needed information and capital, and make available to better technology can help entrepreneurs. Government can also carry out planning, draw policy, and establish strategy for helping entrepreneurs.

In early stages of sustained growth, government is regularly provides incentives, subsidies, promotional schemes, concession on Excise duty for entrepreneurship development to take grip. Another vital role government has played in near the beginning stages are to develop transportation, power and water facilities and to help launch the sort of capital and money markets in which lenders could have assurance.

Central and State Level Institutions Supporting Entrepreneurial Development:

The term entrepreneurship development is mainly based on belief that people can accept entrepreneurship as a career. In order to increase speed of self-employment and entrepreneurship development, diverse agencies were established by government. These agencies cater to the business needs and requirements of entrepreneurs. It can be categorized in the central level and state level institutes. Major central level institutes contain the following.

- 1) Small Industries Service Institute (SISI)
- 2) Entrepreneurship Development Institute of India (EDII)
- 3) National Institute for Entrepreneurship and Small Business Development (NIESUBD)
- 4) National Entrepreneurship Development Board (NEDB)

Government of India Schemes for Textiles Business:

The Ministry of Textiles, Government of India had come up with various schemes/programmers for the people who are working in the textile industry, clothing, Handlooms and Handicrafts sector.

The Central Government Entrepreneur schemes for Textiles are listed below:

- Additional grant for apperal manufacturing units for textile parks (SITP)
 - Catalytic development programme(CDP) in project mode
- Development commissioner (Handloom) schemes**
- Comprehensive handloom cluster development (CHCD) Mega handloom cluster (12 th plan)
 - Comprehensive handloom development scheme(CHD)
 - Yarn supply

References:

- 1) Entrepreneurships – download .nos.org/srsec319news/319EL9.pdf
- 2) Entrepreneur – www.investopedia.com
- 3) The Textile Industry – https:business.mapofindia.com
- 4) Indian textile Industry – An overview by Dr.K.M. Dhanbhakyaam.
- 5) Role of NGOs developing Rural Entrepreneurship in India –D.K.Sinha
- 6) 17 chapter –shodhganga.infibnet.ac.in
- 7) Government of India Schemes for textile Business- www.newincept.com

