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"A Study on Social and Economic States of Agro-based Industrial Entrepreneurs in Kalyana Karnataka Region of Karnataka"

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Abstract: *The entrepreneurs of the small industry have a prominent role in a developing economy, as the success of these industrial enterprises depends largely upon the capabilities and the talents of the entrepreneurs and there by promotes the industrialization process. To make the small scale industry more dynamic in accelerating industrial development for facilitating larger employment generation and output expansion, there is an imperative need to promote the entrepreneurial talents as inadequate supply of entrepreneurs, constrains the process of rapid industrialization and that of sustaining the economic development Several factors contribute to the development of entrepreneurs and their abilities such as the motivation and the aptitude to undertake risk-bearing industrial activities, level of education, economic and socio-cultural, background, training assistance and other facilities provided by the promotional agencies etc. Despite the pursuit of the promotional policies rapid strides in the entrepreneurial development have not been achieved in order to bring about the strengthening of the small scale agro based industries development. In this study an attempt is made to examine the entrepreneurial and agro based small industrial development in kalyana Karnataka Region.*

Key Words*: **Industry, Entrepreneurship, Productivity, Motivation, Employment.***

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I. Introduction:

Entrepreneurial development facilitates the development of industrialization process, particularly in promoting the development of the small industry in order to increase the employment and income generation and that of the sustenance of economic development while, promoting the entrepreneurial talents and that of entrepreneurial efficiency. The development of the small industry depends on the widening of the entrepreneurial base, augmenting the entrepreneurial skills, and this increases the efficiency of entrepreneurs and thereby promotes the economic viability of the small industry with an increase of the value added, value of output, profit, profit rate and that of the productivity of the factors deployed to sustain production in the small industry. Entrepreneurial development is also influenced by the economic and non-economic factors.

The background of the entrepreneurs of small scale industrial units in the study/area by considering the Age, Caste, Community, origin, initiation, reason for choosing the line of manufacture, educational qualifications, year of establishment, training and experience and the parental economic status is presented in the following.

An attempt has been made to assess and analyse the following aspects of the small scale industry and entrepreneurial performance.

II. Objectives Of The Study:

The specific objectives of the study are

1. To discuss the structural and organizational aspects of small scale industries.
2. To analyse, the Branches of Small scale industries in study area.
3. To analyse the Type of Organization in study area.
4. To Find out the Motivating Factors to Start the Small Scale Industries.
5. To trace out the gender and caste wise entrepreneurs in kayana karanataka.
6. To know the Previous Experience of Small scale industrial Entrepreneurs.

The study area covers those industries, which are directly or indirectly related to agriculture from the inputs side at the first stage of production. The industries which have been selected for the field study are Dall mills, Rice mills. Flour mill/chili powder, Edible oil industry, Jaggery industry, Cotton Ginning & Pressing Industry, Manufacturing industry and Service industries.

III. Methodology:

The study is undertaken by collecting both Secondary and Primary sources of data and information. However, the main focus of the study is on primary source of data and information. Accordingly, multi stage sampling method has been followed in the collection of Primary data. The stages are as follows:

Data source:
Primary Data:
Stage-I: Selection of the district:

One of the main objectives of the study is to evaluate the role and contribution of small scale-industrial development of kalyana Karnataka, In order to attain the objectives, kalyana karanataka region of Karnataka state has been selected for the in-depth study.

Stage-II: Selection of the Study Area:

The Hyderabad Karnataka comprising 6 districts has been selected for the purpose of the study. Furthermore, as per the data available from DICs in kalyana Karnataka , it is observed that, all types of small scale industries, are found to be operating in Region. The region covered in the six Districts is Ballari, Bidar, Kalaburagi, Koppal, Raichur and Yadagiri.

Stage-III: Selection of the Industrial Units:

For the selection of the industrial units from the K K Region, simple random sampling method has been adopted. However, the sample size of industries falling in each category varied from 5 per cent to 10.0 percent. This is done in order to make a fair representation of industries from different categories. Thus, taking all the categories together, 8 types of small Industries are considered for the purpose of the study (Dall Mills, Rice Mills, Flour Mills & Chili Powder, Edible Oil Industry, Cotton Ginning & Pressing, Manufacturing of Agri. Implements and Service Industry).

Table .1 Branches of Small scale industries

Industry	Yes	No	Total
Dall Mills	14 (11.9)	104 (88.1)	114 (100.0)
Rice Mills	0 (0.0)	14 (100.0)	14 (100.0)
Flour Mills & Chilli Powder	2 (14.3)	12 (85.7)	14 (100.0)
Edible Oil Industry	0 (0.0)	4 (100.0)	4 (100.0)
Jaggery Industry	2 (100.0)	0 (0.0)	2 (100.0)
Cotton Ginning & Pressing	0 (0.0)	4 (100.0)	4 (100.0)
Manufacturing of Agri. Implements	4 (5.4)	70 (94.6)	74 (100.0)
Service Industry	0 (0.0)	4 (100.0)	4 (100.0)
Total	**22 (9.4)**	**212 (90.6)**	**234 (100.0)**

Note: figures on parenthesis indicates percentage
Source: Field Survey.

Above table clearly shows that, 212 (90.6 percentage) small scale industries were no branches, while 22 (9.4 percent) were branches. So, it is clear that, majority of small scale industries were sole units. This could be because of the fact that, majority of the small scale amount of labour and low amount of investment, in this situation they start only single unit.

2. Organization and Management:

Organization and management play a vital role for the successful working of an industrial unit. The type of entrepreneurship and form of business organization make a difference in the productivity.

Table 2 provide types and forms of management of small scale industries in the Study district. It can be observed that, about 93.2 percent (218 units) of the units are sole proprietors, whereas, 6.8 percent (16 units) of the units have been recorded as partnership.

The form of organization of small scale industries varies from one industry to another. This is because of the differences in the nature and type of industry, the extent of capital and the nature of skills required by the industry. It is evident from the table 2, that, the proportion of sole proprietor is high i.e., 100 percent in Flourmills & Chili powder, Edible oil, Cotton- Ginning & Pressing Mills and Service Industry. 94.6 percent in case of Manufacturing of agricultural implements, 93.2 percent in Dall mills, 85.7 percent in Rice Mills and zero percent in Jaggery industry in the Study area.

Table. 2 Type of Organization

Industry	Sole proprietor	Partnership	Total
Dall Mills	110 (93.2)	8 (6.8)	118 (100.0)
Rice Mills	12 (85.7)	2 (14.3)	14 (100.0)
Flour Mills & Chili Powder	14 (100.0)	0 (0.0)	14 (100.0)
Edible Oil Industry	4 (100.0)	0 (0.0)	4 (100.0)
Jaggery Industry	0 (0.0)	2 (100.0)	2 (100.0)
Cotton Ginning & Pressing	4 (100.0)	0 (0.0)	4 (100.0)
Manufacturing of Agricultural Implements	70 (94.6)	4 (5.4)	74 (100.0)
Service Industry	4 (100.0)	0 (0.0)	4 (100.0)
Total	**218 (93.2)**	**16 (6.8)**	**234 (100.0)**

Note: figures on parenthesis indicates percentage
Source: Field Survey.

3. Gender and caste wise Small scale industries:

The entrepreneurship of the small scale industries is the main segment of the bearing on the element of entrepreneurial abilities, but various casts might be important pursuing entrepreneurship activities. Such that entrepreneurship concept is also very important.

Table .3 Gender and caste wise industries.

Industry	General category	SC / ST	Women	Total
Dall Mills	100 (84.7)	4 (3.4)	14 (11.9)	118 (100.0)
Rice Mills	714 (100.0)	0 (0.0)	0 (0.0)	14 (100.0)
Flour Mills & Chilli Powder	14 (57.1)	0 (.0)	6 (42.9)	14 (100.0)
Edible Oil Industry	4 (100.0)	0 (0.0)	0 (0.0)	4 (100.0)
Jaggery Industry	2 (100.0)	0 (0.0)	0 (0.0)	2 (100.0)
Cotton Ginning & Pressing	4 (100.0)	0 (0.0)	0 (0.0)	4 (100.0)
Manufacturing of Agricultural Implements	56 (75.7)	14 (18.9)	4 (5.4)	74 (100.0)
Service Industry	4 (100.0)	0 (0.0)	0 (0.0)	4 (100.0)
Total	**192 (82.1)**	**18 (7.7)**	**24 (10.3)**	**234 (100.0)**

Note: figures on parenthesis indicates percentage
Source: Field Survey.

From the above table depicted that, the general category respondents percent is high i.e., 96 (82.1 percent) out of 234 samples 100 (84.7 percent) entrepreneurs run the Dall industries; 14(100 percent) run the Rice mills; 8 (57.1 percent) run the Flour Mills & Chilli Powder mills; 4 (100 percent) run the Edible Oil Industry; Jaggery , Cotton Ginning & Pressing and service industries percent also same i.e, 100). But general category role in Manufacturing of Agri. Implements mills is 56 (75.7 percent). In present rural situation

dominant category role in rural areas are common. Because they are socially and economically more dominant and also they are economically better off. From the table it is said that second category is SC/ST their entrepreneurship in small scale industry percent i.e., 14 (7.7 percent) it is in Dall units entrepreneurship is 4 (3.4) and Manufacturing of Agri. Implements mills in 56 (75.7 percent). Govt of India and Karnataka gave the various economic and social building and training programmes and facilities, but their amount is meagre. Only a few rural entrepreneurs run the ago industries.

The table spells that, entrepreneurs is very often i.e., 24 (10.3 percent). out of this 10.3 percent are under women entrepreneurs their entrepreneurs is highest in Flour Mills & Chilli Powder 6 (49.3 percent); Dall mills is 14 (11.9 percent); Manufacturing of Agri. Implements 2(5.4 percent) and remaining industrial entrepreneurs percent is negative.

The table tells that, regarding women entrepreneurs is highest in Flour Mills & Chilli Powder. It shows these industries run by women only, not in Gulbarga, Karnataka and in world also. Because these units takes small amount of money. In present global era the Government of Karnataka has taken several steps for rural small scale industrial uplifment programmes, but their amount is very meagre in present situation.

Women entrepreneurs constitute 10.3 percent. Women are counted in the most disadvantaged group. They lack education, skills and opportunities. Moreover, they are not the entrepreneurs of any sort of property. Even, the meagre percent of the women entrepreneurs, expressed that, they are only the nominal heads of the business, whereas, male members of the family are the operational heads of the business.

4. Motivating Factors to Start the Small Scale Industries:

The motivating factors behind the starting of the small scale industrial units are purely influenced by the availability of raw materials, followed by good market and transportation and others

Table .4 Motivating factor of Small scale industries

Industry	Availability of raw-material	Marketability	Transport facilities	Others	Total
Dall Mills	112 (94.9)	6 (5.1)	0 (0.0)	0 (0.0)	118 (100.0)
Rice Mills	12 (85.7)	0 (0.0)	2 (14.3)	0 (0.0)	14 (100.0)
Flour Mills & Chilli Powder	8 (57.1)	4 (28.6)	2 (14.3)	0 (0.0)	14 (100.0)
Edible Oil Industry	2 (50.0)	0 (0.0)	2 (50.0)	0 (0.0)	4 (100.0)
Jaggery Industry	2 (100.0)	0 (0.0)	0 (0.0)	0 (0.0)	2 (100.0)
Cotton Ginning & Pressing	4 (100.0)	0 (0.0)	0 (0.0)	0 (0.0)	4 (100.0)
Manufacturing of Agricultural Implements	78 (91.9)	4 (5.4)	0 (0.0)	2 (2.7)	74 (100.0)
Service Industry	0 (0.0)	4 (100.0)	0 (0.0)	0 (0.0)	4 (100.0)
Total	**208 (88.9)**	**18 (7.7)**	**6 (2.6)**	**2 (.9)**	**234 (100.0)**

Note: figures on parenthesis indicates percentage
Source: Field Survey.

It is evident from the table 4 that, out of 234 units covered during field survey 208 units (88.9 percent) have been started on account of abundant availability of raw materials, whereas, 18 units (7.7 percent) of the small scale industrial units are motivated by the favourable market conditions prevailing in the Study district, 6 units (2.6 percent) reported that, they have started because of good transportation facilities available in the Study area. Only one unit (9 percent) is influenced by the others facilities available in the district.

Thus, availability of raw- material and favourable market conditions are the major factors motivating, to start small scale industries.

Table .5 Previous Experience of Small scale industrial Entrepreneurs

Industry	Yes	No	Total
Dall Mills	26 (22.0)	92 (78.0)	118 (100.0)
Rice Mills	0 (0.0)	14 (100.0)	14 (100.0)
Flour Mills & Chili Powder	0	14	14

	(0.0)	(100.0)	(100.0)
Edible Oil Industry	0 (0.0)	4 (100.0)	4 (100.0)
Jaggery Industry	2 (100.0)	0 (0.0)	2 (100.0)
Cotton Ginning & Pressing	4 (100.0)	0 (0.0)	4 (100.0)
Manufacturing of Agricultural Implements	30 (40.5)	44 (59.5)	74 (100.0)
Service Industry	4 (100.0)	0 (0.0)	4 (100.0)
Total	**66 (28.2)**	**168 (71.8)**	**234 (100.0)**

Note: figures on parenthesis indicates percentage
Source: Field Survey.

The previous experience is also another motivating factor to start industries. According to the table .5, about 168 units (71.8 percent) had no previous experience at all in related area, and 66 units (28.2 percent) had some experience. Thus, it is clear from the table that, small scale industries can be started and run profitably with some sort of experience.

IV. Conclusion:

Entrepreneurial development plays a vital role in enhancing the industrialisation process and that of economic development, particularly the development of small industry. As the progress of these small scale industrial units depends on the fostering of entrepreneurial development, it is essential to promote the entrepreneurial talents and skills in order to develop the entrepreneurial base in the economy, to facilitate the supply of entrepreneurs to sustain the development of small industry so as to accelerate the employment and that of income generation. The entrepreneurial theories have indicated that the economic, sociological, psychological, behavioural and organisational aspects influence the development of entrepreneurs and their skills and talents and that of the supply and demand for entrepreneurs. An entrepreneur has to perform several functions such as motivating, risk bearing, planning, organisation and management, while promoting out industrial development so as to make the small industry economically more viable and attain that of industrial efficiency.

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