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To,
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Dear Sir/Mam,

It gives me immense pleasure to inform you that your paper entitled "A Study of Entrepreneurship Development in Small-scale Industries With Special Reference to Beed District in Maharashtra" has been accepted by review committee to be publish in *Researchers World – Journal of Arts, Science & Commerce* (ISSN: 2231-4172) in April 2012, Volume III , Issue – 2.

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**A STUDY OF ENTREPRENEURSHIP DEVELOPMENT IN SMALL-
SCALE INDUSTRIES WITH SPECIAL REFERENCE TO BEED
DISTRICT IN MAHARASHTRA INDIA**

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ABSTRACT

The present study shows the study of entrepreneurship development in small scale industries in Maharashtra with special reference to Beed district. The study examines the role of entrepreneurship in the development of SSI. It shows the emphasis of entrepreneurship for the generation of employment. The study is based on primary and secondary data. The primary data was collected with the samples while secondary data was collected from population census, statistical reports, Industrial Reports of Government of Maharashtra, annual survey of industries etc. The study reveals that Customer, Land, Raw Material and nearest market place played very important role in entrepreneurship development in small business.

Keywords: Entrepreneurship, small scale industries, Maharashtra

INTRODUCTION:

The entrepreneurial spirit is being revived in India. A search for a better way of life, for creating employment, for creating a meaningful project, is a strong motivational urge felt by many entrepreneurs. So during these times, small enterprises must be given the opportunity to be a great source of growth. This opportunity must be backed by guidance, assistance and capital. Furthermore, an entrepreneurial climate must be created to support the entrepreneurial growth strategy. The spirit of enterprise makes man an entrepreneur. Such a spirit transformed him from a nomad to a cattle herder to settled agriculturists, to a trader and to an industrialist. Thus, entrepreneurs are persons who initiate, organize, manage and control the affairs of a business unit which combine the factors of production to supply goods and services, whether the business pertains to agriculture, industry, trade or profession. Entrepreneur is the central figure of economic activity and propeller of development under free enterprise.

Agricultural or industrial development is brought out by entrepreneurship. The development or under development is the reflection of the development or under development of entrepreneurship in the society.

21st Century is the century of Entrepreneurship, and every individual can be an agent for innovation and change. The 1980s may be known as the decade in which entrepreneurship has emerged as an important element in the dynamics of modern economies. New small enterprises have become the major source of new job creation. Individuals and small businesses have made major contributions to the discovery of new technologies and their commercial application. The concept of entrepreneurship has assumed prime importance for accelerating economic growth both in developed and in developing countries. It is the basis of free enterprise. It creates wealth in the country. It has the thrill of risk, change, challenge and growth. It builds the nation. It is a pathway to prosper. It reduces unemployment and poverty. In India a large number of people is seeking entrepreneurship as a career option. Increasing number of educated youth, are getting attracted towards entrepreneurship and are setting up their business ventures.

The greater emphasis is still on the development of entrepreneurship in small manufacturing units in the expectation that it will multiply employment opportunities, minimize intersectoral and inter regional imbalances, and lead to a more equitable distribution of income among the people of varied social strata.

The building of modern nations depends upon the development of people and the organization of human activity. Capital, natural resources, foreign aid, and international trade; playing important roles in economic growth but none is more important than manpower. The academicians, economists, psychologists, sociologists, social psychologists, anthropologists, politicians and historians alike and also the State, have gradually recognized the importance of entrepreneurship as a major determinant of the rate of economic growth. A fact that industrial enterprise and economic growth are correlated and the activity of an entrepreneur is necessary for launching an industrial enterprise has now become obvious to all. The findings of social science research should be of great significance in designing programmes of action for developing entrepreneurship.

ENTREPRENEURSHIP DEVELOPMENT:

In ancient times, India was said to be the 'golden bird', while every dominant country had an eye on this country. *British Raj* not only hindered the growth of the country but exploited the Indian resources. This is the only reason why industrialization did not come to India for a long period. It cannot however be neglected that *Britishers* introduced Railways, Telephone, Telegraph systems which have highly contributed in the development of our economy. Entrepreneurship was basically promoted by some of the well-known communities in India. It is said that business is in the flesh and blood of the 'Gujaratis' and the 'Marwaris'. Entrepreneurship was highly contributed by the Marwaris, Parsis, Chittis in South, Moplahs in West coast, and the Gujaratis. These were the supply of entrepreneurs to Indian economy. It was these families who showed tremendous enthusiasm and leadership towards entrepreneurship. The development of entrepreneurship gets stimulation after independence. The Government made various efforts for entrepreneurial development. In 1948 Government declared its first industrial policy which divided the industries into four broad categories. Mainly the government policies intended in providing financial and technical aid to fresh entrepreneurs. Various institutions were set up with the purpose of supplying machinery, finance, guidance of expertise from various fields and other physical facilities. Thereafter in 1956, 1977, 1980, 1991, 2001 government declared new policies for industries for its overall development.

There has been an accelerated pace of industrial growth in the small sector since 1967 onwards. There was a deliberate attempt on the part of the Government to select suitable entrepreneurs, train them and help them in identifying suitable items of manufacture. The training of entrepreneurs aimed at imparting the necessary knowledge and skill to adopt small scale industries as a profession. The Government went a step further and developed a package programme to provide necessary inputs needed for starting industrial ventures. It was

increasingly realized that industrial entrepreneurship does not generate by its own and the Government as a prime agency has to play a positive role in that connection. A deliberate attempt was, therefore, made to motivate entrepreneurs to take up industrial ventures as their career, remove disincentives and provide positive assistance. A recent development in industrial entrepreneurship is to provide encouragement and incentives to entrepreneurs in rural and backward areas. Towards that District Industries Centres (DIC) have been set up, which are responsible for providing all possible help and assistance.

ROLE OF ENTREPRENEURS IN EMPLOYMENT GENERATION:

Growing unemployment among educated persons is an acute problem of the nation. The available employment opportunities can cater to only 5 to 10 per cent of the unemployed. Wage employment is a self-saturating. When Government creates, say hundred jobs in various departments, 100 persons get employed and the vacancies are filled for thirty years or so. till these people retire and the vacancies re-emerge. If a hundred persons become entrepreneurs they not only create a hundred jobs for themselves but also provide employment to many more. As the time passes these enterprises grow providing direct and indirect employment to many more. Thus, entrepreneurship is the best way to fight the evil of unemployment.

In the context of employment generation, the three terms i.e. Income Generation, Self-employment and Entrepreneurship are often used interchangeably. Entrepreneurship refers to identification of innovative ideas, setting up of a new enterprise. Whereas, self-employment refers to full time involvement in one's own occupation. One may or may not be bearing the risk, mobilizing inputs, organizing production and marketing the product or service. Income generating activities, on the other hand, are part time, and practiced with a view of raising additional income. All entrepreneurs are self-employed and income generating persons. But all entrepreneurs are self-employed and income generating persons. But all self-employed and income generating persons may not be entrepreneurs.

ENTREPRENEURSHIP DEVELOPMENT IN MAHARASHTRA:

There are plenty of small-scale entrepreneurs in Maharashtra. But, there are a few people who have entered medium and large-scale sectors. This has resulted in a temporary imbalance in the industrial structure. Over the last few decades, small entrepreneurs have emerged as leaders in industrial sector. The pattern and features of entrepreneurship of Maharashtra have lesson for the development of other regions. So is of interest to study the entrepreneurial efforts in Maharashtra and the factors, which have contributed, to their success. There are many factors, which generally affect the growth, and functioning of entrepreneurship. These may include previous occupation, family background, caste, origin, education technical know-how, financial position, government help, personality, traits of entrepreneurs, etc. These factors not only go to make good or bad entrepreneurs but ultimately affect the process of production and industrial development. Thus, in order to promote industrialization it becomes necessary to develop those factors or create those conditions, which help promote entrepreneurship and then industrialization. It is with these objectives in mind that this study has been undertaken. It is true to a large extent that whatever the state has been able to achieve is mainly due to the efforts of the entrepreneurs. They also played a more significant role in creating balances for economic and social development in the country. Promotion of SSI has been one of the main strategies for economic development since 1950's. The development of small-scale industries as a focal point of industrial development is evident and since industrialization has become a necessity because civilization depends upon industrialization. Entrepreneurs play a significant role in the economic development of a country. Therefore, entrepreneurship development has now becomes vital and essential to the economic stability of the developing countries like India, where the problem of unemployment of the educated youths has been posing a very severe and complex situation. An entrepreneur is a person who is able to express and execute the urge, skill, motivation and innovative ability to establish a business or industry of his own, either alone or in collaboration with his friends. His motive is to earn profit through the production or distribution of goods or services. Adventurism, willingness to face risks, innovative and creative power are the inborn qualities of entrepreneurship. The main concerns of an entrepreneur are making dynamic changes in the production process, introducing innovations and finding out new uses for raw materials. Entrepreneurship is a mental attitude to undertake expected risks during the Endeavour to realize objectives. Entrepreneurship can also be explained as a process of executing a work in a new and better way.

OBJECTIVES OF THE STUDY:

The study is planned with the following objectives:

1. To assess the development of the entrepreneurship in small scale industrial units in Maharashtra and

Marathwada region.

2. To review the policies, programs, institutional networks and the involvement of agencies in promoting entrepreneurship development.
3. To study social, economic, educational and occupational backgrounds of the entrepreneur engaged in SSI sector.
4. To study the qualities of entrepreneurs engaged in small's scale enterprises and search for potentialities among them.
5. To identify the problems faced by entrepreneurs in setting up and running their units in the backward Beed district.
6. To suggest measures for the growth of entrepreneurship in the small-scale sector.

RESEARCH METHODOLOGY:

The study is based on both the Primary and the secondary sources. The major sources of secondary data are the population census, statistical reports, Industrial Reports of Government of Maharashtra, annual survey of industries, data from district industry centres and the Joint Director of Industries. To investigate into the origin, performance and problems of the entrepreneurs in small-scale industry for which secondary data are either not available or too inadequate, the primary data was collected through a sample survey of small-scale industries. For this purpose, a structured questionnaire is used to collect the data. Apart from exhaustive reference to available literature in the district, it included information and data collected from knowledgeable person, experts, small-scale industrialists, Government department, traders and experienced persons through the field visits.

SAMPLES SELECTION:

Beed district is taken for the detailed study. There are eleven talukas in the district. 275 entrepreneurs were taken for the study by random sampling technique. The samples were taken from all the talukas showing as follows.

Sr. No.	Taluka in Beed District	Selected Samples Units
1	Beed	25
2	Georai	25
3	Patoda	25
4	Ashti	25
5	Shirur (Kasar)	25
6	Ambajogai	25
7	Kaij	25
8	Majalgaon	25
9	Dharur	25
10	Parli	25
11	Wadwani	25
	Total	275

(Source: Survey Analysis)

LITERATURE REVIEW:

The researcher takes the review of following literature and finds the gaps among them and designs the present study.

- A study conducted by *Jose (2005)* in Kerala revealed that the major problems faced by the SSI units are inadequate finance; Shortage of raw material, low level of technology, difficulties in marketing and transportation, frequent power cuts, etc. The SSI also suffers from serious competition from large scale industries in terms of amount of production, pricing, and quality of the goods, inefficient management and high rate of interest. The study concludes that unless Indian Industrial Units continuously upgrade their technologies, it will be difficult for them to withstand international competitions arising from globalization. This applies more particularly to small scale units as they lag both in terms of technology and competitiveness.

- **Bala Subramaniam (2005)** observed that the performance of SSI sector faces a tough challenge for its survival and growth in the period of globalization. The study indicated that technological obsolescence and timely viability of adequate finance are the issues, which crucially determines the survival and growth of small firms. Moreover the SSI in India finds itself in an intensely competitive environment since 1991 due to globalization measures. As a result, its growth in term of units, employment output and exports has come down. This has resulted in less impressive growth in the contribution to national income and export in the 1991.
- **Jagannath Panda (2005)** focuses on small scale entrepreneurs who started their new ventures in Gujarat State in his study entitled 'Entrepreneurship and Economic Development'. An integral part of his development which have grown up to the stature of potential Indian Multinational like Cedilla, Torrent, Core, Ashima, Adani, Bakeri and the Reliance. Smaller entrepreneurs like Ajanta, Rasna and Syntex have their own success stories. Even hospitality and entertainment sector has some novel and imaginative ventures in Gujarat through its new generation entrepreneurs. The purpose of this study is to analyze the different facets of entrepreneur's development and its economic consequences in the State of Gujarat.
- A study entitled 'Communities and Culture in Entrepreneurship Development in India' undertaken by **Gurpreet Bal (2006)** (Department of Sociology, Guru Nanak Dev University, Amritsar) he focuses in his article that various dimensions of the relationship between tradition and enterprise in the specific context of three distinct business communities in Punjab. It examines in detail the nature of entrepreneurship, pattern of investment, range of business activities, participation of family members and skill formation processes in these communities with a view to derive common characteristics. The analysis suggests that the evolution of entrepreneurial culture involved primordial ties, social and kinship networks and use of informal and family resources. The article concludes that tradition and modernity should be treated as duality, and not as exclusive categories or dualism.
- **Vyankatesh (2007)** analyzed the role of entrepreneur, environment and bankers perception towards to sickness of SSI. The study highlighted that the sickness was mainly due to low level of technical knowledge of the entrepreneur. This was followed by failure in production diversification, failure in brand image and obsolete production technology regarding environmental factors, the study observed that the major factor was the competition from MNC's. On the banker's perception, the credit institution unduly emphasized the security for their loans disregarding the evaluation of project viability.
- **Vidyut Kumar (2007)** in his study take the review of SSI sector in Goa revealed that the SSI units are the vibrant segments of Goan Economy. However in recent years the incidence of sickness and closure among SSI units in Goa has increased a sizeable displacement of the workforce. The SSI sector in Goa, have shown downslide mainly due to inadequate credit flow and infrastructure facilities, low quality products and use of obsolete technology besides challenges of competitions from opening up of the economy, globalization, need for increasing exports and WTO commitment.
- **Mathur Himendu (2007)** undertaken a study entitled 'Changing Role of Banks in Entrepreneurship Development in India' concludes that the Banks are expected to provide entrepreneurs with financial assistance as well as inputs to support and promote their enterprise. The banks have been found to be lacking on both counts and the concept of integrated approach to entrepreneurship development is totally absent. While the infrastructure and supportive inputs like knowledge and training are conspicuous by their absence, the financial assistance made available by the banks is not entirely to the satisfaction of entrepreneurs. One of the major causes that may be identified for huge Non-Performing Assets is the negligence on the part of banks in realizing their role in the proper development of entrepreneurs. Hence, it is imperative in the present scenario that banks reorganize themselves and develop the necessary infrastructure for providing training and imparting the requisite knowledge to entrepreneurs for running their business successfully. Entrepreneurship development is the need of the hour and the banks should actively involve themselves in this task. The results of these efforts would be improved quality of assets and increased business for the banks. In broader terms, the development of entrepreneurs would result in a flourishing business which would not only be profitable but also self-sustaining and making positive contribution to national economy.
- **S. Jagdish Pandi (2008)** undertakes a study on sickness of small scale industries entitled "Incidence of Sickness in Small - Scale Units" highlighted on various factors responsible for sickness of SSI units. He concludes that many of the entrepreneurs lack in managerial competences. The study also indicates that 56.25

percent of the units borrowed working capital loans from institutional sources. As far as infrastructure in concern, power cut is one among the reason for low production. Regarding marketing of the product 68.75 percent of the units were suffered from the problem of mobility constraint. He suggest that a national scheme should be framed to provide employment for the workers which are deployed from closed units, a proper management information system to collect information of various aspects of rehabilitation programme, Need for cluster development programme and setting up Industrial parks, etc.

• **Desai (2009)** in his published book "Environment and Entrepreneur" undertake a review of entrepreneur, entrepreneurship and environmental effects. As per his opinion the concept of entrepreneurship has assumed prime importance both in research and in action for accelerating economic growth in developing countries. He examined entrepreneur and entrepreneurship the person and the process are the critical factors for the growth of organizations. The study bring with the person and the process, conceptual frame work and geographical origins, concept of entrepreneurial functions and gap in economic theory together with explanations of entrepreneurial talents as a model for environments.

• **Mishra Sanjukta (2009)** undertaken a study entitled "Women Entrepreneurship Development in India; (Global Institute of Management Bhubaneswar) concludes that Women entrepreneurship development is an essential part of human resource development. The development of women entrepreneurship is very low in India, especially in the rural areas. Entrepreneurship amongst women has been a recent concern. Women have become aware of their existence their rights and their work situation. However, women of middleclass are not too eager to alter their role in fear of social backlash. The progress is more visible among upper class families in urban cities. The study focuses on women entrepreneur. Any understanding of Indian women, of their identity, and especially of their role taking and breaking new paths, will be incomplete without a walk down the corridors of Indian history where women have lived and internalized various role models. The study talks about the status of women entrepreneurs and the problems faced by them when they ventured out to carve their own niche in the competitive world of business environment.

PERFORMANCE OF SMALL SCALE INDUSTRIES IN INDIA:

The small scale sector has been the harbinger of change in the socio-economic development of Indian economy. It has contributed significantly to the total production, exports and employment in the economy. At a glance the small scale sector performance as showing in the following tables. On the whole, SSI sector has recorded an impressive growth and performance over the last 10-15 years as shown.

ALL INDIA PERMANENT REGISTRATION OF MICRO-SMALL ENTERPRISE.

Table No. 4.01

Sr	State/Union Territory	1995-96	1996-97	1997-98	1998-99	1999-00	2000-01
01	Andhra Pradesh	112916	117132	121039	124950	128321	135738
02	Assam	19242	20721	21954	23136	24109	25503
03	Bihar	101221	108148	114296	119107	123933	130903
04	Gujarat	129455	141951	153497	164785	174899	185008
05	Haryana	94462	98455	63623	53321	54375	88271
06	Himachal Pradesh	14015	14593	15232	15941	16602	17562
07	Jammu & Kashmir	25165	26363	28471	29387	30667	32040
08	Karnataka	115353	124504	143073	150675	159944	169189
09	Kerala	133114	148275	166484	184166	202325	214019
10	Madhya Pradesh	233225	243481	256849	268741	277804	289042
11	Maharashtra	98144	111129	123856	135016	143457	151749
12	Manipur	4928	5157	5314	5439	5588	5911
13	Meghalaya	2005	2166	2323	2514	2711	2868
14	Nagaland	741	757	782	813	1059	1120
15	Orissa	16623	17173	17931	18732	19513	20641
16	Punjab	145471	147563	149405	151180	152768	161598
17	Rajasthan	71479	74450	77047	80229	83651	88486
18	Tamil Nadu	202210	228936	257079	284943	313861	332002
19	Tripura	5833	5901	5946	6001	6058	6406
20	Uttar Pradesh	302557	323475	341788	361033	382027	402606

21	West Bengal	145713	147462	149148	150327	151340	160087
22	Sikkim	275	296	305	312	330	349
23	Andaman & Nicobar	1038	1071	1116	1151	1180	1248
24	Arunachal Pradesh	766	926	945	959	971	1027
25	Chandigarh	2880	2952	2965	3007	3042	3218
26	Dadra & Nagar Haveli	409	454	618	870	978	1035
27	Delhi	25174	25284	25303	25306	25342	26807
28	Goa	5118	5278	5488	5761	5921	6263
29	Lakshadweep	47	51	58	63	72	76
30	Mizoram	3018	3515	3702	4028	4413	4668
31	Pondicherry	4209	4255	4484	4722	4873	5155
32	Daman & Diu	693	920	1135	1455	1507	1594
All-India Total:		2017499	2152794	2261256	2378070	2503641	2672188

Source: <http://www.smallindustryindia.com>

The Table No. 4.01 shows that the permanent registration of Small-scale industries in India during the year 1995-96 to 2000-2001. In the year 1995-96 total number of registration of SSI was 20.17 lakh increased up to 26.72 lakh in the year 2000-01. Whereas in Maharashtra 98,144 units registered as SSI increased up to 1.52 lakh in the year 2000-01. All India growth rate shows that 32.45 percent during the year and in Maharashtra the growth of SSI registration was 54.82 per cent during the year.

SSI sector is the major exporter in India. The export from SSI sector from 1951-52 to 2005-2006 displayed in the table. The table shows that the total export of SSI sector was Rs. 155 crore in 1971-72 was increased up to Rs. 150242.03 crore in the year 2005-06. The growth in percentage was shows 9.6 per cent to 32.92 per cent during the period. The data related to SSI sector during the year 1973-74 to 2002-03 for No. of units, fixed investment, production, employment and export is given in the table no. 3.08. The table shows that 0.416 million units registered in the year 1973-74 increased up to 3.572 million in the year 2002-03. Fixed investment was in the year Rs. 22.96 billion increased up to 90.45 billion, production made by SSI sector was Rs. 72.00 billion increased up to Rs. 7420.21 billion, employment in this sector was 19.965 million increased from 3.97 million and export increased from 3.93 billion to Rs. 860.12 billion during the same period.

EMPLOYMENT PROFILE IN THE TOTAL SSI SECTOR:

It was found that the SSI sector employed 2,49,32,763 persons during the period. The five States, viz., Uttar Pradesh (16.05 per cent), West Bengal (8.7 per cent), Andhra Pradesh (8.58 per cent), Maharashtra (8.23 per cent), Tamil Nadu (8.09 per cent) put together had a share of 49.65 per cent in the total employment. The State-wise position of employment generation is given in the following table.

GROWTH HIGHLIGHTS OF SSI SECTOR IN INDIA:

- Women employees were of the order of 13.31 per cent, whereas the socially backward classes had a share of 57.45 per cent in total employment in the SSI Sector. In the States of Mizoram, Orissa, Karnataka, Goa, Lakshadweep, Kerala, Tamil Nadu and Pondicherry, the share of women employment was significantly higher (more than 20 per cent). The number of children employed in the SSI sector was negligible (0.44 per cent).
- All the SSI units permanently registered up to 31-3-2001 numbering 22,62,401 were surveyed on complete enumeration basis, of which 13,74,974 units (61 per cent) were found to be working and 8,87,427 units (39 per cent) were found to be closed.
- Of the 13,74,974 working units, 9,01,291 were SSIs and 4,73,683 were SSSBEs. Thus, the proportion of SSIs was 65.55 per cent. About 5.08 per cent of the SSI units were ancillary units. The proportion of the units operating in rural areas was 44.33 per cent.
- In terms of no. of working units, six States, viz., Tamil Nadu (13.09 per cent), Uttar Pradesh (11.85 per cent), Kerala (10.69 per cent), Gujarat (10.08 per cent), Karnataka (8.04 per cent) and Madhya Pradesh (7.41 per cent) had a share of 61.16 per cent.

- With regard to closed units, six States, viz., Tamil Nadu (14.33 per cent), Uttar Pradesh (13.78 per cent), Punjab (9.32 per cent), Kerala (8.43 per cent), Madhya Pradesh (7.4 per cent) and Maharashtra (6.11 per cent) had a share of 59.37 per cent.
- The per unit employment was 4.48. The employment per Rs. One lakh investment in fixed assets was 0.67.
- Rice milling industry topped the list in terms of gross output. In terms of exports, textile garments and clothing accessories industry was on top.

CONCLUSIONS:

The following conclusions are drawn from the study.

- Age has been found to be one of the important factors associated with the success of entrepreneurs. It has been found that, the highest number of respondents (105) were in the age group of 25 to 30 years. This shows that majority of entrepreneur started their ventures relatively at an early age. It has also been found that the level of technical education, apprenticeship or previous job experience in the same line of activity helped the entrepreneurs to run their units smoothly and successfully.
- As it may be seen from Table No. 7.02 the classification of selected respondent as per their religion. Most of the respondents (168 per cent) are from Hindu community as well as 26 per cent are from Boudh community, remaining classified as 7 per cent from Muslim community and 2 per cent are from Christian religions.
- The Table No. 7.03 shows the gender wise classification of respondent selected from study area. The Table shows that 92 per cent respondent is men entrepreneurs and 8 per cent respondents were women entrepreneurs.
- It is realized from the Table No. 7.04 that the educational background of the selected entrepreneurs are good. The largest group of 39 per cent of the entrepreneurs is graduates. 31 per cent respondents are completed their education as post graduate. 11 per cent and 2 per cent are H.S.C. and S.S.C. holders respectively. 17 per cent respondents having technical qualifications should be encouraged to enter into entrepreneurship because technical qualification helps in improving internal as well as external performances of any enterprise.
- The family member wise distribution of respondents was analyzed in Table No. 7.05. 129 respondents are having 5 to 8 members, 66 respondents are having 9 to 12 members, 52 are having 1 to 4 members, 13 to 16 members are in 19 respondent's family and only 9 respondents are belongs from large family setup i.e. above 16 members.
- The data regarding the family members are classified in the Table No. 7.06. Highest number of respondent's (51 per cent) family annual income was Rs. 3 to 4 lakhs p.a., followed by 50 member's family income was Rs. 2 to 3 lakhs p.a., 36 respondents are having Rs. 4 to 5 lakh annual income, 33 respondents family income graph shows Rs. 1 to 2 lakh and only 16 respondents are getting more than 5 laths Rs. As their annual family income.
- It reveals from the Table No. 7.07 that most of the respondents (32 per cent) are undertaking services activities followed by production (28 per cent), Trading (21 per cent), Commission Agents (11 per cent) and Repairs & Caretaker (8 per cent). Entrepreneurs are not coming forward to manufacturing activity. They are showing interest in only service and trading units. It is natural that the first-generation entrepreneurs would prefer to trade first and then manufacturing unless they are assured of a readymade market.
- A majority of units were started after 1990 and so they are still two decades old. The units with a great length of life constitute about two third of the total sample units. The Table No. 7.08 shows that 96 respondents are having strong business experience i.e. 10 to 15 years, followed by 27 percent respondents are having 15 to 20 year experience, 8 per cent respondents are doing business form more than 20 year, 63 respondents are having 5 to 10 year experience and only 19 respondents are having newly business or having less than 5 years' experience.
- Ownership of the business place is the very important factors for entrepreneurship development. The Table No. 6.09 and Graph No. 7.09 reveals that 57 per cent respondents are having their own places for business activities, 28 percent respondent running their business at rental places while 15 per cent respondents are occupied Government allotted places.
- It has been found in the study that, 39 per cent respondent are self-motivated, followed by 21 percent are motivated by their families, 17 per cent entrepreneurs are generated by EDP's, 14 per cent are

become entrepreneurs due to their friend's inspirations only 9 per cent respondents are motivated by bank officials and programmes. Thus self-initiative had been responsible for the establishment of the units it is significant to note that the financial institutions and government agencies had also been motivating individuals to start the business.

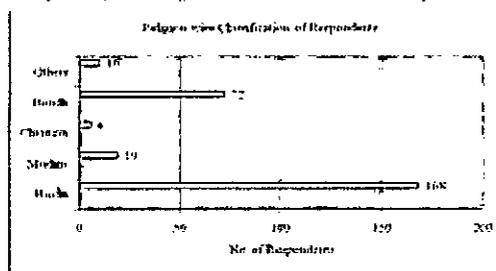
- Family members support in the business activities is very important factors. This indicate that the role of family for entrepreneurial orientation of their children and other members. 63 per cent respondents are told that they receives the family help in their business while 37 per cent respondents are not received any support from their family. Thus those who have business as their family background are more prone to become entrepreneurs.
- The findings of the study with regards to the types of the business ownership are shown in Table No. 7.12 and Graph. No. 7.12. It shows that maximum number of respondent's i.e.91 percent business in sole proprietorship while remaining 9percent respondent's business is on partnership basis. No respondents are concern with Private Ltd. Co. or any other types.
- It may be seen in Table No. 7.13 that the registration of respondents business. 83 per cent respondents are registered their business with Government authority while 17 per cent respondents are not registered anywhere.
- Customer, Land, Raw Material and nearest market place played very important role in entrepreneurship development in small business. Table No. 7.14 describe the selection criteria for business place of respondents. 53 per cent respondents given Nearest Market Place as the important criteria for business, 110 respondents are given the priority to availability of land for business, 88 respondent's location of business is based on the easy availability of raw material and74 respondents are given the priority to customer mobility area.

Table No. 7.02: Religion-wise Classification of Respondents.

Sr. No.	Religion	No's	% to Total
1	Hindu	168	61
2	Muslim	19	7
3	Christian	6	2
4	Buddh	72	26
5	Others	10	4
Total:		275	100

Source: Primary data analysis.

Graph No. 7.02: Religion-wise Classification of Respondents



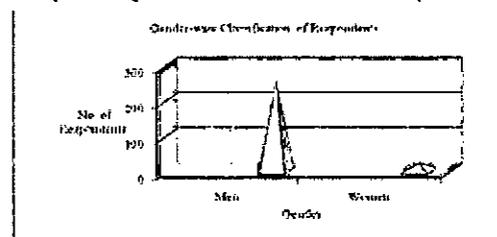
(Source: Table No. 7.02.)

Table No. 7.03: Gender-wise Classification of Respondents.

Sr. No.	Gender	No's	% to Total
1	Men	253	92
2	Women	22	8
Total:		275	100

Source: Primary data analysis.

Graph No.6.03: Gender-wise Classification of Respondents.



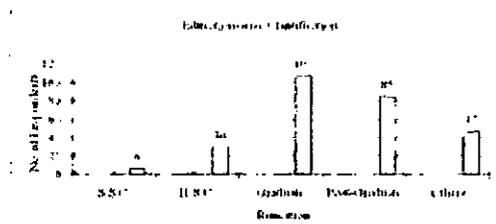
Source: Table No. 7.03.

Table No. 7.04: Education-wise classification of respondents.

Sr. No.	Qualification	No's	% to Total
1	S.S.C	4	2
2	H.S.C	10	1
3	Graduate	107	39
4	Post-Graduate	85	31
5	Others	57	17
	Total:	273	100

Source: Primary data analysis.

Graph No. 7.04: Education-wise classification of respondents.



Source: Table No. 7.04.

Table No. 7.05: Family Member-wise Classification of Respondents.

Sr. No.	Range	No's	% to Total
1	Below 4	32	19
2	5 to 8	129	47
3	9 to 12	66	24
4	13 to 16	19	7
5	Above 16	9	3
	Total:	275	100

Source: Primary data analysis.

Graph No. 7.05: Family Member-wise Classification of Respondents.



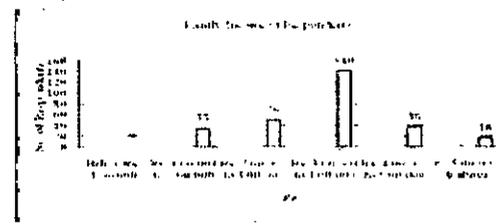
Source: Table No. 7.05.

Table No. 7.06: Income-wise distribution of respondents.

Sr. No.	Income (Rs.)	No's	% to Total
1	Below Rs. 1,00,000	0	0
2	1,00,001 to 2,00,000	22	12
3	2,00,001 to 3,00,000	50	18
4	3,00,001 to 4,00,000	120	51
5	4,00,001 to 5,00,000	75	23
6	5,00,001 & above	15	5
	Total:	275	100

Source: Primary data analysis.

Graph No. 7.06: Income wise distribution of Respondents.



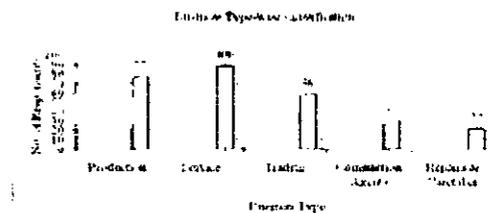
Source: Table No. 7.06.

Table No. 7.07: Business wise Classification of Respondents.

Sr. No.	Types of Business	No's	% to Total
1	Production	22	28
2	Service	85	32
3	Trading	57	21
4	Commission Agents	30	11
5	Repairs & Caretaker	22	8
	Total:	275	100

Source: Primary data analysis.

Graph No. 7.07: Business wise Classification of Respondents.



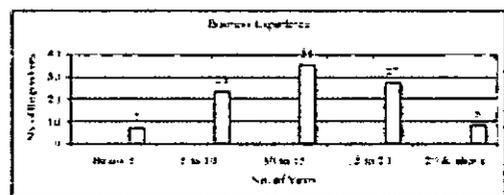
Source: Table No. 7.07.

Table No. 7.08: Business Experience-wise Classification of Respondents.

Sr. No.	No. of years	No's	% to Total
1	Below 5	19	7
2	5 to 10	62	23
3	10 to 15	96	35
4	15 to 20	74	27
5	20 & above	22	8
	Total:	273	100

Source: Primary data analysis.

Graph No. 7.08: Business Experience-wise Classification of Respondents.



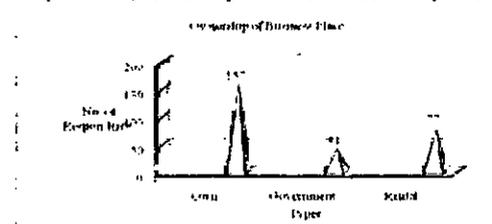
Source: Table No. 7.08.

Table No. 7.09: Ownership of Business Place of Respondents.

Sr. No.	Types	No's	% to Total
1	Own	157	57
2	Government	41	15
3	Rental	77	28
	Total:	275	100

Source: Primary data analysis.

Graph No. 7.09: Ownership of Business Place of Respondents.



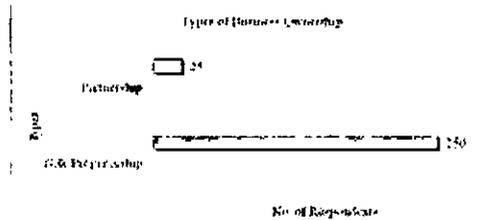
Source: Table No. 7.09.

Table No. 7.12: Types of Business Ownership.

Sr. No.	Type	No's	% to Total
1	Self Proprietorship	250	91
2	Partnership	25	9
Total:		275	100

Source: Primary data analysis.

Graph No. 7.12: Types of Business Ownership.



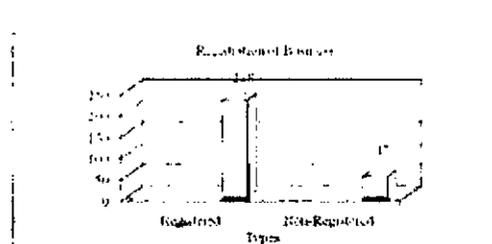
Source: Table No. 7.12.

Table No. 7.13: Registration of Business.

Sr. No.	Type	No's	% to Total
1	Registered	225	83
2	Non-Registered	47	17
Total:		275	100

Source: Primary data analysis.

Graph No. 7.13: Registration of Business.



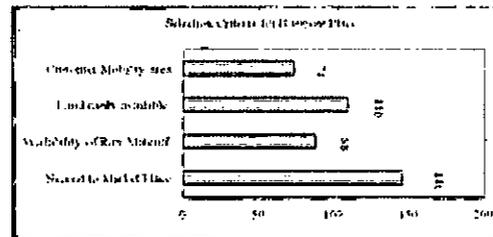
Source: Table No. 7.13.

Table No. 7.14: Selection Criteria for Business Place.

Sr. No.	Criteria	No's	% to Total
1	Nearest to Market Place	126	53
2	Availability of Raw Material	88	38
3	Land easily available.	110	20
4	Customer's Mobility area	72	27

Source: Primary data analysis.

Graph No. 7.14: Selection Criteria for Business Place



Source: Table No. 7.14.

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Entrepreneurship Development and Small-scale Industries in Maharashtra

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Introduction:

There are plenty of small-scale entrepreneurs in Maharashtra. But, there are a few people who have entered medium and large-scale sectors. This has resulted in a temporary imbalance in the industrial structure. Over the last few decades, small entrepreneurs have emerged as leaders in industrial sector. The pattern and features of entrepreneurship of Maharashtra have lesson for the development of other regions. So is of interest to study the entrepreneurial efforts in Maharashtra and the factors, which have contributed, to their success. There are many factors, which generally affect the growth, and functioning of entrepreneurship. These may include previous occupation, family background, caste, origin, education technical know-how, financial position, government help, personality, traits of entrepreneurs, etc. These factors not only go to make good or bad entrepreneurs but ultimately affect the process of production and industrial development. Thus, in order to promote industrialization it becomes necessary to develop those factors or create those conditions, which help promote entrepreneurship and then industrialization.

Entrepreneurship Role:

Entrepreneurs play a significant role in the economic development of a country. Therefore, entrepreneurship development has now becomes vital and essential to the economic stability of the developing countries like India, where the problem of unemployment of the educated youths has been pausing a very severe and complex situation. An entrepreneur is a person who is able to express and execute the urge, skill, motivation and innovative ability to establish a business or industry of his own, either alone or in collaboration with his friends. His motive is to earn profit through the production or distribution of goods or services. Adventurisms, willingness to face risks, innovative and creative power are the inborn qualities of entrepreneurship. The main concerns of an entrepreneur are making dynamic changes in the production process, introducing innovations and finding out new uses for raw materials. Entrepreneurship is a mental attitude to undertake expected risks during the Endeavour to realize objectives.

SSI Sector:

The SSI sector is the major contributor to the industrial economy of the country. It accounts for 95 per cent of the country's factory ownership, contributes nearly 45 per cent of the total industrial production and export from this sector account for 45 per cent of total India's export. The Production of SSI sector continued to grow generally at a rate higher than that of the industrial sector. It has registered more than twelve fold increase at constant prices during the 30 years period from 1973-74, while employment grew over more than four times during this period. The most significant achievement of the SSI sector is its performance in terms of exports. The contributions of SSIs to India's export are significant. This sector is engaged in providing technical / commercial training to a large segment of rural and urban population who either cannot afford to seek higher education or just cannot find a berth in a highly competitive employment situation.

Maharashtra SSI Scenario:

Industrial Sector plays a crucial role in the rapid and balanced economic development of the state. The high level of industrialization of the state is evident from its consistent contribution of more than 20 per cent in the value of output in the organized industrial sector in the country. The Annual Survey of Industries (2000-01), revealed that Maharashtra continued to maintain its leading position in the country with its contribution of 21.5 per cent in the net value added in the organized industrial sector. It has observed that the Industry groups chemicals and chemical products, refined petroleum products, machinery and equipments, Textiles, basic metals, motor vehicles, trailers etc. and other transport equipments contribute together was more than 80 per cent in the total net value added in the manufacturing sector in the state and at All India level it was 68 per cent in the year 2000-01. See Table 1

The above table shows the growth indicators of SSI sectors of Maharashtra in terms of number of SSI, Investments and Employments. The table shows that up to Sept 30, 2006 the total number of SSI units was 1.40 lakh. The investment and number of employment also seen from the table.

Table No. 01: Total No. of Permanent Registered SSI in Maharashtra up to 30/09/2006.

Sr.	Region	No. of SSI Unit	Investments Rs. ,000	Employment
1	Mumbai	12962	710682	140103
2	Konkan	13016	271012	144336
3	Nashik	18533	280843	114897
4	Pune	67557	176734	345534
5	Aurangabad	9219	90855	74643
6	Amravati	5978	48498	37015
7	Nagpur	12840	77973	88628
Total:		140105	1656597	945156

(Source: Maharashtra at a glance, Directorate of Industries.)

Table No. 02: Small Scale Industries in Marathwada Region.

Sr. No.	Year	No. of Units	Investments (Rs. Crore)	Employments
1	1990-91	3635	99.17	18150
2	1991-92	4690	109.14	22220
3	1992-93	5878	143.24	29599
4	1993-94	6260	168.84	34320
5	1994-95	6991	244.10	37575
6	1995-96	7999	358.38	32510
7	1996-97	8448	435.18	53219
8	1997-98	9321	807.07	58883
9	1998-99	10267	868.38	68952
10	1999-00	11116	1188.47	79269
11	2000-01	9240	1263.75	80287
12	2001-02	12408	1884.60	89671
13	2002-03	6906	2509.38	61562
14	2003-04	9129	2646.68	109485

(Source: Joint Director of Industries, Aurangabad.

To know the development of SSI sector in Maharashtra State and Marathwada region, the above Table shows the progress in numbers, Investment and employment from 1978-79 to 2003-04. There are many fluctuations in total number of units because of clos-

ing and sickness but it gives the trend of development in SSI. In terms of entrepreneurship development the SSI sectors plays a very important role.

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