CHAPTER IV

PATTERN OF ENTREPRENEURSHIP AMONG THE AYURVEDIC MEDICINE MANUFACTURERS FROM THANE DISTRICT

4.1 Introduction

This chapter owes much to the primary data collected during the field survey. The purpose of this chapter is to study the various facets of pattern of entrepreneurship among the manufacturers of Ayurvedic medicines from Thane District of Maharashtra. It studies the socio-economic profile of the entrepreneurs, factors motivating them to enter this specific business of Ayurvedic medicines, business profile of the entrepreneurs and relationship or association among different variables.

Emergence of entrepreneurship in any field is the outcome of different social, cultural and economic variables. The factors influencing entrepreneurial growth are socio-cultural traditions, support system and environment. Regional status, caste family background, qualification, experience, training are some of the factors playing crucial role in the success of an entrepreneur. The knowledge about socio-economic background of the entrepreneurs is very important to formulate the future policies regarding schemes of financial assistance, concessions, subsidies, etc. In order to find out type of people who have entered the business of manufacturing of Ayurvedic medicines in Thane District, their personal information along with the information about their socio-economic status was collected.

The following factors influence the entrepreneurship in different fields. These factors are interdependent, so they influence each other (Laxmisha, 2004)

These factors are:

- Regional status
- Age
• Qualification
• Type of family
• Family background
• Reasons for entry in the business
• Initial and latest income
• Motivating persons
• Co-operation from spouse
• Previous experience in similar line
• Forms of organization
• Entrepreneurial training
• Sources of initial finance
• Size of initial and latest investment
• Type of markets in which products are sold

Most of the factors in the above list are qualitative in nature and there is a possibility that they are interlinked or associated with each other. This association was tested by using a Non-parametric Statistical test like Chi-square test of testing the hypothesis. Since the sample size exceeds 30, this large sample test could be used easily.

The association between one factor from the list and remaining factors can be tested by considering different values of Chi-square. If the calculated value of Chi-square is greater than its Table value then the hypothesis of independence between two variables is rejected and the association between the variables can be proved. If calculated value of Chi-square is less than the table value, then the null hypothesis of independence is accepted. The values of Chi-square can be calculated by using Contingency Table (Lowry, 2001). In certain cases some cell frequencies were less than 5, so for such cases Fisher’s exact probability test was used to check the association between two factors (Lowry, 1998).

4.2 Regional status of the Entrepreneurs
An effort to measure the association between regional status and all the other determinants of entrepreneurship pattern gave the following results.

a) Regional status and age of the entrepreneurs are not associated. In both the communities, Maharashtrian and Non-Maharashtrian there are more entrepreneurs in the middle and higher age group compared to young age group. The value of Chi-square is 0.98. In the case of Maharashtrian community five entrepreneurs (26.31%) belong to younger age group and 14 entrepreneurs (73.68%) belong to middle and higher age group. In the same way 13 Non-Maharashtrian entrepreneurs (44.82%) are from younger age group and 16 (55.17%) are from middle and higher age group. Thus age-wise distribution of entrepreneurs is independent of the community to which they belong.

b) Regional status and qualification of the entrepreneurs are not associated. The value of Chi-square is 0.35. Entrepreneurs having suitable qualification have acquired either Graduate or Post-graduate degree in Ayurvedic medicines or Pharmacy. They are B.Sc. in Chemistry and Botany as well. Eleven Maharashtrians and eight Non-Maharashtrians fall in this category. Out of total 24 entrepreneurs having suitable qualification 11 (45.83%) are Maharashtrian and 13 (54.16%) are Non-Maharashtrian. In the context of this survey, there is no reason to say that there are significantly more number of entrepreneurs from any one community having suitable degree to start the production of Ayurvedic medicines. It is proved; at least for this sample that qualification of the entrepreneurs is not community specific. In today’s competitive world admission to such professional courses depends on one’s own caliber, aptitude for that course, ability to face competitive exam successfully, luck factor and one very important factor is the parent’s economic capacity to pay the donation, if required.

c) Regional status and type of family are not associated. The value of Chi-square is 0.22. Out of 19 Maharashtrians nine (47.36%) are from joint family and 10 (52.63%) are from nuclear family. In Non-Maharashtrian
d) Regional status and Family background are not associated. The value of Chi-square is 2.1. Out of 19 Maharashtrian entrepreneurs, nine entrepreneurs (47.36%) show business background. This proportion is somewhat more for Non-Maharashtrian community in which out of 29 entrepreneurs 21 (72.41%) are having business background. Though it is fact that Maharashtrians prefer service to business and some business oriented communities like Marwari and Guajarati prefer business, the selected sample does not show any statistically significant difference between these communities as far as family background is concerned.

e) Regional status and income of the entrepreneur at the time of establishment of the business are not associated. The value of Fisher’s exact probability is p=0.062. Out of 19 and 29 Maharashtrian and Non-Maharashtrian entrepreneurs 15 Maharashtrian (78.94%) and 16 Non-Maharashtrian entrepreneurs (55.17%) respectively were earning less than Rs. 20,000 per month before starting their business. Regional status and current income of the entrepreneurs are not associated. The value of Chi-square 0.23 shows that two community groups do not differ significantly as far as current income is concerned. Entrepreneurs from both the communities show considerable rise in their current income compared to initial income. Data reveal that 12 (63.15%) Maharashtrian and 15 Non-Maharashtrian entrepreneurs (51.72%) earn more than Rs. 40,000 per month.

f) Regional status and the reasons for the entry in the business are not associated. The value of Chi-square is 0.03. Entrepreneurs from two communities do not show much difference when the reasons for their entry in the business were asked. 55% Maharashtrian and 65% Non-Maharashtrian entrepreneurs have given the first two reasons for their entry. According to the opinions expressed by entrepreneurs of both the
communities, achieving something was the reason, ranked first and continuing family business was ranked second.

g) Regional status and the persons motivating the entrepreneurs are not associated. The value of Chi-square is 0.01. Majority of the entrepreneurs from both the categories seem to be motivated by family members 15 Maharashtrians (78.94%) and 18 Non- Maharashtrians (62.06%). Very few entrepreneurs from both the communities (Two Maharashtrians and five Non-Maharashtrians) are self motivated. It shows that decision to start the business is rarely taken independently and most of the time it is due to the motivation from others, people enter a particular business.

h) Regional status and co-operation from the spouse are significantly associated. Maharashtrian and Non-Maharashtrian community differ significantly as far as co-operation from spouse is concerned. Out of 19 Maharashtrians 16 Maharashtrian entrepreneurs (84.21%) get co-operation from their spouse whereas only 15 Non-Maharashtrians out of 29 (51.72%) get co-operation from their spouse. This feature may be attributed to the progressive nature of Maharashtrian community and somewhat conservative nature of Non-Maharashtrian community. Educated Maharashtrians believe in men women equality and they value the opinions expressed by their spouses. Women entrepreneurs from Maharashtrian community usually get the co-operation from their husbands and other family members. This picture is rarely seen in Non-Maharashtrian communities.

Table no.4.1 Regional status and co-operation from spouse

<table>
<thead>
<tr>
<th>Regional status</th>
<th>Maharashtrian</th>
<th>Non-Maharashtrian</th>
</tr>
</thead>
<tbody>
<tr>
<td>Get co-operation</td>
<td>16</td>
<td>15</td>
</tr>
<tr>
<td>Do not get co-operation</td>
<td>3</td>
<td>14</td>
</tr>
<tr>
<td>Total</td>
<td>19</td>
<td>29</td>
</tr>
</tbody>
</table>
i) The above table shows that only 3 Maharashtrian entrepreneurs (15.78%) do not get co-operation from the spouse, but there are 14 Non-Maharashtrian entrepreneurs (48.27%) who do not get any co-operation from their spouse. During the course of interview some Non-Maharashtrian male entrepreneurs, particularly Rajasthani, said that question of getting co-operation in the business from wife never arises in our community.

j) Regional status and previous experience are not associated. The value of Chi-square is 0.53. Out of 19 Maharashtrian entrepreneurs 11 entrepreneurs (57.89%) reported to have previous experience in the similar line. In the same way 21 entrepreneurs out of 29 Non-Maharashtrian entrepreneurs (72.41%) have gained experience in somewhat similar line. Two groups do not differ as far as experienced entrepreneurs are concerned.

k) Regional status and forms of organization are not associated. The value of Chi-square is 3.65. Data showing 26% Maharashtrian and 51% Non-Maharashtrian entrepreneurs choosing proprietorship form of organization do not provide any evidence for assuming that a particular community prefers a particular form of organization.

l) Regional status and entrepreneurial training are not associated. The value of Chi-square is 0.13. Since Ayurvedic medicine manufacturing is a specialized field, it needs qualified Ayurvedic doctors as an owner or assistant so there is no question of entrepreneurs undergoing training for this business. That is the reason why only seven Maharashtrians (36.84%) and eight Non-Maharashtrians (27.58%) have undergone training related to some aspects of business.

m) The value of Chi-square 0.03 indicates that regional status and sources of initial finance are not associated. In both the communities Maharashtrian and Non-Maharashtrian more entrepreneurs show the preference for personal finance as compared to formal or institutional finance. Twelve (63.15%) and 15 entrepreneurs (51.72%)
from Maharashtrian and Non-Maharashtrian community respectively used personal finance and 11 (57.89%) and 13 entrepreneurs (68.42%) from these communities depended on formal sources of finance. Some entrepreneurs seem to be depending on both the sources of finance to save some burden of interest and fulfill their financial requirements simultaneously.

n) Regional status and the investment made by the entrepreneurs at the time of establishment of their units are not associated. Value of Fisher’s probability p=0.2440. In both the communities only four entrepreneurs i.e. 21.05% and 13.79% could invest more than Rs.30 Lacs at the time of establishment of the unit and majority of them could invest less than Rs. 30 Lacs while establishing their units.

Regional status and latest investment made by the entrepreneurs are significantly associated. The data show that the latest investment pattern differs significantly as far as community is concerned. This is made clear in the following table.

<table>
<thead>
<tr>
<th>Regional Status</th>
<th>Size of current investment(Rs)</th>
<th>Maharashtrian</th>
<th>Non-Maharashtrian</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>5,00,000-15,00,000</td>
<td>4</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td>15,00,000-60,00,000</td>
<td>5</td>
<td>13</td>
</tr>
<tr>
<td></td>
<td>75,00,000-5,00,000,00</td>
<td>9</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td>Above 5,00,000,00</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>19</td>
<td>29</td>
</tr>
</tbody>
</table>
Out of 19 Maharashtrian entrepreneurs nine (47.36%) have invested between 5 Lacs and 60 Lacs and 10 (52.63%) have invested between 75Lacs and more than 5 Crore. But this pattern of investment differs significantly among Non-Maharashtrian entrepreneurs. Among them 22 (75.86%) have invested between 5 Lacs and 60 Lacs and only 7 (24.13%) have invested between 75 Lacs and more than 5 Crore. The value of Chi-square, obtained after pooling the cells with the frequency less than five is 4.08. This value is more than the table value of Chi-square 3.84 at 5% level of significance. This fact compels us to reject the null hypothesis of independence and indicates that two communities differ significantly in respect of the size of current investment.

o) Regional status and type of markets in which entrepreneurs sell their products are not associated. The value of Chi-square is 0.24 which leads to acceptance of null hypothesis of independence between regional status and type of market in which products are sold. No community shows any special inclination towards selling their products in any specific market. In both the categories majority of the entrepreneurs sell their products in either local or state-wide markets and very few sell in international markets. During the survey it was found that 12(63.15%) and 19 entrepreneurs(65.51%) from Maharashtrian and Non-Maharashtrian communities respectively sell their Ayurvedic medicines in local and state-wide markets and hardly five to six entrepreneurs from both the communities sell their medicines in international markets. Due to heavy restrictions on import of Ayurvedic medicines from India, very few entrepreneurs dare to export their products and that too indirectly.

4.3 Age of the Entrepreneurs

a) Age of entrepreneurs and their qualification are not associated. The value of Chi-square is 0.09. Entrepreneurs from two age groups; younger and older do not differ significantly as far as their qualification is concerned.
Out of 18 entrepreneurs, having the age below 45 years, qualification of eight entrepreneurs (44.44%) is suitable for their business and out of 30 entrepreneurs having the age above 45 years, 16 (53.33%) are suitably qualified. There is no evidence to say that there are more suitably qualified entrepreneurs in a particular age group. Their percentage does not differ much according to their age groups.

b) Age of entrepreneurs and the type of family in which they are living are not associated. The value of Chi-square is 0.2. Out of 18 entrepreneurs from younger age group 11 entrepreneurs (61.11%) are living in a joint family and out of 30 entrepreneurs from older age group 15 (50%) are living in a joint family. Their percentage is almost the same. This picture does not show more preference of younger entrepreneurs for nuclear family which is usually believed. Actually greater proportions of younger entrepreneurs seem to have preferred joint family which is conducive to their business career.

c) Age of the entrepreneurs and their family background are not associated. Chi-square test gives the value 0.02. In both the age groups there are more entrepreneurs from business background compared to service background. Among younger entrepreneurs 11 entrepreneurs (61.11%) have come from business background and only seven (38.88%) have come from service background. Older group shows that 19 entrepreneurs (63.33%) have come from business background and 11 (36.66%) have come from service background. The present sample depicts the picture that there are more entrepreneurs from older age group in the field of Ayurvedic medicines compared to younger age group. Many entrepreneurs from younger age group (nearly 29 percent) seem to be continuing the business established by their fathers.

d) Age of entrepreneurs and the income they used to earn at the time of establishment of the business are significantly associated. The calculated
value of Chi-square (6.61) is sufficiently higher than the table value for 1
degree of freedom (3.84), so the null hypothesis of independence
between age and initial income is rejected. The following table throws light
on the association between age of the entrepreneurs and their initial
income.

Table no. 4.3 Age of the entrepreneurs and their initial income

<table>
<thead>
<tr>
<th>Age of the entrepreneurs (in years)</th>
<th>Initial income (Rs)</th>
<th>25-35</th>
<th>35-45</th>
<th>45-55</th>
<th>55 and above</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 10,000</td>
<td>3</td>
<td>4</td>
<td>11</td>
<td>13</td>
<td></td>
</tr>
<tr>
<td>10,000-20,000</td>
<td>3</td>
<td>2</td>
<td>1</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>More than 20,000</td>
<td>3</td>
<td>3</td>
<td>2</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>9</td>
<td>9</td>
<td>14</td>
<td>16</td>
<td></td>
</tr>
</tbody>
</table>

Since many cell frequencies are less than 5, Chi-square is calculated after
pooling those cell frequencies. Clubbing of the frequencies led to loss of degrees
of freedom. The final table after pooling can have only one degree of freedom.
Only seven entrepreneurs (38.88%) from a group of 18 young entrepreneurs below
45 years of age were earning less than Rs. 10,000/- per month at the time of
establishment of their business. But 24 entrepreneurs out of 30 entrepreneurs
(80%) of older age group were earning less than Rs. 10,000/- per month when
they started their business. They narrated the stories of the hardships they faced at
the time of setting up of their business. Many young entrepreneurs were placed in
much better economic condition and were earning more than Rs. 10,000/- per
month. This may be due to their better earnings from their previous occupation.
Two age groups differ significantly in the context of their initial income.

It was found during the Statistical analysis that two age groups did not differ
significantly in the context of present income. The value of Chi-square is 0.05.
Out of 18 entrepreneurs of younger age group 8(44.44%) are earning between
Rs.20,000 and 40,000 per month, and out of 30 entrepreneurs of older age group
13(43.33%) are earning income between Rs. 20,000 and 40,000 per month.
e) Age and reasons for the entry in the business are not associated. The value of Chi-square is 0.58. Younger and older entrepreneurs give similar weightage to different reasons for entering the business. 57% entrepreneurs from younger age group and 53% entrepreneurs from older group have given the first two reasons for the entry in the business. Both the groups have ranked achievement reason first and continuing family business second. These two reasons dominated the response given by the entrepreneurs.

f) Age of the entrepreneur and by whom he/she is motivated to enter the business are not associated. Fisher’s probability gives value of p=0.2786. Both younger and older entrepreneurs reveal similar characteristics. A larger percentage of both the groups is motivated by others like family members, friends and relatives, and a very small percentage of entrepreneurs seem to be self-motivated. 94% younger entrepreneurs and 74% older entrepreneurs are motivated by others.

g) Age and co-operation from spouse are not associated. The value of Chi-square is 0.01. Spouse of 11 young entrepreneurs out of 18 (61.11%) help them in their business and spouse of 20 older entrepreneurs out of 30 (66.66%) help them in their business. Getting co-operation from the spouse is not related to the age of the entrepreneurs.

h) Age and previous experience of the entrepreneurs in the similar line are not associated. Value of Chi-square is 0.1. The proportion of entrepreneurs with previous experience is more in both the age groups. Twelve entrepreneurs of younger age group and 20 entrepreneurs from older age group have gained some experience previously in the similar line. No particular age group shows significantly high proportion of experienced entrepreneurs.

i) Age and preference for a particular form of organization are not related. In both the age groups the number of entrepreneurs having proprietorship form of business is more compared to those having the other forms like partnership firm and private limited company. Seven (38.88%) and 13 entrepreneurs (43.33%) respectively from younger and older age groups have selected proprietorship form of business.
j) Age of entrepreneurs is in no way associated with the entrepreneurial training they have undergone. The calculated value of Chi-square is 3.42 which is very close to the table value 3.84. But since the calculated value of Chi-square is less than the table value there is no reason to reject the hypothesis of independence between the age group of entrepreneurs and the entrepreneurial training they acquire. In younger age group exactly nine entrepreneurs (50%) have undergone training and nine (50%) have not taken any training. Though the number of entrepreneurs who have not undergone any entrepreneurial training is quite large in case of older entrepreneurs, there is no statistically significant difference between two age groups as far as entrepreneurial training is concerned.

k) Age of entrepreneurs and the sources of finance they used in the initial stage of their business are not associated. The calculated value of Chi-square is 1.13 which is less than the table value 3.84. Entrepreneurs relying on informal sources are more compared to those relying on formal or institutional sources. The numbers of entrepreneurs using informal sources are 17(94.44%) and 21(70%) in two age groups, younger and older respectively. In both the generations there is a high preference for informal sources of finance particularly personal finance. Actually younger generation is expected to depend more on institutional or formal sources of finance due to their greater exposure to information about different avenues of fulfilling financial needs of the business.

l) Age and the investment made by entrepreneurs at the time of establishment of their business are not associated. Due to one cell frequency having value less than five, Fisher’s exact probability test is used here to test the hypothesis of independence between age and initial investment (Lowry, 1998). The value of this probability is p=0.2408 which is greater than 0.05 so the hypothesis of independence between age and investment at the time of establishment of the business is accepted. More entrepreneurs from both the groups 16 entrepreneurs(88.88%) from younger group and 24(80%) from older group make the investment up to Rs.30Lacs. Only two young (11.11%) and six(20%) old entrepreneurs have invested more than Rs.30Lacs in the initial stage of their business.
As the value of Chi-square 0.01 calculated to test the association between age and the current investment made by the entrepreneurs, falls short of table value of Chi-square 3.81 for 1 degree of freedom. The absence of any association between age and current investment is confirmed. The number of entrepreneurs making investment up to Rs.60Lacs is 12 from younger age group (66.66%) and 19 (63.33%) from older age group.

m) The value of Chi-square 2.92, calculated for testing the association between age and the type of market in which entrepreneurs sell their medicines, shows the absence of association. Maximum number of entrepreneurs sells their medicines in local and state-wide markets (13 (72.22%) and 21 (70%) from two age groups respectively) and very few (five (27.77%) and seven (23.33%)) from two age groups respectively sell in international markets, directly or indirectly.

4.4 Qualification of the Entrepreneurs

a) Qualification and type of family

Association between qualification of entrepreneurs and their regional status as well as age is already discussed. An attempt is now made to test the association between qualification of entrepreneurs and the type of family in which they live. Qualification of the entrepreneurs in the selected sample is classified into the categories like entrepreneurs having suitable qualification and not having suitable qualification. Qualification and type of family are not associated. The value of Chi-square is 0.08 which does not show any significant association. Two groups of entrepreneurs having suitable and not suitable qualification show that exactly equal number of entrepreneurs (50% each) live in joint and nuclear families. Qualification acquired by entrepreneurs depends on several factors and not on the type of family in which they are living.

b) Qualification and family background

The value of Chi-square to test the association between qualification and family background is 0.09 which shows absence of any association between these two
variables. Qualification-wise categories do not differ much in the matter of their family background. Both the categories show more entrepreneurs with business background i.e. 16(66.66%) and 14(58.33%) entrepreneurs having suitable and not-suitable qualification have come from business background. The sample selected shows that most of the entrepreneurs having business background are living in the joint families which are conducive for the business.

a) Qualification and entrepreneur’s income at the time of setting the business

The value of Chi-square for testing this association is 2.34 which is less than the table value. Since this value is not large enough to reject the null hypothesis, we have to accept the fact that this sample has falsified the conventional positive relationship between qualification and income. 70% qualified entrepreneurs were earning less than Rs.10,000 per month initially and 61.29% not qualified entrepreneurs were earning less than Rs.10,000 per month.

There is no association between qualification and current income of the entrepreneurs as depicted by 0.06 value of Chi-square which is less than the table value. Ten qualified (41.66%) and eleven (45.83%) not qualified entrepreneurs are presently earning up to Rs. 40,000 per month. More entrepreneurs [14(58.33%) and 13(54.16%)] from two categories respectively are earning more than Rs.40,000 per month. Some of them are getting considerably high level of income.

b) Qualification and the reasons for entering the present business are not associated. The value of Chi-square is 0.31. The most important reasons for entering the business are, to achieve something and to make money. 62% qualified and 49% not qualified entrepreneurs have given the first two reasons for the entry in the business. Both the groups have given comparatively less weightage to other reasons for entering the present business.

c) Qualification and the person by whom the entrepreneur is motivated are not associated. The value of Fisher’s probability p=0.09. Out of 24 qualified entrepreneurs 17(70.83%) are motivated by others and out of 24 not suitably qualified entrepreneurs 23(95.83%) are motivated by others.
Though the data apparently suggest that comparatively more number of not suitably qualified entrepreneurs are motivated by others, this difference is statistically insignificant.

d) Qualification and the co-operation from the spouse are not associated as is revealed by 1.46 value of Chi-square. Co-operation from spouse is not related to the qualification of entrepreneur, so 18 entrepreneurs (75%) and 13entrepreneurs (54.16%) from the category of suitable and not suitable qualification respectively, get co-operation from their spouse. In both the categories the number of entrepreneurs getting co-operation is more than the number not getting co-operation.

e) Qualification and previous experience are not associated. The value of Chi-square is just 0.84 which leads to the acceptance of null hypothesis of independence between qualification and previous experience. Out of 24 entrepreneurs with suitable qualification 14entrepreneurs (58.33%) reported to have gained some previous experience in the similar line. Even though 24 entrepreneurs do not have degree in Ayurvedic medicines or similar qualification suitable for their business, 18 out of them (75%) have gained experience in the similar line of production. Those who gained experience, useful for their business have gained it either from the service in the similar field or from the business established by their fathers and grandfathers. Many got useful lessons about the business informally from their fathers and from the business atmosphere in their families. In both the categories of qualification there are more number of entrepreneurs having previous experience in the similar line and very few have not gained any similar experience. This shows that people get experience required for their business and for that they may have or may not have suitable qualification. The obvious link between qualification and experience in the similar line cannot be established for this sample.

f) Qualification and forms of organization selected by the entrepreneurs are not associated. The value of Chi-square is 1.94. Both the types of entrepreneurs qualified and not qualified prefer proprietorship form of
business compared to partnership and private limited company. Out of 24 qualified entrepreneurs 8(33.33%) preferred proprietorship form and out of 24 not qualified entrepreneurs 12(50%) preferred proprietorship form.

g) Chi-square test for testing the association between qualification and entrepreneurial training acquired by the entrepreneurs gives the value 0.08 which allows the acceptance of null hypothesis of independence between qualification and entrepreneurial training. Seven qualified entrepreneurs (29.16%) and eight (33.33%) not qualified entrepreneurs have undergone training. It means that decision to undergo training is independent of qualification of the entrepreneurs. More entrepreneurs having suitable qualification have not undergone any entrepreneurial training. Due to very specialized nature of the business of Ayurvedic medicines, no entrepreneurial training is helpful for this business. This is the reason why 17 entrepreneurs (70.83%) from qualified category and 16 entrepreneurs (66.66%) from non-qualified category have not acquired any special entrepreneurial training.

h) Qualification of entrepreneurs and the sources of initial finance they have used while setting the business are not associated. The value of Chi-square is 0.17. Suitably qualified as well as not suitably qualified entrepreneurs seem to be depending more on personal finance and the other sources of informal finance rather than institutional or formal source of finance. This number is 16(66.66%) for suitably qualified entrepreneurs and 17 (70.83%) for not suitably qualified entrepreneurs. Both the groups show lesser preference for institutional or formal sources of finance. Many have used both the sources of finance to fulfill their financial requirements and to minimize their interest burden.

k) Qualification and size of investment at the time of establishment of the business are not associated as per the value of Fisher’s exact probability p=0.36. Two categories of entrepreneurs do not appear to be much different from each other. Six (25%) qualified and four (16.66%) not qualified entrepreneurs have made very small investment of less than Rs.50, 000 in
their business. The pattern of investment shows that majority of the entrepreneurs from both the categories have invested between Rs. one Lac and thirty Lacs at the time of setting their business. Qualification of entrepreneurs and the size of their present investment are not associated as per the value of Chi-square 3.55. Seven qualified (29.16%) and six (25%) not qualified entrepreneurs have made investment between Rs. five Lacs and fifteen Lacs currently. As a result of growth of investment over the years, 11 (45.83%) qualified and 6 (25%) not qualified entrepreneurs invested between Rs. 75 Lacs and 5 Crore. But this difference is statistically insignificant.

1) Qualification of entrepreneurs and the type of market selected for selling their Ayurvedic medicines are not associated. The value of Chi-square is 3.41 so the null hypothesis of independence is accepted. Selection of the market for selling the medicines is in no way related to the qualification of the entrepreneurs, so both the groups show similar features. Local market is selected by 18 entrepreneurs (75%) with suitable qualification and 13 entrepreneurs (54.16%) without suitable qualification. Majority of them sell in more than one market. Exactly same numbers of entrepreneurs sell their products in international market i.e. six from each category.

4.5 Type of Family

i) Type of family and family background of the entrepreneurs

Type of family and family background are not associated. The value of Chi-square is 0.02, so the null hypothesis of independence between type of family and family background is accepted. In both the types of families there are more entrepreneurs with business background and less with the service background. Out of 26 entrepreneurs hailing from joint families 17 entrepreneurs (65.38%) have the family background of business and 13 entrepreneurs (59.09%) out of 22 living in nuclear families also have business background. Though joint families are suitable for the business,
there is no reason to assume that entrepreneurs from nuclear families do not have business background. There are successful entrepreneurs in the present sample who have come from nuclear families with business background.

ii) Fisher’s exact probability test used to check the association between type of family and income of the entrepreneur at the time of establishment of the business gives the value of probability $p=0.2869$. Initial income of 21 entrepreneurs (80.76%) from joint families and 18 entrepreneurs (81.81%) from nuclear families was less than Rs.20,000 per month. There is no empirical evidence to show any association between the type of family and income of the entrepreneurs.

The value of Chi-square to test the association between type of family and present income is 3.33, which shows that these two variables are independent. The current income of eight entrepreneurs (30.76%) from joint families and ten entrepreneurs (45.45%) from nuclear families is more than Rs. 60,000 per month.

iii) The value of Chi-square 0.89 shows that the type of family does not decide the reasons for entering the business. Equal number of entrepreneurs i.e. 15 from each category (57.69% and 68.18%) has entered the business to achieve something. Though more entrepreneurs (14 or 53.84%) from joint families have given the obvious reason of continuing the family business as compared to five entrepreneurs from nuclear families, very low value of Chi-square treats this difference statistically insignificant.

iv) Fisher’s exact probability calculated to check the association between type of family and the person motivating the entrepreneurs is $p=0.2593$ which shows that type of family of the entrepreneurs selected in the sample does not determine by whom the entrepreneur is motivated. These two factors are independent of each other. Nineteen entrepreneurs (73.07%) from joint families and fourteen entrepreneurs (63.63%) from nuclear families are motivated by others while starting their business.
v) Type of family and co-operation from the spouse are not associated. The value of Chi-square 0.03 does not indicate any association between these variables. Both the families joint as well as nuclear show similar features regarding co-operation and non co-operation from the spouse in the matter of business. Percentage of entrepreneurs from joint families getting co-operation from the spouse and the percentage of entrepreneurs from nuclear families getting co-operation from their spouse is 65 and 63 respectively. The percentage of entrepreneurs not getting co-operation from the spouse is very small in both the families.

vi) Type of family and previous experience in the similar line are not associated. The value of Chi-square is 0.01. Out of 26 entrepreneurs from joint families 17 entrepreneurs (65.38%) have gained some previous experience and out of 22 entrepreneurs from nuclear families 15 (68.18%) have gained experience before starting the business.

vii) Type of family and forms of organizations are found to be unassociated for the present sample. The value of Chi-square is 0.04. Actually partnership with family members is more preferred form of organization for joint family whereas entrepreneurs from nuclear families may be selecting the sole proprietorship form forcibly due to lack of availability of family members and relatives participating in the business and some risk involved in making partnership with the persons other than family members. Ten entrepreneurs (38.46%) from joint family and 10 entrepreneurs (45.45%) from nuclear families have accepted proprietorship form of business organization and 10 entrepreneurs (38.46%) and 4 entrepreneurs (18.18%) from joint and nuclear families respectively have preferred partnership form of business. Data throw some light on the tendency of people living in nuclear families to prefer sole proprietorship rather than partnership. But still there is no statistically significant difference between the two types of families regarding the choice of the form of organization.
viii) Type of family and entrepreneurial training are not associated. The value of Chi-square is just 0.74. The number of entrepreneurs from joint families undergoing training is 10(38.46%), but the number of entrepreneurs from nuclear families undergoing entrepreneurial training is 5(22.72%). The value of Chi-square, 0.74 does not indicate any association between these variables. Many entrepreneurs from joint families said that they got formal and informal training about their business from their father right from their childhood (Vicco Laboratories, VaidyaPatankar Pharmacy and Mofic and Dove Company from Thane) Informal training received by entrepreneurs in such families has raised the percentage of the entrepreneurs from joint families acquiring some training before starting their businesses.

ix) Value of Chi-square, calculated to establish the association between the type of family and sources of initial finance is 0.43 which does not indicate any link between the two factors. Study of the selected sample shows the tendency to prefer informal sources of finance, particularly personal finance, more compared to formal sources of finance. Sixty one percent entrepreneurs from joint families and 71% entrepreneurs from nuclear families depended on informal sources of finance in the initial stage of their business. The preference for a particular source of finance depends on the personal savings, the availability of friends and relatives ready to help in need, the rate of interest charged by banks, need for collateral security and not on the type of family in which entrepreneurs live.

x) Fisher’s probability gives the value of $p=0.1409$ while testing the association between type of family and the investment made by the entrepreneurs in the initial stage of their business. Two types of families do not differ much as 20 entrepreneurs from each type of family (76.92% and 90.90%) have invested less than Rs.30 Lacs at the time of establishing their business.

Type of family and investment made by the entrepreneurs recently are not associated. The value of Chi-square is 0.61. The number of entrepreneurs from joint families investing less than Rs. 60 Lacs is 15(57.69%) and the
number of entrepreneurs from nuclear families investing the same amount is 16(72.72%). It also shows that eight entrepreneurs (30.76%) from joint families and six entrepreneurs (27.27%) from nuclear families could invest up to Rs. 5 Crore recently. Though there is no statistically significant difference between the two groups of entrepreneurs in the context of present investment, the fact put forward by this data shows greater capacity of entrepreneurs from joint families to invest due to the financial support from the entire family.

xi) There is no significant association between type of family and the type of market selected for selling Ayurvedic medicines. The value of Chi-square is 2.15. Out of 26 entrepreneurs from joint families and 22 entrepreneurs from nuclear families 14 (53.84%) and 19 entrepreneurs (86.36%) respectively sell their medicines in local markets and 5 (19.23%) and 6 entrepreneurs (27.27%) respectively from joint and nuclear families sell their medicines in international markets, directly or indirectly.

4.6 Family Background

Family background of the entrepreneurs in the sample is classified into two categories, business background and service background.

1. The use of Chi-square to test the association between family background and income of the entrepreneur gives 0.01 value of Chi-square. Since this value is less than the table value of Chi-square at 5% level of significance, the null hypothesis of no association between these two factors is accepted. Out of 30 entrepreneurs having business background 20 entrepreneurs (66.66%) were earning less than Rs. 10,000 per month, the number of entrepreneurs with service background for the same income level is 11 (61.11%).

Family background of the entrepreneurs and present income are also not associated as is revealed from 0.68 value of Chi-square. Four
entrepreneurs from each category are earning less than Rs.20,000 per month. Presently entrepreneurs from both the categories are experiencing appreciable increase in their current income as is revealed from the fact that 12 entrepreneurs out of 30(40%) and 6 entrepreneurs out of 18(33.33%) are earning income over Rs.60,000 per month.

2. A reason for entering the business is not associated with the family background of the entrepreneurs. Actually the persons having business background prefer to enter the business, but the entrepreneurs in the sample show that 15 entrepreneurs(50%) having business background and 15 entrepreneurs(83.33%) with service background have entered the business to achieve something. It is quite obvious that entrepreneurs with business background have entered the business, already established by their fathers and grandfathers with the intention of continuing the family business. But 1.39 value of Chi-square does not show any significant difference between the two groups having different family background.

3. Family background and the persons motivating the entrepreneurs are not associated. Fisher’s exact probability p=0.3157 shows that two groups of entrepreneurs coming from business background and service background do not differ significantly as far as the persons motivating the entrepreneurs is concerned. Family members were found to be successfully motivating 19(63.33%) and 12 entrepreneurs (66.66%) from business and service background respectively.

4. Family background and previous experience are not associated. Value of Chi-square is just 0.1. Out of 30 entrepreneurs with business background and 18 entrepreneurs with service background, 20(66.66%) and 12 entrepreneurs (66.66%) respectively from both the groups are found to have gained some experience prior to their entry in the business.
5. The value of Chi-square 1.46, calculated to test the association between family background and forms of business organizations shows that two variables are not associated. Though 15 entrepreneurs out of 30(50%) and 5 entrepreneurs out of 18(27.77%) seem to have chosen proprietorship form of organization. Chi-square test could not establish any association. Since most of the variables in the analysis are qualitative in nature, Chi-square method is more suitable in spite of its certain limitations.

6. Fisher’s probability p=0.0646 calculated for measuring association between family background and entrepreneurial training received by the entrepreneurs shows that the entrepreneurial training received by the entrepreneurs is not associated with their family background. 20% entrepreneurs with business background have undergone training and 16.66% entrepreneurs with service background have also undergone training. Actually some entrepreneurs having business background have told during survey that they received informal training from their fathers and in some cases from grandfathers also. But still two groups do not differ statistically on the ground of entrepreneurial training. Entrepreneur’s choice of undergoing training does not depend on their family background.

7. Family background and sources of initial finance are not associated. Even though the data show that persons coming from business background rely more on informal finance including personal finance and finance raised from friends and relatives, the value of Chi-square 0.09 does not provide any strong reason to differentiate between two groups on the basis of sources of initial finance. 60% entrepreneurs with business background and 66% entrepreneurs with service background use informal sources of finance.

8. Family background and initial investment are not associated. The value of Fisher’s probability p=0.2408. It is observed that more entrepreneurs from both the categories i.e. 24(80%) and 16
entrepreneurs (88%) have invested less than Rs. 30 Lacs at the time of establishing their business. Value of Chi-square for showing the association between family background and present investment is 0.3. Out of 30 entrepreneurs with business background 8(26.66%) are investing between 5Lacs and 15 Lacs and three (10%) are investing more than Rs.5 Crore. As far as service background is concerned 5 entrepreneurs (27.77%) are investing between 5Lacs and 15 Lacs and nobody from this category is able to invest above Rs. 5 Crores. Though two groups do not differ significantly in the matter of current investment, we have to accept the fact that businessmen with business background definitely have greater capacity to invest.

9. Family background of the entrepreneur does not determine in which market he prefers to sell his products. The value of Chi-square is 0.18. Out of 30 entrepreneurs with business background 21(70%) are selling their products in local market. The number of entrepreneurs from service background selling products in local market is 10 out of 18(55.55%).

**4.7 Income of the Entrepreneurs**

1) The association between Income and reasons for entering the business can be studied by taking into consideration the initial income i. e. the income at the time of establishment of the business and present income of the entrepreneurs. Initial income of the entrepreneur and the reasons behind his entry in the business are not associated. The value of Chi-square is 0.27. Since majority of the entrepreneurs were earning less than Rs. 10,000 per month at the time of establishment of the business, more number of entrepreneurs (21 or 47.72%) seem to have entered the business with achievement motive. Very few entrepreneurs earned more than Rs. 20,000 in the initial stage, so only 5
entrepreneurs (41.66%) earning more than Rs. 20,000 have given achievement motive as the reason for entry in the business.

The present income and the reasons behind the entry of entrepreneurs are also not associated. The value of Chi-square is 0.37. As a result of noticeable increase in the current income of the entrepreneurs; more entrepreneurs are earning more than Rs. 60,000 per month. Obviously this fact is reflected in the proportion of entrepreneurs from different categories giving different reasons for their entry in the business. Four entrepreneurs (36.36%) earning less than Rs. 20,000 and eleven entrepreneurs (45.83%) earning more than Rs. 60,000 have said that they have entered the business to achieve something.

2) Initial income of the entrepreneur and by whom the entrepreneur is motivated to enter the business are not associated. The value of Fisher’s probability \( p = 0.2806 \). Twenty entrepreneurs out of twenty six (76.92%) earning less than Rs. 10,000 per month and six entrepreneurs out of seven (85.71%) earning more than Rs. 20,000 per month are motivated by others, including family members.

Fisher’s probability for examining the association between present income of the entrepreneur and the persons motivating him/her gives the value 0.0410. Since this value is less than 0.05, the null hypothesis of no association between present income and the persons motivating entrepreneurs is rejected. The association between these two variables is shown in the following table.

<table>
<thead>
<tr>
<th>Present Income (Rs.)</th>
<th>Motivating persons</th>
<th>Below 20,000</th>
<th>20,000-40,000</th>
<th>40,000-60,000</th>
<th>Above 60,000</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Motivated by others</td>
<td></td>
<td>7</td>
<td>8</td>
<td>11</td>
<td>16</td>
<td>42</td>
</tr>
<tr>
<td>Self motivated</td>
<td></td>
<td>1</td>
<td>5</td>
<td>1</td>
<td>1</td>
<td>8</td>
</tr>
</tbody>
</table>

Table no. 4.4 Present income and the persons motivating the entrepreneurs

Present Income (Rs.)

Motivating persons | Below 20,000 | 20,000-40,000 | 40,000-60,000 | Above 60,000 | Total |
-------------------|-------------|--------------|--------------|-------------|-------|
Motivated by others | 7           | 8            | 11           | 16          | 42    |
Self motivated      | 1           | 5            | 1            | 1           | 8     |
Since many frequencies are smaller than 5 pooling method is used. After applying Fisher’s probability test, the value obtained for p is 0.04 which is less than 0.05. This results in rejection of null hypothesis of independence between present income and persons motivating entrepreneurs. Table shows that 15 entrepreneurs(71.42%) earning monthly income up to Rs.40, 000 are motivated by others and 27 entrepreneurs(93.10%) earning income between Rs.40, 000 and above Rs.60, 000 are motivated by others. Out of 21 entrepreneurs earning income up to Rs.40, 000 per month six((28.57%) are self motivated and out of 29 entrepreneurs earning income between Rs.40,000 and above Rs.60,000 per month, only two entrepreneurs(6.89%) are self motivated. Some entrepreneurs have given more than one answer so total of entrepreneurs in the sample exceeds the sample size of 48. Data show the association between the person motivating the entrepreneurs and their present income. It is observed that more entrepreneurs from higher income groups are motivated by others and fewer entrepreneurs from lower income groups are motivated by others. They are more self motivated. This sample leads to the conclusion that self motivated entrepreneurs earn comparatively less income and those motivated by others earn comparatively more income.

3) Initial income of the entrepreneur and the co-operation received from the spouse in the business matter are not associated. The value of Chi-square is 0.87. Out of 31 entrepreneurs earning income less than Rs. 10,000 per month 22 (70.96%) are getting co-operation from their spouse and out of 17 entrepreneurs earning more than Rs. 10,000 per month nine(52.94%) are getting co-operation from their spouse. According to Chi-square test two income groups do not differ significantly.

The present income and the co-operation from the spouse are also not associated. The value of Chi-square is 1.57. Out of 21 entrepreneurs earning up to Rs. 40,000 per month 11(52.38%) are getting co-operation from their spouse and out of 27
entrepreneurs earning more than Rs.40,000 per month 20(74.07%) are getting cooperation from their spouse.

4) Initial income of the entrepreneur seems to be independent of his/her previous experience in the similar line. Fisher’s probability gives the value p=0.0622. Actually income of the entrepreneur prior to the establishment of the business can be related to his previous experience, but the present sample does not show any such association. Eighteen entrepreneurs(58.06%) having initial income less than Rs.10,000 per month and 14 entrepreneurs(82.35%) with initial income more than Rs.10,000 per month have gained some experience in the similar line of business.

Present income of the entrepreneur and the previous experience gained are also not associated. The value of Chi-square is 0.1. Thirteen entrepreneurs(61.90%) earning less than Rs.40,000 per month and 19 entrepreneurs(70.37%) earning more than Rs.40,000 per month have gained some previous experience.

5) Initial income of the entrepreneurs and the forms of organization selected by them are not associated. The value of Chi-square is 1.72. Twelve entrepreneurs (38.7%) earning less than Rs.10,000 per month and eight entrepreneurs (47.05%) having income more than Rs.10,000 have preferred sole proprietorship. Fewer entrepreneurs from the same income groups have preferred partnership and other forms of organization.

Present income of the entrepreneurs and the forms of organization selected by them are also not associated. The value of Chi-square is 2.63. Twelve entrepreneurs (57.14%) earning less than Rs.40,000 and eight entrepreneurs (29.62%) earning more than Rs.40,000 have accepted proprietorship form of business.

6) Entrepreneurial training received by the entrepreneurs and their initial income are not associated. The value of Chi-square is 0.01. Nine (29.03%) and six entrepreneurs (35.29%) from two income groups i.e. less than Rs.10,000 and more than Rs10,000 respectively have undergone some training before starting the business.
Present income of the entrepreneur is independent of whether he/she has received any entrepreneurial training. The value of Chi-square is 0.06. Seven entrepreneurs (33.33%) and eight entrepreneurs (29.62%) from income groups less than Rs.40,000 and more than Rs.40,000 per month respectively have undergone training at some point of time.

7) Initial income of the entrepreneur and the sources of finance they use at the time of setting their business are not associated. The value of Chi-square is 0.09. Twenty five entrepreneurs (58.13%) and fifteen entrepreneurs (65.21%) from income groups, less than and more than Rs.10,000 per month respectively have used informal sources of finance.

Income presently earned by the entrepreneurs is also independent of the sources of finance they used at the time of setting the business. The value of Chi-square is 2.28. Nineteen entrepreneurs (79.16%) and twenty one entrepreneurs (55.26%) with income up to Rs.40,000 and more than Rs.40,000 per month respectively have used informal sources of finance.

8) Investment made by the entrepreneurs at the time of setting up of their units is not associated with their initial income. The value of Fisher’s probability p=0.1985. Twenty seven entrepreneurs (87.09%) and thirteen entrepreneurs (76.47%) from two income groups have invested less than Rs.30 Lacs in the initial stage of the business.

Initial investment is not associated with present income as well. The value of Fisher’s probability p=0.2845. Eighteen entrepreneurs (85.71%) and twenty two entrepreneurs (81.48%) earning up to Rs.40,000 and more than Rs.40,000 respectively have invested less than Rs.30 Lacs in the initial stage of the business.

Present investment made by the entrepreneurs is not determined by their initial income. The value of Chi-square 0.09 does not show any association between the two. Twenty one entrepreneurs (67.74%) and ten entrepreneurs (32.25%) with initial income of less than and more than Rs.10,000 per month respectively have invested up to Rs.60 Lacs currently.
Present investment and present income of the entrepreneurs are associated as is revealed by 5.74 value of Chi-square. The following table shows the association between the present income and present investment. To calculate the value of Chi-square pooling method was used to solve the problem of frequencies less than 5.

Table no. 4.5 Present Income and Present Investment

<table>
<thead>
<tr>
<th>Present Income (Rs)</th>
<th>Below 20,000</th>
<th>20,000-40,000</th>
<th>40,000-60,000</th>
<th>Above 60,000</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>5,00,000-15,00,000</td>
<td>4</td>
<td>6</td>
<td>0</td>
<td>3</td>
<td>13</td>
</tr>
<tr>
<td>15,00,000-60,00,000</td>
<td>2</td>
<td>6</td>
<td>4</td>
<td>6</td>
<td>18</td>
</tr>
<tr>
<td>75,00,000-5,00,000,00</td>
<td>1</td>
<td>1</td>
<td>4</td>
<td>8</td>
<td>14</td>
</tr>
<tr>
<td>Above 5,00,000,00</td>
<td>1</td>
<td>0</td>
<td>1</td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td>Total</td>
<td>8</td>
<td>13</td>
<td>9</td>
<td>18</td>
<td>48</td>
</tr>
</tbody>
</table>

Table shows that 18 entrepreneurs out of 21 entrepreneurs (85.71%) earning income up to Rs.40,000 per month are making current investment between 5Lacs and 60Lacs, whereas out of 27 entrepreneurs earning income between Rs.40,000 and Rs.60,000 and above only 13 entrepreneurs (48.14%) are making current investment between 5Lacs and 60Lacs. Only two entrepreneurs (9.52%) from lower income group can make the investment between 75Lacs and 5Crore and above, whereas 12 entrepreneurs (44.44%) from higher income group i.e. Rs40,000 and above Rs.60,000 per month can make investment between 75Lacs and 5Crore. Data help us to draw a conclusion that entrepreneurs with higher
current income can make higher current investment. Two income groups differ significantly as far as investment is concerned.

9) Initial income of the entrepreneurs and the type of market they select for selling their products are not associated. The value of Chi-square is 1.18. Every entrepreneur sells in more than one market. More entrepreneurs from lower as well as higher income groups sell their Ayurvedic medicines in local and state-wide markets and less number of entrepreneurs from both the groups sell their medicines in international markets. Twenty three(37.09%) and twenty entrepreneurs(32.25%) from lower income group in the sample sell in local and state-wide markets and eight(26.66%) and ten entrepreneurs(33.33%) from higher income group sell in local and state-wide markets respectively. The small number of entrepreneurs from higher income group selling medicines in local and state-wide markets is due to the fact that proportionately small number of entrepreneurs earn higher income.

Present income of the entrepreneurs in no way determines on the type of market selected by them. Value of Chi-square is 4.5. Number of entrepreneurs from lower income group selling medicines in local market is 15(45.45%) and the number from higher income group is 16(27.11%). Two income groups do not differ much in the context of sale of medicines in different markets.

4.8 Reasons for Entering the Business

1) Reasons for entering the business and the person motivating the entrepreneurs to enter the business are not associated at least for the entrepreneurs selected in the sample. The value of Chi-square is 0.06. Thirty two entrepreneurs(84.21%) entering the business with achievement and economic motives and twenty eight entrepreneurs(90.32%) entering the business for other reasons are motivated by others and six entrepreneurs(15.78%) with first two motives and three entrepreneurs(9.67%) with other motives seem to be self motivated. Thus the
reasons for entering the business and by whom the entrepreneur is motivated are independent of each other.

2) Reasons for entering the business and the co-operation from the spouse are not associated. The value of Chi-square is 0.04. Two groups with different reasons for entry in the business do not differ much as far as the co-operation from the spouse is concerned. The data show that 21 entrepreneurs (60%) with the first two reasons for entry and 19 entrepreneurs (65.51%) with other reasons, responsible for their entry get co-operation from their spouse. Reasons for entry do not influence the co-operation from the spouse.

3) Reasons responsible for entering the business and previous experience of the entrepreneurs in the similar line are not associated. Actually previous experience of the entrepreneur in particular field helps him/her to select a particular type of business. But 0.08 value of Chi-square does not establish any such link. That is the reason why 20 entrepreneurs (64.51%) with first two reasons and twenty entrepreneurs (71.42%) with the other reasons seem to have gained experience in the similar line.

4) Reasons for entering the business and the forms of organization selected by entrepreneurs for his business are not associated. The value of Chi-square is 1.73. Ten entrepreneurs (29.41%) with the first two reasons i.e. achievement and economic and fourteen entrepreneurs (45.16%) with the other reasons have chosen proprietorship form of business. The reason for entry in the business does not decide the type of form of organization.

5) Reasons for entering a particular type of business is independent of entrepreneurial training received by the entrepreneurs in particular line of production as far as the present sample is concerned. Very few entrepreneurs from the selected sample have undergone entrepreneurial training so it cannot influence the reasons behind entry in the business. The calculated value of Chi-square is 0.84. Ten entrepreneurs (28.57%) receiving entrepreneurial training have given first two reasons for the entry and twelve entrepreneurs (42.85%) receiving training have given the other four reasons for their entry.
Thus the reasons given by them for entry in the business are not associated with their entrepreneurial training.

6) Reasons for entering the business and sources of initial finance used by the entrepreneurs are not associated. The value of Chi square is 0.04. Entrepreneurs with the first two reasons and the entrepreneurs with the other four reasons for entry show a similar feature of depending more on informal sources of finance compared to formal sources. Thirty six entrepreneurs (69.23%) entering for first two reasons and twenty two entrepreneurs (66.66%) entering for the other four reasons had depended on informal sources of finance in the initial stage of their business. Choice of a particular source of finance and the reasons for entering a particular business are not associated.

7) Reasons for entering the business do not seem to be influencing the investment made by the entrepreneurs at the time of setting the business. The value of Chi-square is 2.03. Equal number of entrepreneurs i.e. 5(14.28%) with first two reasons and 5(17.24%) with the other four reasons reported to have made the investment of less than Rs.50,000 at the time of setting their business. This fact indicates that reasons for entry in the business do not affect the size of initial investment made in the business. Size of initial investment in the business can be determined by entrepreneur’s personal income, savings, economic status of the family and father’s occupation.

Even the present investment is not influenced by the reasons for entering the business. The value of Chi-square is 0.63. Eight entrepreneurs (22.85%) with the first two reasons and nine entrepreneurs (31.03%) with the other four reasons are making the investment between Rs.5Lacs and 15 Lacs and three (8.57%) and two entrepreneurs (6.89%) from the above two categories invest more than Rs.5 Crores in the business.

8) Reasons for entering the business and the types of markets selected for selling the products are not associated. The value of Chi-square is 0.6. Local market is selected by 24(33.80%) and 19 entrepreneurs (31.66%) with first two and other four reasons respectively. Twelve (16.90%) and eight
entrepreneurs (13.33%) from both the categories sell their medicines in international market directly or indirectly.

**4.9 Persons Motivating Entrepreneur**

Entrepreneurs motivated by the persons can be classified into two categories, i. e. entrepreneurs motivated by other persons like family members, friends and relatives and self motivated entrepreneurs.

1) Persons motivating the entrepreneurs and the co-operation from the spouse are not related. The value of Fisher’s probability $p=0.1011$. Out of 41 entrepreneurs 29 entrepreneurs (70.73%) motivated by others and out of nine entrepreneurs four entrepreneurs (44.44%) who are self motivated get co-operation from the spouse. Though the absolute values differ the relative proportion of the entrepreneurs getting co-operation from the spouse does not show statistically significant difference.

2) Persons motivating entrepreneurs and their previous experience are in no way associated with each other. The value of Fisher’s probability $p=0.2577$. Out of 41 entrepreneurs 27 entrepreneurs motivated by others have gained previous experience and seven entrepreneurs from the category of self motivated entrepreneurs have gained previous experience.

3) Persons motivating the entrepreneurs and the forms of organization selected by them are not associated. The value of Chi-square is 0.38. 41.46% entrepreneurs motivated by others and 55.55% self motivated entrepreneurs have selected proprietorship form of business organization.

4) Persons motivating the entrepreneurs and the entrepreneurial training received by them are not associated. Fisher’s exact probability gives the value $p=0.1690$. Out of 41 entrepreneurs motivated by others 14 entrepreneurs (34.14%) have undergone some entrepreneurial training and out of nine self motivated entrepreneurs only one (11.11%) has undergone training. Since the number of entrepreneurs motivated by others is more in
the sample, the number of entrepreneurs undergoing training from this category is also high.

5) Persons motivating the entrepreneurs and the sources of finance used by them in the initial stage of their business are not associated. The value of Chi-square is 0.03. 64.61% entrepreneurs motivated by others and 55.55% self motivated entrepreneurs have used informal source of finance. Since many entrepreneurs have chosen more than one alternative answer while responding to the question of initial sources of finance, the number of entrepreneurs for this question exceeds the sample size of 48 entrepreneurs. Entrepreneurs from both the categories depend more on informal source of finance, so there is no reason to assume that entrepreneurs motivated by family members and others depend on informal sources of finance in the hope of getting financial assistance from these motivating persons. Even the self motivated entrepreneurs are inclined towards using informal sources of finance.

6) By whom the entrepreneurs are motivated is not associated with the investment made by them at the time of establishing the business. Fisher’s exact probability gives the value $p=0.6453$. Thirty two entrepreneurs (78.04%) motivated by others and seven self motivated entrepreneurs (77.77%) have made the initial investment up to Rs.30Lacs. Though absolute number seems to be quite different, the percentage of entrepreneurs in two categories making investment up to Rs. 30 Lacs is very much similar.

Even the present investment made by the entrepreneurs is not influenced by whom an entrepreneur is motivated to start the business. Fisher’s probability $p=0.3945$ does not indicate any association. Out of 41 entrepreneurs motivated by others 27 entrepreneurs (65.85%) invest up to Rs.60 Lacs in the business and out of nine self motivated entrepreneurs seven (77.77%) have invested up to Rs. 60Lacs in the business.

7) Persons motivating entrepreneurs and the type of market selected by them are not associated. The value of Chi-square is 1.24. Twenty three
entrepreneurs (74.19%) and eight entrepreneurs (25.80%) of two categories sell their medicines in local market.

4.10 Co-operation from the Spouse

1) Co-operation from the spouse and the experience gained by the entrepreneurs previously in the similar line are not associated. Value of Fisher’s exact probability $p=0.1490$. Number of entrepreneurs getting co-operation from the spouse and having some experience is 19 (59.37%) and entrepreneurs having previous experience but not getting co-operation is 13 (40.62%). There is no link or association between these two factors.

2) Co-operation from the spouse and other family members may influence the decision to choose a particular form of organization. 38.70% entrepreneurs getting cooperation and 47% entrepreneurs not getting cooperation from the spouse have accepted proprietorship form of business. If family members and spouse co-operate in the business, then an entrepreneur can decide to go for partnership with family members. But sample does not show any influence of co-operation on the choice regarding the form of organization. The value of Chi-square is 0.07.

3) Co-operation from the spouse and entrepreneurial training undergone by the entrepreneurs are not at all associated. The value of Chi-square is 0.01. Nine entrepreneurs (29.03%) getting co-operation from the spouse and six entrepreneurs (35.29%) not getting co-operation from the spouse have undergone some formal training. Entrepreneurial training undergone by the entrepreneurs does not decide whether they will get co-operation from their spouse.

4) Co-operation from the spouse and the sources of initial finance used by the entrepreneurs are not associated. The value of Chi-square is 0.02. Actually spouse can provide financial assistance to the entrepreneurs, so the entrepreneurs can rely on the spouse for meeting financial requirements informally to some extent. But the sample shows that 31 (63.26%)
entrepreneurs out of 49 and 11 entrepreneurs (57.89%) out of 19 getting and not getting co-operation respectively rely on informal sources of finance in the initial stage of their business. It seems that decision to use informal sources of finance and co-operation from the spouse are independent factors.

5) Co-operation from the spouse and the investment made by the entrepreneurs at the time of setting up of the business are not associated. Fisher’s probability $p=0.2654$. The pattern of investment seen in two groups reveal that six entrepreneurs (60%) getting co-operation and four entrepreneurs (40%) not getting co-operation have invested less than Rs.50,000 at the time of setting the business and one entrepreneur each (50%) from both the categories has invested more than one Crore in the business. Entrepreneur’s investment decision is guided by several other factors and not by the question whether he gets co-operation from the spouse or not.

Co-operation from the spouse and the present investment made by the entrepreneurs are not associated. Value of Fisher’s exact probability is $p=0.1157$. Seven entrepreneurs (53.84%) getting co-operation and six entrepreneurs (46.15%) not getting co-operation from the spouse have invested between Rs.5Lacs and Rs. 15 Lacs currently. Investment exceeding Rs. 5Crore is made by two and one entrepreneurs respectively from the category of getting and not getting co-operation.

6) Co-operation from the spouse and the type of market selected by the entrepreneurs are not associated. The value of Chi-square is 1.2. Maximum number of entrepreneurs from two categories [21(67.74%) and 10(32.25%)] sells their medicines in local markets and seven and four entrepreneurs from two categories sell their medicines in international markets.

4.11 Previous Experience in the Same Line of Production
1) Previous experience in the same line of production and the form of organization selected by the entrepreneurs are not associated. The value of Chi-square is 0.17. Out of 32 entrepreneurs having previous experience 14 entrepreneurs (43.75%) have opted for proprietorship form of business and 6 entrepreneurs out of 16 entrepreneurs (37.5%) not having any previous experience have opted for proprietorship. Entrepreneurs in the sample show more preference for proprietorship irrespective of any previous experience. It may be due to very specific and technical nature of Ayurvedic drug manufacturing business which requires suitably qualified persons to assist in the business.

2) Previous experience in the same line of production and the entrepreneurial training undergone by the entrepreneurs are not associated. The value of Fisher’s probability $p=0.1157$. Out of 32 entrepreneurs having previous experience in the similar line 12 entrepreneurs have undergone training and out of 16 entrepreneurs not having any experience 3 entrepreneurs have undergone training.

3) Previous experience and the sources of finance used in the initial stage of the business are not associated. The value of Chi-square is 1.84. Twenty one entrepreneurs out of 37 entrepreneurs (56.75%) giving multiple responses to the question of initial finance and 22 entrepreneurs out of 29 entrepreneurs (75.86%) with and without previous experience respectively have depended more on informal source of finance in the initial stage of their business. This indicates that the choice of informal sources of finance is independent of any previous experience in the similar line of business.

4) Previous experience in the similar line of business and the initial investment made by entrepreneurs are not associated. Value of Fisher’s probability $p=0.1427$. Twenty five entrepreneurs (78.12%) with previous experience and fifteen entrepreneurs (93.75%) without previous experience have invested up to Rs 30Lacs in the initial stage of the business and only seven (21.87%) and one entrepreneur (6.25%) from the categories of with and without experience respectively have made the investment of more than Rs.
30Lacs in the initial stage of their business. Investment decisions taken by the entrepreneurs in the sample are independent of the previous experience of the entrepreneurs.

Previous experience in the similar line of business and present investment are not associated. Fisher’s exact probability gives value of p=0.1490. Out of 32 entrepreneurs with experience and 16 entrepreneurs without experience, 19(59.37%) and 12 entrepreneurs (75%) respectively have made the investment currently up to Rs.60 Lacs.

5) Previous experience in the similar line of business and the type of market in which entrepreneurs sell their products are not associated. The value of Chi-square is 0.18. Most of the entrepreneurs in the sample sell their medicines in more than one market. Twenty two entrepreneurs (34.37%) with experience and nine entrepreneurs (32.14%) without experience sell their medicines in local markets.

### 4.12 Forms of Organization

1) Forms of organization and entrepreneurial training received by the entrepreneurs are not associated. The value of Chi-square is 0.62. Five entrepreneurs from each form of organization (25%) (35.71%) and (35.71%) have undergone entrepreneurial training, so there is no specific relation between entrepreneurial training and a particular form of business organization. Trained entrepreneurs do not show any inclination towards a specific form of business.

2) Forms of organization and sources of initial finance are not associated. The value of Chi-square is 5.34. Eighteen entrepreneurs (90%) with proprietorship form, 13(92.85%) with partnership form and 9(64.28%) with private limited company structure have used informal sources of finance in the initial stage of their business.

3) Forms of organization and initial investment made by the entrepreneurs are not associated. The value of Fisher’s exact probability p=0.2064. Three groups of
entrepreneurs do not differ in the matter of investment made by them in the initial stage of their business. Three entrepreneurs (15%) having proprietorship form, three entrepreneurs (21.42%) with partnership form and four entrepreneurs (28.57%) having private limited companies had invested less than Rs.50,000 in the initial stage of their business. Majority of the entrepreneurs having three different forms of organization [15 (75%), 9 (64.28%) and 6 (42.85%)] had made the investment between Rs.1Lac and Rs.30 Lacs at the time of establishment of their unit.

Forms of organization and the size of present investment are not associated as is depicted by 0.08 value of Chi-square. Out of 20 entrepreneurs with proprietorship form six entrepreneurs (30%) are presently investing between Rs.5Lacs and Rs.15Lacs. Investment in the same range is also made by three (21.42%) and four entrepreneurs (28.57%) having partnership and private limited companies.

4) Forms of organization and the type of market in which entrepreneurs sell their products are not associated. The value of Chi-square is 2.65. Fifteen entrepreneurs out of 20 entrepreneurs (75%) having proprietorship form, 8 entrepreneurs out of 14 entrepreneurs (57.14%) with partnership structure and 7 entrepreneurs out of 14 entrepreneurs (50%) having private limited companies seem to prefer sale of their medicines in the local markets.

4.13 Entrepreneurial Training

1) Training acquired by the entrepreneurs and the sources of initial finance used by them are not associated. The value of Chi-square is 0.47. Eleven entrepreneurs out of 20 (55%) and 31 entrepreneurs out of 46 (67.39%) with and without any entrepreneurial training respectively have used informal sources of finance in the initial stage of their business. Due to multiple answers given by entrepreneurs total number of entrepreneurs is 66.

2) Entrepreneurial training received by the entrepreneurs and the size of investment made in the initial phase of business are not associated. Value of Fisher’s exact probability is 0.1480. Out of 15 entrepreneurs 11 entrepreneurs
(73.33%) with some entrepreneurial training have invested up to Rs.30Lacs in the initial stage of their business. Twenty nine entrepreneurs (87.87%) without any training are also investing same amount in the initial stage of their business.

Entrepreneurial training and present level of investment are not associated. The value of Chi-square is 0.01. Nine entrepreneurs (60%) with entrepreneurial and 22 entrepreneurs (66.66%) without entrepreneurial training have made the investment up to Rs.60Lacs and six (40%) and eleven entrepreneurs (33.33%) respectively from these categories have made the investment over Rs.60Lacs. Investment decisions are not determined by entrepreneurial training undergone by the entrepreneurs.

*3) Entrepreneurial training and type of market in which entrepreneurs sell their product are not associated. The value of Chi-square is 2.39. Nine entrepreneurs out of 35(25.71%) with some training and 22 entrepreneurs (37%) without any entrepreneurial training sell their medicines in local market and six and five entrepreneurs of each category sell their medicines in international markets.

**4.14 Sources of Initial Finance**

1) Sources of initial finance and the size of initial investment are not associated. The value of Chi-square is 1.19. Those who have invested less than Rs.50, 000 while setting their business depended more on informal sources of finance and those who have invested between Rs.1Lac and Rs.30Lacs depended more on informal as well as formal or institutional sources of finance. As the size of investment increases entrepreneurs cannot fulfill their financial requirements by using informal sources like personal finance and borrowing from family members, friends and relatives, so they have to approach financial institutions to meet their financial requirements. Nine entrepreneurs (75%) investing less than Rs.50, 000 and 26 entrepreneurs (65%) investing up to Rs.30Lac have used informal sources of finance. For the same levels of investment 3(25%) and 14 entrepreneurs (35%) respectively used formal source of finance. The present
sample does not show any relation between size of initial investment and the choice regarding the sources of finance.

Even the current investment and the sources of initial finance are not associated. The value of Chi-square is 3.39. Eleven entrepreneurs (78.57%) making investment up to Rs.15 Lacs and three entrepreneurs (21.42%) making same investment have used informal and formal sources of finance respectively. Though sample shows more entrepreneurs depending on informal sources still two groups using two sources do not differ significantly while investing money in the initial stage of their business.

2) Sources of initial finance and the types of markets selected by entrepreneurs are not associated. The value of Chi-square is 1.25. Twenty nine entrepreneurs out of 77 entrepreneurs(37.66%) using informal sources of finance are selling their products in local markets and 14 entrepreneurs out of 45 entrepreneurs(31.11%) using formal source of finance are using local markets for selling their medicines.

### 4.15 Size of Investment

1) Size of investment at the time of establishment of the unit and the type of market in which entrepreneurs sell their products are not associated. The value of Fisher’s exact probability p=0.2169. Four entrepreneurs out of 20(20%), 25 entrepreneurs out of 60(41.66%) and 2 entrepreneurs out of 10(20%), making investment of less than Rs.50,000, up to Rs 30Lacs and more than Rs. 30Lacs sell their medicines in local markets. The decision to sell medicines in local market is not guided by the size of initial investment.

Current investment made by entrepreneurs and the type of market in which they sell their products are not associated. Value of Fisher’s exact probability p=0.4781. Ten(43.47%), eleven(34.7%) and ten entrepreneurs(27.02%) making three different levels of investment i.e. up to 15Lacs, up to 60 Lacs and more than Rs.60Lacs respectively prefer to sell their drugs in local markets.

### 4.16 Conclusions
An attempt to study the pattern of entrepreneurship among manufacturers of Ayurvedic medicines threw light on different aspects of entrepreneurship. This business seems to be dominated by older entrepreneurs who flourished their business due to their deep interest in traditional medicines of the country. These people started their business with very small amount of capital and faced lot of hardships while settling down their business. Most of them have now handed over their business to their sons and their sons are also taking lot of efforts to continue their family business. New generation is trying to bring innovations in different forms to improve the efficacy and quality of their medicines to make their medicines globally acceptable.

Entrepreneurship in general is influenced by several factors. These factors in turn influence each other.

As far as the present sample is concerned, few social, cultural, psychological factors are found to be influencing each other and ultimately the entrepreneurship in the field of Ayurvedic medicines as well.

In an attempt to find out association between regional status of the entrepreneur and other factors, the association between regional status and co-operation from spouse and regional status and current investment made by the entrepreneurs was established statistically. It was also found that age of the entrepreneur and the initial income he earned are associated.

Present income of the entrepreneur and by whom he/she is motivated are associated.

Two economic factors namely present income and present investment, seem to be associated for the present sample.

All other factors which are also believed to be influencing entrepreneurship are found to be independent of each other. They may show some association for a very large sample.
References

