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CHAPTER – I

INTRODUCTION

1.1 Preface

The economic development of any nation is dependent upon the purposeful human activity i.e., entrepreneurial function. Therefore, entrepreneur is sometimes referred to as the fourth factor of production. The crucial role played by the entrepreneur in the process of economic development through industrialization has been acknowledged by many economists. Meier and Baldwin\textsuperscript{1} described the entrepreneur as a catalyst or agent whose activity results in development. According to Spengler\textsuperscript{2} “an economy’s rate of growth depends to a large extent upon its capacity to give rise to innovation and their imitators, to individuals who continually channel new know-how from the laboratory and engineering sectors of the economy to the fields of production and marketing”.

History is full of instances of individual entrepreneurs whose creativity has led to the industrialization of many nations. Entrepreneurs like Bolton in the eighteenth century; Henry Ford and Emil Ratheneau\textsuperscript{3} in the twentieth were responsible for the industrialization of their countries. It has been hoped that industrialization would bring social transformation through social equality in higher levels of employment, more equitable distribution of income and well-balanced regional development.

Since industrialization has better potentiality to bring technological revolution through innovation to attain higher rate of return on social
investment and to generate dynamism in social and political life, the developing countries have gone for quick industrial development. The industrial revolution that took place in England was able to give fruitful results to England, as Philip Wernette observed, because of the existence of entrepreneurs who were capable of commercially exploiting the opportunities presented by the great inventions of the time. The subsequent dethroning of Britain from its position as the greatest industrial power of the world, according to Wernette, was largely due to the decline in the spirit of enterprise among its people, particularly the business and industrial leaders.

The industrial growth and economic development of the developing countries is deferred by the lack of the efficient entrepreneurs, lack of industrial environment, lack of incentives for private initiatives, lack of technical knowledge, lack of resources, unhealthy competition and absence of domestic market. In fact, the presence of entrepreneurs who act as change agents heralding the growth of industries is of great importance. The slow growth of industries in the developing nations, as the United Nations Economic Commission for Latin America has noticed is "due to the absence of qualified entrepreneurial class prepared to take initiative and assume risks and to an inadequate economic policy on the part of the Government".

Berna has mentioned that these countries do not necessarily require innovative entrepreneurs of the Schumpeterian type. Imitating entrepreneurs who are capable of adapting the innovation of others are sufficient to accelerate the pace of industrialization of these countries. Therefore, for a nation like India, which aims to achieve a rapid and regionally balanced
economic growth through industrialization; the emergence of large number of entrepreneurs is a vital necessity. In the face of the massive unemployment, poverty and backwardness in the country, the small entrepreneurs have a specified role to play.

People suffered the most in underdeveloped countries. Their involvement in economic activities is marked by excessive concentration in unorganized sector (i.e., agriculture) of the economy and that too in low skill jobs. Their literacy rate, which itself is the cause for their low economic status, creates a vicious circle of low social and economic status. The inadequate economic policy on the part of government, as United Nations Economic Commission for Latin America has noted, also affected the emergence of entrepreneurs is to be viewed as a socio-economic emancipation of the people belonging to underdeveloped countries.

The status of people in some areas of India is an illustration of paradox. At the policy level or in the eyes of policy they are equal. The five-year plans and industrial policy resolutions passed since independence have given added thrust to the entrepreneurship development. However, over the years; the position of the people in those areas is downgraded. Such parts of India, even now lack with adequate numbers of entrepreneurs. For instance, for many years Bidar district in Karnataka State was declared as ‘No Industry District’. The post independence history of Karnataka State reveals that large number of big and medium industries (both in the public and private sector) were concentrated in and around Bangalore, Tumkur, Mysore, Kolar and Mandya. The continued negligence in all the fronts (i.e., industry, education,
rural development programmes, irrigation etc.) by the government of Karnataka State since independence is resulting in demand for separate North Karnataka State. At the national level, after the enactment of State Financial Corporation Act in 1951, there was no state level financial corporation for financing the entrepreneurs in the state of Nagaland, Manipur, Tripura and Meghalaya. The entrepreneurs of Tripura and Manipur were to get financial assistance from Assam Financial Corporation. The people of these areas are the least beneficiaries of the schemes and programmes of the government and financial institutions. The example of not availing the concessions and subsidies of the government, which is available to small entrepreneurs, is available in this country. The reason may be lack of awareness, red-tapism and buck-passing/undue delay in the concerned offices, dissatisfaction with the bureaucratic style of government departments and financial institutions. Besides this, in 64 years of independence, an emphasis on the socialistic pattern of the society and the role assigned to the public sector limited the scope for the growth of private entrepreneurship. The liberalization policy of the government, which received boost after 1991 (when Dr. Manmohan Singh became the Finance Minister of India), has thrown open for a vast area of the country for private entrepreneurship. Under such circumstances, the need for entrepreneurship development had more keenly felt.

1.2 Industrial Estates

Industrial Estates provide organizational set-up in which Small Scale Industries, tiny enterprises, women enterprises, ancillary units, export oriented units and small service business establishments develop and flourish. This concept is useful not only for achieving industrial distribution,
but also for backward regions, rural areas and decentralization of industries in semi-urban areas. It may be noted that Industrial Estates play an important role in achieving rapid regional balance and social progress particularly in developing countries like India. Hence, the present chapter gives the detailed note on origin of Industrial Estates, concept of Industrial Estate, entrepreneur and entrepreneurship.

**Origin of Industrial Estates**

The developed countries like United States of America and United Kingdom (Great Britain) have achieved significant progress in industrialization through establishment of Industrial Estates. The programme was started in 1886 with the establishment of first Industrial Estate at Trafford Farm, Manchester in United Kingdom. In the United States of America the pioneer industrial district known as Clearing Industrial District was established at Chicago in 1899. At the beginning, the process of establishing Industrial Estates were comparatively slow, but it got considerable impetus after Second World War. After 1950, a large number of developing countries started showing their growing interest in the development of Industrial Estates by recognizing it as a significant tool for industrialization. And in the post liberalization period i.e., (1991 onwards), UNIDO's (United Nations Industrial Development Organization) role started in fostering industrial development through formation of Industrial Estates in unprivileged regions of the world.

Most of the Industrial Estates were planned and operated with little concern for environmental impact and are causing significant environmental
damages in many areas. Of the natural resources, there are habitat
destructions, soil contamination, noise, toxic chemicals, solid wastes, loss of
biodiversity, air emission, industrial accidents, fuel spill, and global climate
changes are the main issues of environmental damages. In order to preserve
the natural resources, 1995 onwards, UNIDO and UNEP (United Nations
Environmental Programme) jointly concentrated on Environmental
Management Systems for Industrial Estates. Thus, the result of environmental
systems is the establishment of Eco-Industrial Estates in the world today. In
United States of America, they established Industrial Estates called Eco-
Industrial Park and many number of developed countries have adopted Eco-
Industrial Systems and the developing countries are accepting the concept of
Environmental Management System for Industrial Estates.

**Definitions on Industrial Estates**

The term, Industrial Estate was originated in the United Kingdom in
the late 19th century. However, the earliest definition on Industrial Estate was
given by William Bredo in 1960. He viewed it as a tool for industrialization
and called it 'a tract of land which is sub-divided and developed according to
a comprehensive plan for the use of a community of Industrial enterprises'.
He further elaborated that the comprehensive plan must make the detailed
provision for streets and roads, transportation facilities and installation of
utilities, and may provide for the eviction of factory building in advance of
sale or lease to occupants.

Later, Alexander in 1963 described an Industrial Estate as "a group of
factories constructed on economic scale in suitable sites with facilities of
water, transport, electricity, steam, bank, post office, canteen, watch and ward and first aid and provided with special arrangement for technical guidance and common facilities”.

The definition given by Alexander was felt to be more in the nature of descriptions, effort was made in later years to revise the definition to suit specific purpose and application. In 1966, United Nation in its study of Policies, Plans and Progress of Industrial Estates has defined Industrial Estate as 'a planned clustering of industrial enterprises offering developed sites, pre-built factory accommodation and variety of services and facilities to the occupants'.

The definition, given by United Nation has been clear in its study on Industrial Estate and has defined it as a land offering improved sites as an inducement for the establishment of Industrial enterprises. An Industrial Estate was referred to as an area reserved and restricted for industrial use.

Later in 1976, United Nation Industrial Development Organization (UNIDO) in a study on Industrial Estates defined it as 'a planned clustering of industrial enterprises offering standard factory buildings erected in advance of demand, and a variety of services and facilities to the occupants'. This definition sums-up the essential characteristics and components of Industrial Estates in a comprehensive manner.

During 1996, probably the simplest definition of Industrial Estates by UNEP is "a large tract of land, sub-divided and developed for the use of several firms simultaneously, distinguished by its sharable infrastructure and
the close proximity of firms". Different names for such arrangements are often used now-a-days, including Industrial Parks, Industrial Zones, Business Parks, Industrial Development Zones and Eco-Industrial Parks.

Finally in 1997, Edward Cohen Rosenthal of U.S.A., in his experience on designing Industrial Parks defined it as "a cluster of industries within a defined geographical area, administered and managed by a single authority having a defined jurisdiction with respect to tenant companies. Alternative terms often used are Industrial Parks, Zones or Districts".

Hence, in brief, an Industrial Estate is a carefully selected and developed tract of land on which readymade general purpose factories and certain common facilities and services are provided.

In India, Industrial Estates are provided with built up factory accommodation in the early stages of the programme. Subsequently, the provision of developed plots has become the norm through built up sheds continue to be given in less developed regions, rural areas, backward areas and to special categories of beneficiaries like SCs, STs, women, handicap persons, NRIs and defense quota. The main objective of Industrial Estate programme has been identified for rapid industrialization in rural and backward areas by establishing Small Scale Industries in Industrial Estates.

Therefore, the construction of Industrial Estates in rural and semi-urban areas is for balanced regional development. The principal objective is the promotion and development of Small Scale Industries, construction and utilization of infrastructure, especially in backward areas, procurement of raw
material and marketing of finished goods, technical support and assistance are means to reach the goals of rapid industrialization in the country.

**Development and Growth of Industrial Estate**

The concept of the "Industrial Estate" emerged in industrialized countries towards the end of the nineteenth century as a means to promote, plan and manage industrial development. Since 1970s, there has been a massive increase in the number of estates worldwide, especially in rapidly industrializing countries. There are now more than 12,000 of these estates in the world. They vary widely, in age, size, type and organization. However, they do have essential common elements, as an effective instrument adopted for the reduction of costs of infrastructure, and stimulate regional economic activities.

Industrial Estates are known with different names in different countries. They are called Industrial Parks, Industrial Treaty or Industrial Districts in the United States of America. In recent years Industrial Estates are also called Eco-Industrial Parks in USA, Trading Centers or Trading Estates in U.K., Industrial Zones or Industrial Nuclei in Italy, Industrial Plaza in Canada, Industrial Regions in Russia, Industrial Sub-division in Puerto Rico, Industrial City in Mexico and Industrial Estates in other countries like India, Turkey, China, Japan, France, Sri Lanka, Syria, Indonesia, Pakistan, Belgium, Brazil, Switzerland, Sweden, Thailand etc. The term 'Industrial Estate' is thus more popular and more aptly conveys the wider concept of this programme and technique. It should, however, be noted that these nomenclatures refer
both to the organizations managing the project and to the sites and installations.

Industrial Estates in India are also called Kaigarika Kshetra in Hindi as per the National language of India and Kaigarika Vasaahathu (Industrial Estate) in Kannada, which is one of the recognized regional languages of Karnataka in the country.

The Industrial Estate has formed as a part of the economic development countries since 1945, but it was after 1970 that the most rapid growth occurred. According to a survey in 1996 by the International Development Research Council, there were more than 12,000 estates in 90 countries. There are certainly many more Industrial Estates today with some estimates, which is more than 20,000 in figure. In U.S.A. there are 225 Foreign-Trade Zones and thousands of state run enterprise zones as well as some employment zones, in China there are over 2,000 Industrial Estates by the end of 1998 and in France there are over 18,000 areas designated for concerted development.

The most popular Industrial Estates those have been established around the world are Leam Chabang Industrial Estate situated about 130 kms south east of Bangkok in Thailand, Yuan Hong Industrial Park of China, De zones Industrial Estate in Tunisia, Burnside Industrial Park in Dartmouth of Nova Scotia, Eco-Industrial Parks in U.S.A. Dunkirk area in France, Lingkungan Kecil (LIK) Bugangan Baru Industrial Estate in Semarang of Indonesia, Caymanas Industrial Estate in Kingston of Jamaica and Trafford Parm in Manchester in U.K.
In India, many Industrial Estates are popular, Okhla Industrial Estate in New Delhi, Gundy Industrial Estate in Chennai, Sanathnagar Industrial Estate in Andhra Pradesh, Panveli Industrial Estate in Mumbai, Ludhiyana Industrial Estate at Punjab, Kandla Free Trade Zone in Gujarat, Noida Free Trade Zone at Uttar Pradesh, Cochin Industrial Port for Export at Kerala, Naroda Industrial Estate in Ahmedabad and Peenya Industrial Estate and White field Estate in Bangalore of Karnataka State.

Estates vary widely in terms of type and size, the smallest are simple activity zones on the outskirt of provincial towns whereas the largest are virtually new industrial cities. The largest estate in the world is the Jeble Ali Free Zone in Dubai, which covers around 102 kms and has over 1,600 tenant companies. The Colon Free Zone in Montgomery, U.S.A. occupies 2,319 hectares and comprises of four industrial parks and an airport. Estates are often major centres of employment, Batamindo Estate in Indonesia provides 60,000 jobs while Soushou in China offers 6,00,000 job opportunities and in India Okhla Industrial Estate I and II have 4,000 square meters providing 3,000 industrial units employs over 1,50,000 employees.

1.3 Programme of Industrial Estates in India

The establishment of Industrial Estates in India is mainly an economic lesson drawn from Britain. The idea of Industrial Estate was originally suggested by the international planning team assembled with the aid of the Ford Foundation which undertook a study of small industries in India and made recommendation which undertook a study of small industries in India and made recommendation for their future development. Earlier to the above
study, the small units faced difficulties in acquiring good factory accommodation at suitable sites with facilities of water, electricity, transport, bank, post office, canteen, watch and ward, first aid etc. Industrial Estates with fully developed sites and sheds appeared to be an effective means to constructive industrial progress. Hence, the programme of Industrial Estate was first adopted by the Small Scale Industries Board at the meeting held in January, 1955. The establishment of Industrial Estates and construction of sheds got momentum in India towards the fag-end of the first five year plan with the objective of assisting the industries in small scale sector. During 1951-56 Central Government constructed only two estates which were established one at Okhla near Delhi and other at Naini near Allahabad. These estates were managed by National Small Industries Corporation. Among the State Governments, the former Government of Sourarstra (Gujarat) was the first to start an estate on a 20 acre plot of land in Rajkot.

The construction of this estate started in September, 1955 and the first shed in the estate was allotted to a small industrial unit in December, 1955. The late initiation of the programme of Industrial Estates during First Five Year Plan limited the target to only ten Industrial Estates which were to be constructed at Gundy and Virudhunagar of Tamil Nadu state, Kanpur and Agra in Uttar Pradesh Palgat, Trivandrum, Kottayam, Quilon and Trichur of Kerala state Rajkot of Gujarat and Kalyani in West Bengal.

With a view of achieving this, the government has provided various incentives and concessions from time to time. Our Second Five Year Plan i.e., (1956-61) placed the establishment of 120 Industrial Estates in which
53 started functioning and 67 others were at various stages of completion. Up to the end of third five year plan (1961-1966) totally 458 estates were sanctioned, but only 208 of them had started functioning in which 106 were in urban area, 63 in semi-urban area and 39 in rural estates and our subsequent five years plan placed greater emphasis on Industrial Estates programme as an instrument for dispersal of Small Scale Industries to rural and backward areas in a modern manner. There are more than 950 Industrial Estates scattered in India.

Thus, the main object of Industrial Estates in India is to assist the development of Small Scale Industries. Small Industrialists get considerable benefits in the Industrial Estates such as good working conditions, common arrangements for purchase, sale and transport of their products and raw materials and cheaper amenities for workers. Small Scale Industries in Industrial Estates also get financial aid from the government which helps them to overcome several difficulties at the initial stages of their working.

In view of the economic problems of the country, soon after independence, it was felt necessary to provide institutional support and guidance on different fronts for stimulating the development of new entrepreneurial talent and energizing the existing talent for speedy industrialization of the country through Small Scale Industries set-up in Industrial Estate.

The Industrial Policy Resolution of 1948 and subsequent policies of State and Central Governments with the New Industrial Policy for 2001 to 2006 and successive Five Year Plans and Tenth Plan have highlighted the
significance of securing a balanced regional development through establishing Small Scale Industries and entrepreneurship. The combined programme and central and state schemes of assistance to SSI sector, provided a tool for integrated development.

1.4 Need for Industrial Estates

The location status of SSI sector in India has 42.17 percent in rural areas, 47.97 percent in urban areas, 9.86 percent in metropolitan areas and the wide spread of SSIs in all over the country has been facing series of problems like inadequate capital, the absence of suitable factory accommodation, sheds, plots, areas and zones for location of units, lack of infrastructure facilities, insufficient supply of power, lack of speedy communication, improper marketing services etc. In order to overcome all these severe bottlenecks, 'Industrial Estate' is one of the suitable solutions for all these. Hence, Industrial Estates have been extensively used as a tool for accelerating the pace of Industrialization in developed and developing countries especially in India. Industrial Estates have been used with the objectives of promoting Small Scale Industries through generation of industrial entrepreneurship and attracting industries to backward and rural areas. And Industrial Estate has to fulfill the requirements of Small Scale Industries as a whole grouped into large number of Small Scale Industries in a particular place to utilize the common facilities provided.

Industrial Estate offers various advantages to its sponsors, industrialists and the community. An Industrial Estate has been described as "carefully selected and developed tract of land on which readymade general
purpose factories and certain common facilities and services are provided”. It is a tract of land which is sub-divided and developed according to a comprehensive plan for the use of community of industrial enterprises. With a provision of transportation facilities, installation of utilities and erection of factory building in advance of sale or lease to occupants. Generally, the Industrial Estate is a multi-purpose tool taking care of number of problems. It is a place where a large number of units can avail themselves of various common facilities which cannot be easily obtained by small entrepreneurs. It provides facilities for factories like water, power, railway and wharfs, post offices, banks, hospitals, canteens, clubs, libraries and shops and special arrangements for technical guidance etc. Besides this, the Industrial Estates bring a large number of heterogeneous and homogenous industrial units together, facilitates the establishment of common service centres, encourage collective purchase of raw materials and help the organization for economic sale of finished goods. Since, many units are set-up near each other, they become interdependent and complementary to each other providing an incentive for industrial growth.

In a nutshell, Industrial Estates are a means of promoting Small Scale Industries and they are especially a device for expanding, strengthening and locating Small Scale Industries to bring about the rapid, balanced and decentralized industrialization in the country. So, Industrial Estates play an important role in the development of Small Scale Industries and entrepreneurship in India.
1.5 Concept of Entrepreneur

The term "entrepreneur" first appeared in the French language and it is derived from French verb 'entrepreneur', it means to 'undertake'. In early 16th Century, the concept of entrepreneurial function emerged and it was applied to persons engaged in military expedition. Later, its scope was extended to cover civil engineering activities. In 17th Century, an Irishman named Richard Cantillon was the first to use the term 'entrepreneur' to refer the economic activities and he explained the word entrepreneur as a person who buys factor services at certain prices with a view to sell its products at uncertain prices in the future, thereby a non-insurable risk.

The economist J. B. Say12 defined the entrepreneur more comprehensively and superior to the Cantillon's definition on entrepreneur. He defined an entrepreneur as the most important agent of production who provides continuing management and brings together the factors of production. According to him entrepreneur must have judgment, perseverance, and the knowledge of the world as well as that of business.

In 1983, the Oxford Dictionary recognized that the word had a place in business and would mean "one who undertakes an enterprise especially a contractor acting as intermediary between capital and labour. Undertaking of an enterprise is thus entrepreneurship and one who undertakes it, one who combines capital and labor for the purpose of production is an entrepreneur".

The concept of entrepreneur has long been debated. It has been used in various ways and various senses. Even today it is not clear what does this term exactly mean, and who is an entrepreneur. A manager is sometimes
described an entrepreneur, sometimes an innovator or a capitalist and sometimes all of them combined into one is called an entrepreneur. An entrepreneur has many facts and the term is used in various forms. An entrepreneur is an especially talented person who has the capacity to assume risk and ability to innovate.

Arthur H. Cole\textsuperscript{13} described an entrepreneur as a decision maker and performs the functions of an entrepreneur like the determination of those objectives of the enterprise and the change of those objectives as conditions required or made advantageous. The development of an organization including efficient relations with subordinates and all employees, the securing of adequate financial resources, the relation with existing and potential innovators, the requisition of efficient technological equipment and their vision of it as new machinery appeared on the horizon, the development of a market for the products and the devising of new products to meet or anticipate consumers demand and the maintenance of good relations with public authorities and with society at large.

According to Schumpeter\textsuperscript{14} everyone is an entrepreneur only when he actually carries out new combinations and loses that character as soon as he has built-up his business, when he settles down to running it as other people run their business and he stressed the primary function of an entrepreneur is to innovate. While discussing it he stressed that though the basic function of an entrepreneur is to innovate, this function must always be mixed up with other kinds of activities. Thus, innovation means doing the new things or the doing of things that are already being done in a new way. It includes new
processes of production, introduction of new products, creation of new markets, discovery of a new and better services of raw-materials and finally the creation of a better form of industrial organization and organization basically implies bringing together of the various factors of production. The purpose is to allocate the factors in order to minimize the loss and reduce cost of production.

Marshall\textsuperscript{15} described the function of entrepreneur as ‘organization and management of the enterprise as an important function of an entrepreneur’.

Peter F. Drucker\textsuperscript{16} defined an entrepreneur as ‘one who always searches for change, responds to it and exploits it as an opportunity’. He has aptly observed that "Innovation is the specific tool of entrepreneurs, the means by which they exploit change as an opportunity for a different business or a different service. It is capable of being presented as a discipline, capable of being learned, capable of being practiced. Entrepreneurs need to search purposefully for the sources of innovation, the changes and their symptoms that indicate the opportunities for successful innovation and they need to know and to apply the principles of successful innovation.

F.H. Knight\textsuperscript{17} propounded the theory that the entrepreneurs are a specialized group of people who bear risks and deal with uncertainty. According to him, entrepreneur is the economic functionary who undertakes such responsibility in which, by its very nature, cannot be insured or salaried. He also guarantees specified sums to others in return for assignment made to them. The supply of entrepreneurship involves three factors namely, ability, willingness and power to extend such guarantees. Knight has gone a step
ahead and has located the psychological, social and economic factors which
govern the supply of entrepreneurship.

Adam Smith\textsuperscript{18}, the father of political economy, considered
entrepreneur as a proprietary capitalist, a supplier of capital and at the same
time working as manager intervening between that labor and the consumer.
He argues that fundamental economic determinant of growth is the rate of
capital formation.

Thus, it could be understood by the above definitions that the
entrepreneur has been defined in various ways - an innovator, a risk taker, a
resource assembler, an organization builder, and bearer of uncertainty and so
on. An entrepreneur is all of the above combined into one. He identifies
opportunities available in his own environment, exploits them to his best
advantage, introduces new ideas, carries new activities, innovates, co-
ordinates the factors of production and efficiently manages the business.
Hence, an entrepreneur can be defined as "a person who identifies the
opportunities in his environment and responds to it in an innovative way so
as to make economic surplus by engaging himself efficiently and exploiting
environment and opportunities it offers".

The entrepreneurs are the essence of nation whose tasks pertain not
only with innovations, but also with understanding and implementing the
adjustments that are required in day-to-day running of the enterprise. They
must foresee the opportunities that are inherent in or arise in a given situation
and at times they must be in a position to even create opportunities out of a
given situation.
1.6 Concept of Entrepreneurship

The concept of entrepreneurship and its theory have evolved over more than two decades. In the beginning, the attitude of theorists was very cold towards this concept. It is only in recent years, that the role of entrepreneurs has been of very great significance. Many countries have felt this need in shaping industrial growth and economic development.

The word ‘entrepreneurship’ is often used synonymously with the entrepreneurs; conceptually they are different, even though they are two sides of the coin. According to A.H. Cole, entrepreneurship is the purposeful activity of an individual or a group of associated individuals, undertaken to initiate, maintain or organize a profit-oriented business unit for the production or distribution of economic goods or services.

Thus, entrepreneur is essentially a business leader and the function performed by him is entrepreneurship. In other words, entrepreneurship is the quality or attitude of being an entrepreneur, while entrepreneur is an individual, entrepreneurship is an attribute possessed and practiced by an entrepreneur. It is a creative and innovative response to the environment.

In similar way Benjamin Higgins defines the term as ‘Entrepreneurship’ as the function of seeing investment and production opportunity, organizing an enterprise to undertake a new production process, raising capital, having labour, arranging the supply of raw materials, finding site, introducing a new technique and product, discovering new sources of raw-materials and selecting top managers for day-to-day operations of the enterprise. Thus entrepreneurship is meant for the function of creating
something new, organizing and co-ordinating and undertaking risk handling economic uncertainty. And in other words, entrepreneurship can be defined as the process of doing the innovation, taking the decision, assuming the risk, banning the uncertainty, managing the enterprise and making the enterprise a success.

1.7 Entrepreneurship Vis-A-Vis Industrial Estates

Industrial entrepreneurship can be achieved through rapid industrialization in rural, semi-urban and backward areas, but it should be noted that in developing countries like India, entrepreneurial units particularly the smaller ones are encountered with certain problems in respect of inadequate finance for purchase of land and buildings for industrial activities, inadequate supply of power, water, high cost of transportation, insufficient factory space, availability of labour, technical knowledge and materials, lack of developed infrastructure and social services like banks, post office, insurance and cafeteria. Consequently, the industrial development in these countries suffers a setback. Thus, government of these developing countries can be able to provide all these facilities to industrial enterprises. For this, Industrial Estate programme has been introduced as a technique for rapid industrialization for the development of rural and backward areas. Therefore, properly planned and managed Industrial Estates can serve as an effective instrument for bringing the entrepreneurship for industrial development in rural and backward areas.

These Industrial Estates provide a climate that is congenial for the growth of Small Scale Industries by making available several facilities and
these Industrial Estates motivate the entrepreneurs for establishment of new enterprises. Industrial Estates have been recognized as an effective institutional technique for supporting the innovation, expansion and modernization of small industries. Perhaps, on account of these reasons, Industrial Estates play a significant role in the promotion and development of small entrepreneurship.

India Ranks 2\textsuperscript{nd} among highly populated countries in the world with more than 113 crores population, out of which around 80 percent are living in rural and backward areas. Despite all these, among the industrialized countries in the world, India has 13\textsuperscript{th} position. This implies a successful transformation and dispersal of industrial entrepreneurship to rural and backward areas.
References


