CHAPTER – 5

PERFORMANCE OF THE ENTREPRENEURS UNDER STUDY

This chapter is mainly based on primary data collected from the entrepreneurs during the field survey. Entrepreneurship development is the outcome of number of factors. The different factors responsible for entrepreneurship development such as the socio-economic profile of the entrepreneurs and performance of the entrepreneurs have been highlighted in this chapter.

Social - Economic Profile of the Entrepreneurs

In order to know the various aspects of an entrepreneur, it is desirous to collect information on the socio-economic profile of the entrepreneur. Different studies conducted at different time supports to study the socio-economic profile of the entrepreneurs. Pareek and Nandakarni (1) in a study found that the four factors that influences successful emergence of entrepreneurs and as such helps in entrepreneurial growth are the individual, socio-cultural tradition, support system and environment. In a study on 125 entrepreneurs, S.G.Bhanushali observed that caste, education and parental education has a great impact on entrepreneurial success (2). The socio-economic profile of the entrepreneurs holds much importance to the Government as it helps in formulating future policy regarding schemes related to financial assistance, concessions and subsidies. In order to ascertain the type of people who has taken up entrepreneurship as their career, certain biological and social factors such as sex, age, marital status, religion, caste, education, family background, attitude of the society towards them, the factors which motivated them to become entrepreneurs have to be considered. The present study reveals the following details on the social profile of the
entrepreneurs covered in the study area. The Sex-wise number of entrepreneurs interviewed under study is shown in Table.No.5.1.

Table.No.5.1
Sex-wise Distribution of the Entrepreneurs

<table>
<thead>
<tr>
<th>Sex</th>
<th>No. of Entrepreneurs</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>128</td>
<td>77.1</td>
</tr>
<tr>
<td>Female</td>
<td>38</td>
<td>22.9</td>
</tr>
<tr>
<td>Total</td>
<td>166</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: Field Survey.

Table.No.5.1 depicts that out of 166 entrepreneurs, 128 entrepreneurs representing 77.1% are male and the remaining 38 entrepreneurs representing 22.9% are female.

**Age of the Entrepreneurs**

The age of entrepreneurs holds much importance in the entrepreneurial success. The age group of the entrepreneurs engaged in different type of entrepreneurial activities in the study area and sex-wise age distribution of the entrepreneurs is shown in the Table.No.5.2 (a) and Table.No.5.2 (b).

Table.No.5.2 (a)
Distribution of the Entrepreneurs by their Age

<table>
<thead>
<tr>
<th>Age (in Years)</th>
<th>No. of Entrepreneurs</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 30 years</td>
<td>49</td>
<td>29.52</td>
</tr>
<tr>
<td>30 – 40</td>
<td>111</td>
<td>66.87</td>
</tr>
<tr>
<td>40 – 50</td>
<td>6</td>
<td>3.61</td>
</tr>
<tr>
<td>Total</td>
<td>166</td>
<td>100.00</td>
</tr>
</tbody>
</table>

Source: Field Survey.

Table.No.5.2 (a) shows that out of 166 entrepreneurs under study, majority

162
i.e., 111 number are in the age group of 30-40 years constituting 66.87% of the total. It is also seen from the table that 49 entrepreneurs constituting 29.52% are less than 30 years and 6 entrepreneurs constituting 3.61% are in the age group of 40-50 years.

Table.No.5.2 (b)  
**Sex-wise Age Distribution of the Entrepreneurs**

<table>
<thead>
<tr>
<th>Age (in Years)</th>
<th>Male</th>
<th>Percentage to the Total Entrepreneurs</th>
<th>Female</th>
<th>Percentage to the Total Entrepreneurs</th>
<th>Total</th>
<th>Percentage to the Total Entrepreneurs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 30</td>
<td>36</td>
<td>21.7%</td>
<td>13</td>
<td>7.8%</td>
<td>49</td>
<td>29.5%</td>
</tr>
<tr>
<td>30 – 40</td>
<td>86</td>
<td>51.8%</td>
<td>25</td>
<td>15.1%</td>
<td>111</td>
<td>66.9%</td>
</tr>
<tr>
<td>40 – 50</td>
<td>6</td>
<td>3.6%</td>
<td>-</td>
<td>-</td>
<td>6</td>
<td>3.6%</td>
</tr>
<tr>
<td>Total</td>
<td>128</td>
<td>77.1%</td>
<td>38</td>
<td>22.9%</td>
<td>166</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

Source: Field Survey.

Table.No.5.2 (b) reveals the sex-wise age of the entrepreneurs under study. The data collected from the entrepreneurs under study reveals that out of 128 male entrepreneurs, 86 entrepreneurs(majority) constituting 51.8% were in the age group of 30-40 years, 36 male entrepreneurs constituting 21.7% were up to 30 years of age, and only 6 entrepreneurs constituting 3.6% were in the age group of 40-50 years. In regard to female entrepreneurs, out of a total of 38 entrepreneurs, 25 entrepreneurs (majority) constituting 15.1% were in the age group of 30-40 years and 13 entrepreneurs constituting 7.8% were up to 30 years.

**Marital Status of the Entrepreneurs**

The marital status of the entrepreneurs, specially the female entrepreneurs holds importance in the development of entrepreneurship. A married woman is under certain social obligations as compared to its male counter part, which creates
problems in active involvement in their entrepreneurial activities. The Table.No.5.3 depicts the sex-wise marital status of the entrepreneurs.

**Table.No. 5.3**

**Sex-wise Marital Status of the Entrepreneurs**

<table>
<thead>
<tr>
<th>Marital Status</th>
<th>Male</th>
<th>Female</th>
<th>No. of Entrepreneurs</th>
<th>Percentage to the Total Entrepreneurs</th>
<th>No. of Entrepreneurs</th>
<th>Percentage to the Total Entrepreneurs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Married</td>
<td>98</td>
<td>33</td>
<td>131</td>
<td>78.9</td>
<td>30</td>
<td>21.1</td>
</tr>
<tr>
<td>Unmarried</td>
<td>30</td>
<td>5</td>
<td>35</td>
<td>21.1</td>
<td>128</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>128</td>
<td>38</td>
<td>166</td>
<td>100.0</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Source: Field Survey.*

It is observed from the Table. No. 5.3 that out of 128 male entrepreneurs, majority i.e. 98 entrepreneurs representing 59% are married and 30 entrepreneurs representing 18.1% are unmarried. In regard to 38 female entrepreneurs, 33 entrepreneurs representing 19.9% are married while the remaining 5 entrepreneurs presenting 3% are unmarried. It is, thus, clear from the table that majority of the entrepreneurs (i.e., 131) from both the male and female category are married.

**Religion of the Entrepreneurs**

The entrepreneurs in the study area belong to different religion. The Table.No.5.4 reveals the religion of the entrepreneurs under study.

**Table.No.5.4**

**Religion of the Entrepreneurs**

<table>
<thead>
<tr>
<th>Religion</th>
<th>No. of Entrepreneurs</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hindu</td>
<td>135</td>
<td>81.3</td>
</tr>
<tr>
<td>Muslim</td>
<td>6</td>
<td>3.6</td>
</tr>
<tr>
<td>Christian</td>
<td>25</td>
<td>15.1</td>
</tr>
<tr>
<td>Total</td>
<td>166</td>
<td>100.0</td>
</tr>
</tbody>
</table>

*Source: Field Survey.*
Table No. 5.4 reveals that out of 166 entrepreneurs covered under the study, 135 entrepreneurs are Hindu representing 81.3%, 25 entrepreneurs are Christian representing 15.5% and 6 entrepreneurs are Muslim representing 3.6%.

**Mother Tongue of the Entrepreneurs**

As Karbi Anglong is a tribal district, Karbi is mostly used as a means of communication beside Assamese and English. The Table No. 5.5 reveals the mother tongue of the entrepreneurs under study.

**Table No. 5.5**

<table>
<thead>
<tr>
<th>Mother Tongue</th>
<th>No. of Entrepreneurs</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assamese</td>
<td>36</td>
<td>21.7%</td>
</tr>
<tr>
<td>Bengali</td>
<td>52</td>
<td>31.3%</td>
</tr>
<tr>
<td>Hindi</td>
<td>12</td>
<td>7.2%</td>
</tr>
<tr>
<td>Karbi</td>
<td>50</td>
<td>30.1%</td>
</tr>
<tr>
<td>Nepali</td>
<td>8</td>
<td>4.9%</td>
</tr>
<tr>
<td>Dimasa</td>
<td>5</td>
<td>3.0%</td>
</tr>
<tr>
<td>Manipuri</td>
<td>1</td>
<td>.6%</td>
</tr>
<tr>
<td>Bodo</td>
<td>1</td>
<td>.6%</td>
</tr>
<tr>
<td>Tiwa</td>
<td>1</td>
<td>.6%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>166</strong></td>
<td><strong>100.0%</strong></td>
</tr>
</tbody>
</table>

*Source: Field Survey.*

Table No. 5.5 shows that out of 166 entrepreneurs under study, majority of the entrepreneurs i.e., 52 entrepreneurs constituting 31.3% (majority) were Bengali, followed by 50 entrepreneurs constituting 30.1% were Karbi, followed by 36 entrepreneurs constituting 21.7% were Assamese and 12 entrepreneurs constituting 7.2% were Hindi speaking. It is also seen that the number of entrepreneurs whose mother tongue was Nepali is 8, Dimasa 5 and one entrepreneur each from Manipuri, Bodo and Tiwa.

**Caste-wise Distribution of the Entrepreneurs**

The caste category of the entrepreneurs from the three blocks under study has been
shown in the following table-

<table>
<thead>
<tr>
<th>Caste</th>
<th>No. of Entrepreneurs</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>General</td>
<td>50</td>
<td>30.1</td>
</tr>
<tr>
<td>SC</td>
<td>27</td>
<td>16.3</td>
</tr>
<tr>
<td>ST</td>
<td>57</td>
<td>34.3</td>
</tr>
<tr>
<td>OBC</td>
<td>30</td>
<td>18.1</td>
</tr>
<tr>
<td>MOBC</td>
<td>2</td>
<td>1.2</td>
</tr>
<tr>
<td>Total</td>
<td>166</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: Field Survey.

It is very common that in a tribal district like Karbi Anglong, majority of the entrepreneurs under study are Schedule Tribe (ST) representing 34.3% followed by General Caste 30.1% entrepreneurs and 18.1% entrepreneurs belonged to OBC. Besides, 16.3% are Schedule Caste (SC) and only 1.2% entrepreneurs are MOBC.

Educational Level of the Entrepreneurs

The educational qualifications of the entrepreneurs covered under the study is analysed from general education and technical education aspects. The Table.No.5.7 depicts the educational qualifications of the sample entrepreneurs who set up their entrepreneurial activities in different sectors.

<table>
<thead>
<tr>
<th>Level of Education</th>
<th>No. of Entrepreneurs</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under Metric</td>
<td>51</td>
<td>30.7</td>
</tr>
<tr>
<td>Matriculate</td>
<td>78</td>
<td>47.0</td>
</tr>
<tr>
<td>Higher Secondary</td>
<td>33</td>
<td>19.9</td>
</tr>
<tr>
<td>Graduate</td>
<td>3</td>
<td>1.8</td>
</tr>
<tr>
<td>Above Graduate</td>
<td>1</td>
<td>.6</td>
</tr>
<tr>
<td>Total</td>
<td>166</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: Field Survey.
Table.No.5.7 shows that majority of the sample entrepreneurs i.e., 78 number of entrepreneurs representing 47% of the total obtained education up to matriculation, 51 entrepreneurs (i.e., 30.7%) are under metric, 33 entrepreneurs (i.e., 19.9%) were higher secondary passed, 3 entrepreneurs (i.e., 1.8%) obtained graduate degree and only 1 entrepreneur (i.e., 0.6%) obtained education above graduate.

It is observed from the study that only 9 entrepreneurs representing 5.42% of the total entrepreneurs are having technical education in different fields like diploma in electrical engineering, diploma in typing, diploma in computer application etc.

**Family Background of the Entrepreneurs**

The family background of the entrepreneurs has a great impact on the selection of entrepreneurial units by the up coming entrepreneurs. The family background of the entrepreneurs covered under the study has been examined in the table shown below-

**Table.No. 5.8**

**Family Background of the Entrepreneurs**

<table>
<thead>
<tr>
<th>Family Background</th>
<th>No. of Entrepreneurs</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture and Allied Sector</td>
<td>65</td>
<td>39.2</td>
</tr>
<tr>
<td>Industry Sector</td>
<td>8</td>
<td>4.8</td>
</tr>
<tr>
<td>Trade and Service Sector</td>
<td>93</td>
<td>56.0</td>
</tr>
<tr>
<td>Total</td>
<td>166</td>
<td>100.0</td>
</tr>
</tbody>
</table>

*Source: Field Survey.*

Table.No.5.8 reveals that majority of the entrepreneurs i.e., 93 representing 56% of the total entrepreneurs belong to trade and service sector background. The family background of 65 entrepreneurs (i.e., 39.2%) was related to agriculture and allied sector and of the remaining 8 entrepreneurs (i.e., 4.8%), related to industrial sector.
The study also brings to light that the family background of 12% agricultural entrepreneurs is related to agriculture and allied sector and 10.08% agricultural entrepreneurs belongs to trade and service background. There is no any agricultural entrepreneur who belongs to industrial background. The family background of 11 entrepreneurs engaged in industry sector is trade and service, 10 industrial entrepreneurs belongs to agricultural background and only 3 entrepreneurs belong to industrial background. In regard to 104 entrepreneurs engaged in trade and service sector, majority i.e., 64 entrepreneurs (38.6%) are from trade and service background, 35 entrepreneurs (21.1%) are from agricultural background and only 5 entrepreneurs (3%) are from industrial background. It can, thus, be stated that family background does not hold much importance in selection of entrepreneurial units by the entrepreneurs.

**Factors Motivating an Entrepreneur**

A man is very much influenced by the environment in which he lives. The prevailing socio-economic, psychological and cultural factors naturally influence a man and as such create an urge in him to become an entrepreneur. As such the ambition or aspirations, compelling factors and the facilitating factors induces one to take up entrepreneurship as a career. Ambition is an index of one’s own resourcefulness. The ambitions or aspirations motivates men, makes them active in their work, broaden their vision and make life more meaningful (3). A man is very much influenced by various ambitious factors as need for financial independence, desire to achieve something, desire to get social status, influence from success of others etc. Besides, there are some compelling factors which influence the life of men more than the ambitious factors. Sometimes the dissatisfaction of a man from his
business, job or employment may compel him to make a shift from the engagement to another business, job or employment which may lead him to hold to a better position in entrepreneurship. Among different motivational factors, high need for achievement is not only important for successful entrepreneurs but is vital for all those who want to be successful in their respective field of activity (4).

In the present study, the sample entrepreneurs were asked to rank the different factors which motivated them to become entrepreneurs in the order of importance listed in the Table.No.5.9. The factors indicated by them were rated by weighted score by assigning 3 points to the factor ranked first, 2 points to the factor ranked second and 1 point to the factor ranked third. The Table.No.5.9 shows the different factors which motivated the entrepreneurs under the study to build up their career in entrepreneurship -

<table>
<thead>
<tr>
<th>Motivational Factors</th>
<th>1st Preference</th>
<th>2nd Preference</th>
<th>3rd Preference</th>
<th>Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No. of Entrepreneurs</td>
<td>Weighted Score</td>
<td>No. of Entrepreneurs</td>
<td>Weighted Score</td>
</tr>
<tr>
<td>Need for Financial Independence</td>
<td>102</td>
<td>306</td>
<td>91</td>
<td>182</td>
</tr>
<tr>
<td>Desire to achieve something</td>
<td>38</td>
<td>114</td>
<td>28</td>
<td>56</td>
</tr>
<tr>
<td>Desire to get social status</td>
<td>-</td>
<td>-</td>
<td>12</td>
<td>24</td>
</tr>
<tr>
<td>Influence from success of others</td>
<td>-</td>
<td>-</td>
<td>09</td>
<td>18</td>
</tr>
<tr>
<td>Availability of subsidy</td>
<td>-</td>
<td>-</td>
<td>11</td>
<td>22</td>
</tr>
<tr>
<td>Influence from EDP</td>
<td>26</td>
<td>52</td>
<td>15</td>
<td>30</td>
</tr>
<tr>
<td>Total</td>
<td>166</td>
<td>166</td>
<td>166</td>
<td></td>
</tr>
</tbody>
</table>

Source: Field Survey.
From the Table.No.5.9, it is observed that need for financial independence was ranked first which has driven majority of the entrepreneurs to the threshold of entrepreneurship with total weighted score of 510 points. The next important factor which motivated the entrepreneurs under study was the desire to achieve something with total weighted score of 248 points (2\textsuperscript{nd} rank). Influence from EDP was ranked third with total weighted score of 116 points, desire to get status in the society was ranked fourth with total weighted score of 38 points, presence of subsidy component in the schemes sponsored by the Government was ranked as fifth with total weighted score of 35 points and influence from the success of others was ranked as sixth motivating factor. Thus, the analysis of the above table makes it clear that among various factors which motivated the entrepreneurs under study, need for financial independence was the main motive of most of entrepreneurs to take up entrepreneurship as the means of employment.

**Number of Enterprises Established in Different Years by the Entrepreneurs under Study**

The entrepreneurs under the study established number of entrepreneurial units during the period 2002-03 to 2006-07. The following table shows the number of enterprises set up the entrepreneurs in different years under study –
<table>
<thead>
<tr>
<th>Year</th>
<th>Agriculture and Allied</th>
<th>Industry</th>
<th>Trade and Service</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No. of Enterprises</td>
<td>Percentage to Total Enterprises</td>
<td>No. of Enterprises</td>
</tr>
<tr>
<td>2002-03</td>
<td>3</td>
<td>1.8%</td>
<td>3</td>
</tr>
<tr>
<td>2003-04</td>
<td>13</td>
<td>7.8%</td>
<td>6</td>
</tr>
<tr>
<td>2004-05</td>
<td>9</td>
<td>5.4%</td>
<td>5</td>
</tr>
<tr>
<td>2005-06</td>
<td>9</td>
<td>5.4%</td>
<td>10</td>
</tr>
<tr>
<td>2006-07</td>
<td>4</td>
<td>2.4%</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td>38</td>
<td>22.9%</td>
<td>24</td>
</tr>
</tbody>
</table>

**Source:** Field Survey

It is observed from the Table. No.5.10 that maximum number of enterprises covered under the study i.e., 51 numbers representing 30.7% were established in the year 2004-05, followed by 36 enterprises representing 21.7% which were established in 2003-04, 34 enterprises representing 20.4% in the year 2005-06, 33 enterprises representing 19.9% in the year 2002-03 and 12 enterprises representing 7.2% were established in 2006-07. The table also shows that out of 38 enterprises established by the entrepreneurs engaged in agriculture and allied sector, 13 enterprises were established in the year 2003-04, 9 enterprises each in 2004-05 and 2005-06, 4 enterprises in 2006-07 and 3 enterprises in 2002-03. Regarding industrial enterprises, out of 24 enterprises, 10 were established in the year 2005-06, 6 in the year 2003-04, 5 in the year 2004-05 and 3 enterprises in the year 2002-03. Again, out of 104 entrepreneurs engaged in trade and service sector, 37 enterprises were established in 2004-05, 27 in 2002-03, 17 in the year 2003-04, 15 in the year 2005-06 and 8 enterprises were established in the year 2006-07.
Type of Activities Undertaken by the Entrepreneurs in their Entrepreneurial Units

Different types of entrepreneurial units are set up by the entrepreneurs under study. The most common activities undertaken by the 38 entrepreneurs engaged in agriculture and allied sector are piggery, fishery, poultry and goatery. In regard to the 24 entrepreneurs engaged in industry sector, weaving, knitting, tailoring, electronic goods repairing, steel fabrication and fruit processing are the main economic activities while the activities related to the trade and service sector in which 104 entrepreneurs under study are involved are grocery shop, auto- rickshaw, pick-up van, pharmacy, cloth store, stationery shop, Xerox and PCO, stationery shop, computer training institute, auto spare parts shop, dry fish selling shop, hotel/restaurant, beauty parlour, book stall and electrical store.

![Fig. 5.1: Sector-wise Representation of the Sample.](image)

Commencement of the Entrepreneurial Activities

Majority of the entrepreneurs i.e., 88% of the total entrepreneurs (146 entrepreneurs) established their entrepreneurial activities on their own initiative and
the remaining 20 entrepreneurs constituting 12% of the total number of entrepreneurs inherited the units from their family members. The study also reflected that out of the 20 entrepreneurs who inherited the enterprises from their family members, 12 enterprises were related to trade and service sector, 5 enterprises were related to agriculture and allied sector and 3 enterprises were related to industry sector. It is, indeed, a good sign that majority of the entrepreneurs were in good spirit and as such established the enterprises on basis of their own ideas.

**Location of the Entrepreneurial Units**

In regard of location of the enterprises, 34.34% of the total enterprises were established in a rented or leased land, followed by 27.11% enterprises established in own home, 12.04% were in the Government estate and 7.23% in the owned premises. Besides, 32 enterprises representing 19.28% of the total enterprises under study did not require any location site because they are engaged in transportation and the transport operators stated that they do not require any permanent location for their enterprises.

**Prior Occupation of the Entrepreneurs**

The study revealed that out of 166 entrepreneurs under study, only 38 entrepreneurs representing 22.9% were engaged in some sort of work before taking up the present entrepreneurial activities. Some of the entrepreneurs were engaged in their parental business, some in a service in shops while some other worked as a day labourer

**Sources of Capital Invested into the Entrepreneurial Activity**

The main source of capital invested in the entrepreneurial activities by the entrepreneurs under study is bank loan. The amount granted as loan by the banks depends on the nature of entrepreneurial activities undertaken by entrepreneurs.
Again, the entrepreneurs financially assisted by the banks in the north eastern states under PMRY are required to contribute margin money ranging from 5% to 12.5% towards their entrepreneurial activities (5), which was revised as 5% to 16.25% in the year 2007 (6). Over and above, it is also found from the study that the entrepreneurs invested a small proportion of amount as their contribution (i.e., additional amount) towards the entrepreneurial activities, either of their own or by borrowing from their friends or relatives. Table No. 5.11 (a) to Table No. 11 (c) shows the amount of bank loan received, amount contributed as margin money and additional amount contributed by the entrepreneurs under study towards their enterprises.

Table No. 5.11 (a)  
Amount of Bank Loan Received by the Entrepreneurs.

<table>
<thead>
<tr>
<th>Sector</th>
<th>No. of Entrepreneurs (in Rs.)</th>
<th>Average (Rs.)</th>
<th>Total (Rs.)</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture and Allied</td>
<td>38</td>
<td>74,052</td>
<td>28,13,995</td>
<td>21.17</td>
</tr>
<tr>
<td>Industry</td>
<td>24</td>
<td>81,918</td>
<td>19,66,025</td>
<td>14.80</td>
</tr>
<tr>
<td>Trade and Service</td>
<td>104</td>
<td>81,823</td>
<td>85,09,625</td>
<td>64.03</td>
</tr>
<tr>
<td>Total</td>
<td>166</td>
<td>80,058</td>
<td>1,32,89,645</td>
<td>100.00</td>
</tr>
</tbody>
</table>

Source: Field Survey.

From the Table No. 5.11 (a), it is observed that 104 entrepreneurs engaged in trade and service sector availed maximum amount of total bank loan representing 64.03% of the total amount of loan disbursed by the banks operating in the study area during the study period i.e., 2002-03 to 2006-07 i.e., Rs.1,32,89,645, followed by 38 agricultural entrepreneurs who received a total bank loan of Rs.28,13,995 representing 21.17% of the total and 24 industrial entrepreneurs under study could procure total bank loan of Rs.19,66,025 representing 14.80% of the total loan disbursed by the banks in the study area during the study period.
Table No. 5.11 (b)  
**Amount of Margin Money Contributed by the Entrepreneurs**

<table>
<thead>
<tr>
<th>Sector</th>
<th>No. of Entrepreneurs (in Rs.)</th>
<th>Average (Rs.)</th>
<th>Total (Rs.)</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture and Allied Sector</td>
<td>38</td>
<td>3,898</td>
<td>1,48,105</td>
<td>21.17</td>
</tr>
<tr>
<td>Industry</td>
<td>24</td>
<td>4,311</td>
<td>1,03,475</td>
<td>14.80</td>
</tr>
<tr>
<td>Trade and Service</td>
<td>104</td>
<td>4,307</td>
<td>4,47,875</td>
<td>64.03</td>
</tr>
<tr>
<td>Total</td>
<td>166</td>
<td>4,214</td>
<td>6,99,455</td>
<td>100.00</td>
</tr>
</tbody>
</table>

**Source:** Field Survey.

Table No. 5.11 (b) brings to light the amount contributed by the entrepreneurs towards their enterprises as margin money. The table indicates that maximum margin money i.e., Rs. 4,47,875 representing 64.03% was contributed by 104 entrepreneurs engaged in trade and service sector, followed by 38 agricultural entrepreneurs who contributed Rs. 1,48,105 representing 21.17% of the total margin money contributed by the entrepreneurs and 24 industrial entrepreneurs contributed Rs.1,03,475 representing 14.08% of the total contribution of the entrepreneurs towards margin money.

Table No. 5.11 (c)  
**Additional Amount Contributed by the Entrepreneurs**

<table>
<thead>
<tr>
<th>Sector</th>
<th>Own contribution/ Borrowings from friends or relatives</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No. of Entrepreneurs</td>
</tr>
<tr>
<td>Agriculture and Allied</td>
<td>38</td>
</tr>
<tr>
<td>Industry</td>
<td>24</td>
</tr>
<tr>
<td>Trade and Service</td>
<td>104</td>
</tr>
<tr>
<td>Total</td>
<td>166</td>
</tr>
</tbody>
</table>

**Source:** Field Survey.

From the Table No. 5.11 (c), it is observed that 104 entrepreneurs engaged in trade and service sector invested an additional amount of Rs. 53,96,200 representing 73.06% of the total additional amount during the study period i.e., 2002-03 to 2006-
followed by 38 agricultural entrepreneurs who contributed Rs.10,50,000 representing 14.22% of the total and 24 industrial entrepreneurs under study invested Rs.9,40,000 representing 12.73% of the total investment made by the entrepreneurs either of their own or through borrowings from friends or relatives.

Thus, it can be summarized that out of the total investment (i.e., Rs.2,13,75,300) made by the entrepreneurs in their entrepreneurial activities during the study period 2002-03 to 2006-07, Rs.40,12,100 (i.e., 18.77%) was invested in the agriculture and allied sector, Rs.30,09,500 (i.e., 14.08%) in the industry sector and Rs.1,43,53,700 (i.e., 67.15%) in trade and service sector.

**Purpose of Borrowing Loan by the Entrepreneurs under Study**

The entrepreneurs under the study borrowed loan for different purposes. The following table shows the purpose for which the entrepreneurs borrowed loan from the banks under PMRY-

<table>
<thead>
<tr>
<th>Purpose of Borrowing Loan</th>
<th>Agriculture and Allied</th>
<th>Industry</th>
<th>Trade and service</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No. of Entrepreneurs</td>
<td>Percentage to the Total Entrepreneurs</td>
<td>No. of Entrepreneurs</td>
</tr>
<tr>
<td>Establishing new enterprise</td>
<td>33</td>
<td>19.9</td>
<td>21</td>
</tr>
<tr>
<td>Expansion of existing enterprise</td>
<td>4</td>
<td>2.4</td>
<td>3</td>
</tr>
<tr>
<td>Diversification of enterprise</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Rehabilitation of sick enterprise</td>
<td>1</td>
<td>0.6</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td>38</td>
<td>22.9</td>
<td>24</td>
</tr>
</tbody>
</table>

**Source:** Field Survey.
Table.No.5.12 reflects that a majority of the entrepreneurs i.e., 146 constituting 88% of the total borrowed loan under PMRY to establish new enterprises while 19 entrepreneurs representing 11.4% for expansion of the existing enterprises and only 1 entrepreneur from agriculture and allied sector borrowed the loan for rehabilitation of the sick enterprise. It is also observed that out of the 19 existing enterprises for which loan was borrowed by the entrepreneurs, 12 belonged to trade and service sector, 4 to agriculture and allied sector and 3 to industry sector.

**Repayment of loan to the Banks by the Entrepreneurs under Study**

The entrepreneurs financially assisted by the banks under PMRY are required to repay their loan amount within a period ranging from 3-7 years after a initial holiday of 6-18 months. On being asked about the repayment of loan amount to the banks within the scheduled period, only few entrepreneurs under study responded positively. The response of the entrepreneurs is shown in the Table.No.5.13.

<table>
<thead>
<tr>
<th>Response of the Entrepreneurs</th>
<th>Sector</th>
<th>Total Entrepreneurs</th>
<th>% to Total Entrepreneurs</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Agriculture and Allied</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>No. of Entrepreneurs</td>
<td>Percentage to Total Entrepreneurs</td>
<td></td>
</tr>
<tr>
<td>Yes</td>
<td>11</td>
<td>6.6</td>
<td></td>
</tr>
<tr>
<td>No</td>
<td>27</td>
<td>16.3</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>38</td>
<td>22.9</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Industry</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>No. of Entrepreneurs</td>
<td>Percentage to Total Entrepreneurs</td>
<td></td>
</tr>
<tr>
<td>Yes</td>
<td>11</td>
<td>6.6</td>
<td></td>
</tr>
<tr>
<td>No</td>
<td>13</td>
<td>7.8</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>24</td>
<td>14.5</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Trade and service</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>No. of Entrepreneurs</td>
<td>Percentage to Total Entrepreneurs</td>
<td></td>
</tr>
<tr>
<td>Yes</td>
<td>36</td>
<td>21.6</td>
<td></td>
</tr>
<tr>
<td>No</td>
<td>68</td>
<td>41.0</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>104</td>
<td>62.6</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>No. of Entrepreneurs</td>
<td>Percentage to Total Entrepreneurs</td>
</tr>
<tr>
<td>Yes</td>
<td>58</td>
<td>34.9</td>
<td></td>
</tr>
<tr>
<td>No</td>
<td>108</td>
<td>65.1</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>166</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

**Source: Field Survey**

It is observed from the Table. No. 5.13 that a majority of the entrepreneurs i.e.,
108 entrepreneurs representing 65.1% did not pay their loan amount within the scheduled time while only 58 entrepreneurs representing 34.9% repaid their loan amount as per schedule. In regard to entrepreneurs engaged in agriculture and allied sector, only 11 out of 38 entrepreneurs repaid their loan amount, 11 out of 24 entrepreneurs in industry sector and only 36 out of 104 entrepreneurs could repay their loan amount within the scheduled period. On being asked about the reasons behind their inability to repay the loan amount as per schedule fixed by the banks, it is found that majority of the entrepreneurs i.e., 65 representing 60.2% considered loss in the business to be the main reason behind non-repayment of loan, 19 entrepreneurs (17.6%) stated family or self illness as a reason behind their inability to repay the loan amount, 16 entrepreneurs (14.8%) had to close their business due to competition in the market and 8 entrepreneurs (7.4%) considered the insurgency caused due to Karbi-Kuki clash as a reason behind non-repayment of loan amount. In agriculture and allied sector, out of 27 entrepreneurs who did not repay the loan amount within the scheduled period, 14 entrepreneurs stated loss in the business, 7 entrepreneurs considered closure of the business, 4 entrepreneurs stated family or self illness and 2 entrepreneurs stated Karbi-Kuki clash as the main reason behind their inability to repay the loan amount within the scheduled time. All the entrepreneurs except the 16 entrepreneurs who closed their enterprises stated that they are going to repay the loan amount to the banks as soon as possible.

**Opinion regarding receipt of full amount of subsidy under the PMRY Scheme**

The Government generally provided subsidy @ 15% of the project cost subject to a ceiling of Rs. 7,500 per entrepreneur under PMRY but for Himachal Pradesh, Uttaranchal, Jammu and Kashmir and North-Eastern states, the subsidy was provided @ 15% of the project cost subject to a ceiling of Rs. 15,000 (8). The subsidy
rate was revised to Rs. 12,500 in the Year 2007. Subsidy is provided only after full repayment of the loan amount. The Table.No.5.14 shows the receipt of subsidy by the entrepreneurs.

**Table.No.5.14**  
**Receipt of Subsidy by the Entrepreneurs**

<table>
<thead>
<tr>
<th>Response of the Entrepreneurs</th>
<th>Agriculture and Allied</th>
<th>Industry</th>
<th>Trade and service</th>
<th>No. of Entrepreneurs</th>
<th>Percentage to the Total Entrepreneurs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>11</td>
<td>11</td>
<td>36</td>
<td>58</td>
<td>34.9</td>
</tr>
<tr>
<td>No</td>
<td>27</td>
<td>13</td>
<td>68</td>
<td>108</td>
<td>65.1</td>
</tr>
<tr>
<td>Total</td>
<td>38</td>
<td>24</td>
<td>104</td>
<td>166</td>
<td>100.0</td>
</tr>
</tbody>
</table>

**Source: Field Survey.**

Table.No.5.14 indicates that a majority of the entrepreneurs i.e., 108 entrepreneurs representing 65.1% did not receive the subsidy amount provided by Government under the PMRY Scheme since they failed to repay the loan amount within the scheduled period while only 58 entrepreneurs representing 34.9% received the subsidy component under the scheme. Since 11 entrepreneurs out of 38 entrepreneurs engaged in agriculture and allied sector repaid their loan amount within the scheduled period, they received the subsidy amount, 11 out of 24 entrepreneurs from the industry sector and 36 out of 104 entrepreneurs from trade and service received the subsidy amount for repaying the loan amount to the respective disbursing banks within the scheduled period.

**Performance of Entrepreneurs**

The performance of the entrepreneurs can be best measured by analysing the yearly changes in the production, turnover, generation of income, rate of profit
earned, profits re-invested into the entrepreneurial activities i.e., ploughing back of profits and size of employment generated by the entrepreneurs in different years and changes that has taken place in the entrepreneurial activities started by the entrepreneurs.

The entrepreneurial activities which are established through financial assistance of banks under PMRY from the year 2002-03 to 2006-07 are covered in this study. Each year under study includes the entrepreneurial activities established in between 2002-03 to 2006-07. The production, turnover, profit, ploughing back of profits and employment generation is analysed for five years. The total number of entrepreneurial units covered in the first year is 166, followed by 156 units in the second year, 154 units in the third year, 150 units each in the fourth year and the fifth year. The change in the number of units covered in a year is due to the closure of some units in that particular year.

(A) Production of the Entrepreneurial Activities/ Units

The change in production by the enterprises in different years covered in the study is one of the parameter for measuring performance of the enterprises. Table.No.5.15 shows the production of the enterprises in different years under study.

<table>
<thead>
<tr>
<th>Sequence of Year</th>
<th>Production (in Rs.)</th>
<th>Total Production (in Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Agriculture and Allied Sector</td>
<td>Industry Sector</td>
</tr>
<tr>
<td>First</td>
<td>33,37,000</td>
<td>21,37,600</td>
</tr>
<tr>
<td>Second</td>
<td>45,33,000</td>
<td>21,58,000</td>
</tr>
<tr>
<td>Third</td>
<td>41,95,000</td>
<td>25,01,500</td>
</tr>
<tr>
<td>Fourth</td>
<td>28,91,000</td>
<td>27,45,200</td>
</tr>
<tr>
<td>Fifth</td>
<td>28,11,000</td>
<td>30,58,500</td>
</tr>
<tr>
<td>Total</td>
<td>1,77,67,000</td>
<td>1,26,00,800</td>
</tr>
</tbody>
</table>

Source: Field Survey.
Table No. 5.15 reveals that the total production within a period of five years by the enterprises was Rs.8,63,12,800. The production in the first year was Rs.1,56,33,600 by 166 enterprises, Rs.2,04,96,000 in the second year by 163 enterprises, Rs.1,82,75,500 in the third year by 156 enterprises, Rs.1,58,46,200 in the fourth year by 150 enterprises and Rs.1,60,61,500 in the fifth year by 150 enterprises. It is, thus, seen that production by the enterprises was highest in the second year, then after production decreased in the fourth year but again increased in the fifth year. In regard to agriculture and allied sector, production is showing a decreasing trend from the third year (Rs.41,95,000) to the fifth year (Rs.28,11,000). The production of the enterprises engaged in industry sector increased every year i.e., from Rs.21,37,600 in the first year to Rs.30,58,500 in the fifth year. Again, the production of the enterprises engaged in trade and service sector reveals that it increased from the first year (Rs.1,01,59,000) to the third year (Rs.1,15,79,000) but in the fourth (Rs.1,02,10,000) and fifth year (Rs.1,01,92,000), the production decreased gradually. It can, thus, be stated that the units engaged in industry sector during this period of five years showed better performance than the units from trade and service sector and agriculture and allied sector.

(B) Turnover of the Entrepreneurial Activities/ Units

Turnover is considered as one of the criteria for measuring the performance of the entrepreneurial activities. The turnover of the enterprises in different years is shown in the Table.No.5.16.
Table No. 5.16
Year-wise and Activity-wise Turnover of the Entrepreneurial Activities

<table>
<thead>
<tr>
<th>Sequence of Year</th>
<th>Turnover (in Rs.)</th>
<th>Total Turnover (in Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Agriculture and Allied Sector</td>
<td>Industry Sector</td>
</tr>
<tr>
<td>First</td>
<td>67,12,000</td>
<td>28,95,000</td>
</tr>
<tr>
<td>Second</td>
<td>56,88,000</td>
<td>36,20,000</td>
</tr>
<tr>
<td>Third</td>
<td>53,67,000</td>
<td>34,09,000</td>
</tr>
<tr>
<td>Fourth</td>
<td>36,18,000</td>
<td>35,95,000</td>
</tr>
<tr>
<td>Fifth</td>
<td>36,52,000</td>
<td>40,03,000</td>
</tr>
<tr>
<td>Total</td>
<td>2,50,37,000</td>
<td>1,75,22,000</td>
</tr>
</tbody>
</table>

Source: Field Survey.

It is observed from the Table No. 5.16 that the total turnover within a period of five years was Rs. 10, 79, 66, 000. The turnover in the first year was Rs. 2,12,08,000 by 166 enterprises, Rs.2,27,52,000 in the second year by 163 enterprises, Rs. 2,27,29,000 in the third year by 156 enterprises, Rs.2,08,81,000 in the fourth year by 150 enterprises and Rs.2,03,96,000 in the fifth year by 150 enterprises. No doubt, the total turnover of the enterprises increased in the second year to Rs.2,27,52,000 as compared to the first year (Rs.2,12,08,000) but from the third year the total turnover of the enterprises decreased every year. It is also observed from the table that the turnover of the agricultural enterprises decreased in the subsequent years as compared to the initial year whereas the turnover of the enterprises engaged in the industry and trade and service sector increased in the subsequent years as compared to the first year. Thus, it can be stated that the performance of industry and trade and service sector is better than the agriculture and allied sector.

(C) Profit Earned by the Entrepreneurial Activities/ Units

The Profit earned by the entrepreneurs from their entrepreneurial activities
over a period of time is another important parameter to analyse the performance of the enterprises. It needs to be mentioned, here, that profit means net profit i.e., sales minus cost of production minus other expenses. The profit earned by the enterprises under study is shown in the Table.No.5.17.

Table.No.5.17
Year-wise and Activity-wise Profit of the Entrepreneurial Activities

<table>
<thead>
<tr>
<th>Sequence of Year</th>
<th>Profit (in Rs.)</th>
<th>Total Profit (in Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Agriculture and Allied Sector</td>
<td>Industry Sector</td>
</tr>
<tr>
<td>First</td>
<td>11,08,000</td>
<td>10,81,400</td>
</tr>
<tr>
<td>Second</td>
<td>10,91,000</td>
<td>9,17,000</td>
</tr>
<tr>
<td>Third</td>
<td>10,82,000</td>
<td>17,05,500</td>
</tr>
<tr>
<td>Fourth</td>
<td>8,35,500</td>
<td>9,54,800</td>
</tr>
<tr>
<td>Fifth</td>
<td>8,36,000</td>
<td>12,28,000</td>
</tr>
<tr>
<td>Total</td>
<td>49,52,000</td>
<td>58,86,700</td>
</tr>
</tbody>
</table>

Source: Field Survey.

It is observed from the Table. No.5.17 that the total profit earned by the entrepreneurs from their enterprises decreased in the subsequent years except increase in the third year (Rs.55,09,500) as compared to the first year (Rs.53,34,900). The table also brings to light that the profit earned by the entrepreneurs engaged in the agriculture and allied sector decreased every year up to the fifth year (Rs.8,36,000) as compared to the first year in which the entrepreneurs generated Rs.11,08,000. The profit of industrial enterprises increased in the fifth year (Rs.12,28,000) as compared to the initial year (Rs.10,81,400). Again, the profit earned by the entrepreneurs engaged in the trade and service sector decreased every year up to the fifth year (Rs.23,88,000) in comparison to the profit earned in the first year (Rs.31,45,500). In brief, it can be stated that the enterprises engaged in the industry sector performed better than the enterprises engaged in agriculture and allied sector and enterprises involved in trade and service sector.
Comparative Statement of Production, Turnover and Profit of the 
Entrepreneurial Activities (Within Five Years)

Table.No.5.18 
Activity-wise Production, Turnover and Profit of the Entrepreneurial Activities 
(Within Five Years)

<table>
<thead>
<tr>
<th>Aspects</th>
<th>Sector</th>
<th>Grand Total (in Rs.)</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Agriculture and Allied</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total (in Rs.)</td>
<td>Percentage</td>
<td>Total (in Rs.)</td>
<td>Percentage</td>
</tr>
<tr>
<td>Production</td>
<td>1,77,67,000</td>
<td>21.4</td>
<td>1,26,00,800</td>
</tr>
<tr>
<td>Turnover</td>
<td>2,50,37,000</td>
<td>23.2</td>
<td>1,75,22,000</td>
</tr>
<tr>
<td>Profit</td>
<td>49,52,000</td>
<td>20.1</td>
<td>58,86,700</td>
</tr>
</tbody>
</table>

Source: Field Survey.

Table.No.5.18 reveals that out of the total production, turnover and profit earned by the enterprises within a period of five years, the enterprises engaged in the trade and service sector held the major share i.e., Rs.5,26,45,000 representing 63.4% of the total production, 60.6% of the total turnover, 56% of the total profit. The share of agriculture and allied sector in the total production was 21.4%, 23.2% of the total turnover and 20.1% of the total profit earned by the enterprises covered under study. The industrial sector contributed 15.2% of the total production, 16.2% of the total turnover and 23.9% of the total profit. Again, the enterprises engaged in trade and service sector represented 63.4% of the total production, 60.6% of the total turnover and 56% of the total profit. Thus, on the basis of Net Profit Ratio (Net Profit / Turnover x 100), it can be stated that the enterprises engaged in the industry sector (i.e., 33.60: 1) shows better performance picture than the enterprises related to agriculture and allied sector (i.e., 19.78: 1) and trade and service sector (i.e., 21.13: 1) in spite of least production within a period of five years.
Within 5 years

![Activity wise Production, Turnover and Profit of the Enterprises.](image)

**Fig. 5.2:** Activity wise Production, Turnover and Profit of the Enterprises.

(D) **Ploughing Back of Profits by the Entrepreneurs**

Ploughing Back of Profits (PBPs) is the amount of profits re-invested in the entrepreneurial activities. The Table No.5.19 (a) shows the number of entrepreneurs who re-invested profits in order to expand their business.

<table>
<thead>
<tr>
<th>Response of the Entrepreneurs</th>
<th>Sector</th>
<th>Agriculture and Allied</th>
<th>Industry</th>
<th>Trade and service</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No. of Entrepreneurs</td>
<td>Percentage to the Total Entrepreneurs</td>
<td>No. of Entrepreneurs</td>
<td>Percentage to the Total Entrepreneurs</td>
</tr>
<tr>
<td>Yes</td>
<td>13</td>
<td>7.8</td>
<td>7</td>
<td>4.2</td>
</tr>
<tr>
<td>No</td>
<td>25</td>
<td>15.1</td>
<td>17</td>
<td>10.3</td>
</tr>
<tr>
<td>Total</td>
<td>38</td>
<td>22.9</td>
<td>24</td>
<td>14.5</td>
</tr>
</tbody>
</table>

**Table No.5.19 (a)**

Ploughing Back of Profits by the Entrepreneurs

**Source:** Field Survey.
Table.No.5.19 (a) clearly shows that out of 166 entrepreneurs under study, 56 entrepreneurs representing 33.7% could plough back profits in their entrepreneurial units while the remaining 110 entrepreneurs representing 66.3% did not re-invest the profits in their units. The table also reveals that 13 agricultural entrepreneurs (7.8%) out of a total of 25, 7 industrial entrepreneurs (4.2%) out of a total of 24 and 36 entrepreneurs (21.7%) out of 104 entrepreneurs involved in trade and service could plough the profits in their entrepreneurial units.

Moreover, 79 entrepreneurs i.e., 47.59% of the total entrepreneurs under study re-invested profits in their enterprises in the first year, followed by 78 entrepreneurs i.e., 46.99% of the total entrepreneurs in the second year, 76 entrepreneurs i.e., 45.78% of the total entrepreneurs in the third year, 70 entrepreneurs i.e., 42.17% in the fourth year and decreased gradually to 35 entrepreneurs representing 21.08% in the fifth year. Again, the entrepreneurs engaged in agriculture and allied sector, industry sector and trade and service sector in all the years is above 50% of their profit figure. The Table.No.5.19 (b) shows the percentage of profits re-invested by the entrepreneurs in their entrepreneurial activities within a period of five years.
## Table No.5.19 (b)
### Activity-wise Rate of Profits Re-Invested in the Entrepreneurial Activities (Within 5 years)

<table>
<thead>
<tr>
<th>Sector</th>
<th>Rate of Ploughing Back of Profits (in Percentage)</th>
<th>Year</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>First</td>
<td>Second</td>
<td>Third</td>
<td>Fourth</td>
<td>Fifth</td>
</tr>
<tr>
<td>Agriculture and Allied</td>
<td>Up to 10</td>
<td>2</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>11-20</td>
<td>-</td>
<td>-</td>
<td>2</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>21-30</td>
<td>4</td>
<td>4</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>31-40</td>
<td>2</td>
<td>1</td>
<td>3</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td></td>
<td>41-50</td>
<td>6</td>
<td>7</td>
<td>8</td>
<td>6</td>
<td>6</td>
</tr>
<tr>
<td></td>
<td>Above 50</td>
<td>11</td>
<td>11</td>
<td>11</td>
<td>9</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>25</td>
<td>24</td>
<td>24</td>
<td>21</td>
<td>21</td>
</tr>
<tr>
<td>Industry</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Up to 10</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>11-20</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>21-30</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>31-40</td>
<td>1</td>
<td>1</td>
<td>2</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>41-50</td>
<td>5</td>
<td>5</td>
<td>2</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>Above 50</td>
<td>8</td>
<td>8</td>
<td>10</td>
<td>10</td>
<td>11</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>16</td>
<td>16</td>
<td>16</td>
<td>15</td>
<td>15</td>
</tr>
<tr>
<td>Trade and Service</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Up to 10</td>
<td>9</td>
<td>8</td>
<td>8</td>
<td>9</td>
<td>7</td>
</tr>
<tr>
<td></td>
<td>11-20</td>
<td>-</td>
<td>-</td>
<td>2</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>21-30</td>
<td>3</td>
<td>3</td>
<td>1</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>31-40</td>
<td>5</td>
<td>5</td>
<td>6</td>
<td>8</td>
<td>7</td>
</tr>
<tr>
<td></td>
<td>41-50</td>
<td>14</td>
<td>15</td>
<td>10</td>
<td>4</td>
<td>8</td>
</tr>
<tr>
<td></td>
<td>Above 50</td>
<td>48</td>
<td>47</td>
<td>49</td>
<td>45</td>
<td>38</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>79</td>
<td>78</td>
<td>76</td>
<td>70</td>
<td>35</td>
</tr>
</tbody>
</table>

Source: Field Survey.

**Fig. 5.3:** Activity wise Rate of Ploughing Backup Profits by the Entrepreneurs (Within 5 years)
(E) Employment Generation by the Entrepreneurial Activities/ Units

The success of the entrepreneurial units established by the entrepreneurs under study can also be measured by the size of employment generated in the enterprises. The number and type of employees engaged in the enterprises by the entrepreneurs under study is shown in the Table.No.5.20 (a) and Table.No.5.20 (b).

<table>
<thead>
<tr>
<th>Sequence of Year</th>
<th>Number of Full Time Employees</th>
<th>No. of Entrepreneurs</th>
<th>Number of Part Time Employees</th>
<th>No. of Entrepreneurs</th>
<th>Number of Seasonal Employees</th>
<th>No. of Entrepreneurs</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Average</td>
<td>Total</td>
<td>Average</td>
<td>Total</td>
<td>Average</td>
<td>Total</td>
</tr>
<tr>
<td>First</td>
<td>2</td>
<td>106</td>
<td>68</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Second</td>
<td>2</td>
<td>102</td>
<td>65</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Third</td>
<td>2</td>
<td>105</td>
<td>67</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Fourth</td>
<td>2</td>
<td>100</td>
<td>63</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Fifth</td>
<td>2</td>
<td>102</td>
<td>61</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
</tbody>
</table>

Source: Field Survey.

It is very clear from the Table.No.20 (a) that the number of full time employees engaged by the entrepreneurs varies from the first year to the fifth year with slight difference but in an average, each entrepreneur under the study engaged 2 full time employees in his/ her entrepreneurial unit. In regard to the part time and seasonal employees, each entrepreneur took the service of 1 part time employee and 1 seasonal employee in average. This table also reflects that the number of full time employees and the number of entrepreneurs who engaged employees on full time basis decreased in the fifth year (i.e., 102 employees by 61 entrepreneurs ), fourth year (i.e., 100 employees by 63 entrepreneurs ), third year (i.e., 105 employees by 67 entrepreneurs ) and second year (i.e., 102 employees by 65 entrepreneurs ) as
compared to the initial year (i.e., 106 employees by 68 entrepreneurs), whereas the number of part time employees (i.e., 1), and seasonal employees (i.e., 2), reveal same in each year under study.

Table.No.5.20 (b)

Sector-wise Employment Generation by the Entrepreneurs (Within 5 Years)

<table>
<thead>
<tr>
<th>Type of Employees</th>
<th>Sector</th>
<th>Agriculture and Allied</th>
<th>Industry</th>
<th>Trade and service</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Total</td>
<td>Average</td>
<td>No. of Entrepreneurs</td>
</tr>
<tr>
<td>Full Time Employees</td>
<td></td>
<td>120</td>
<td>2.3</td>
<td>52</td>
</tr>
<tr>
<td>Part Time Employees</td>
<td></td>
<td>.</td>
<td>.</td>
<td>0</td>
</tr>
<tr>
<td>Seasonal Employees</td>
<td></td>
<td>.</td>
<td>.</td>
<td>0</td>
</tr>
</tbody>
</table>

Source: Field Survey.

Table.No.5.20 (b) indicates the sector-wise number and type of employees engaged by the entrepreneurs in their enterprises within a period of five years. It is revealed from the table that a total of 120 full time employees were engaged by 52 entrepreneurs involved in agriculture and allied sector, 102 full time employees were engaged by 65 industrial entrepreneurs and 293 entrepreneurs were engaged by 207 entrepreneurs involved in trade and service sector within a period of 5 years. The entrepreneurs from agriculture and trade sector did not employ any part time or seasonal employee whereas the industrial entrepreneurs engaged 10 seasonal workers and the entrepreneurs engaged in trade and service sector engaged only 5 workers on part time basis. It is, thus, clear from the table that within a period of 5 years, the
entrepreneurs from agriculture and allied sector engaged 2.3 (i.e., 2) full time workers in an average, the industrial entrepreneurs in an average gave employment to 1.6 (i.e., 2) workers on full time basis and to 1 worker on seasonal basis while the entrepreneurs from trade and service sector engaged 1.4 (i.e., 1) full time worker and 1 part time worker in an average.

Level of satisfaction Derived by the Entrepreneurs from the Profit Earning Capacity of the Enterprises

All the entrepreneurs under the study are not satisfied by the amount of profit earned by their enterprises. The Table.No.5.21 shows the satisfaction derived by the entrepreneurs on profit earned by the entrepreneurial activities.

<table>
<thead>
<tr>
<th>Level of Satisfaction</th>
<th>Agriculture and Allied</th>
<th>Industry</th>
<th>Trade and service</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No. of Entrepreneurs</td>
<td>No. of Entrepreneurs</td>
<td>No. of Entrepreneurs</td>
</tr>
<tr>
<td></td>
<td>Percentage to the Total Entrepreneurs</td>
<td>Percentage to the Total Entrepreneurs</td>
<td>Percentage to the Total Entrepreneurs</td>
</tr>
<tr>
<td>Fully Satisfied</td>
<td>1</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>Satisfied</td>
<td>9</td>
<td>10</td>
<td>37</td>
</tr>
<tr>
<td>Not Satisfied</td>
<td>28</td>
<td>10</td>
<td>65</td>
</tr>
<tr>
<td>Total</td>
<td>38</td>
<td>24</td>
<td>104</td>
</tr>
</tbody>
</table>

Source: Field Survey.

From the Table.No.5.21, it is observed that majority of the entrepreneurs, i.e., 107 entrepreneurs (i.e., 28 entrepreneurs from agriculture and allied sector, 14 entrepreneurs from industry sector and 65 entrepreneurs from trade and service sector) representing 64.5% of the total were not satisfied from the profit earned by
them from their enterprises, 56 entrepreneurs representing 33.7% of the total were satisfied and only 3 entrepreneurs representing 1.8% were fully satisfied. The table also reveals that out of 56 entrepreneurs who were satisfied from the profit figure of their enterprises, majority i.e., 37 entrepreneurs (i.e., 22.3%) belonged to trade and service sector, 10 entrepreneurs (i.e., 6%) to industry sector and 9 entrepreneurs (i.e., 5.4%) to agriculture and allied sector.

(F) Changes Introduced by the Entrepreneurs in their Enterprises

The change in the enterprises may take the form of addition of new product or service, improvement of the existing product or service, installation of modern machinery, establishment of a new unit etc. According to Peter Drucker, innovation is the specific tool of entrepreneurs, the means by which they exploit changes as an opportunity for a different business or a service (9). It is, therefore, required on the part of the entrepreneurs to search purposefully the source of innovation and the opportunities. The Table.No.5.22 shows the response of the entrepreneurs on being asked about changes introduced by them in their entrepreneurial units after establishment.

<table>
<thead>
<tr>
<th>Response of the Entrepreneurs</th>
<th>Agriculture and Allied</th>
<th>Industry</th>
<th>Trade and service</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No. of Entrepreneurs</td>
<td>Percentage to the Total Entrepreneurs</td>
<td>No. of Entrepreneurs</td>
</tr>
<tr>
<td>Yes</td>
<td>5</td>
<td>3.0</td>
<td>4</td>
</tr>
<tr>
<td>No</td>
<td>33</td>
<td>19.9</td>
<td>20</td>
</tr>
<tr>
<td>Total</td>
<td>38</td>
<td>22.9</td>
<td>24</td>
</tr>
</tbody>
</table>

Source: Field Survey.
It is observed from the Table No. 5.22 that only 30 entrepreneurs representing 18.1% introduced changes in their entrepreneurial activities whereas the majority i.e., 136 entrepreneurs responded negatively to this question. Majority of the entrepreneurs who introduced changes in their enterprises were from trade and service sector i.e., 21 entrepreneurs representing 12.7% of the total entrepreneurs covered under the study, followed by 5 entrepreneurs from agriculture and allied sector and 4 from industry sector. On being asked about the type of changes introduced by them in their entrepreneurial activities, it came to light that out of 21, 8 entrepreneurs from trade and service sector had improved the quality of the products and services of their enterprises, followed by 7 entrepreneurs who introduced new products or services and 6 entrepreneurs expanded their entrepreneurial activities. In regard to agriculture and allied sector, 2 entrepreneurs introduced new products or services in their enterprises while the other 3 entrepreneurs expanded their units. Again, out of 4 industrial entrepreneurs who introduced changes in their enterprises, 2 entrepreneurs had improved the existing method of production of products and services, 1 entrepreneur added a new product in his enterprise and 1 entrepreneur installed new improved machinery for production.

**Satisfaction level of the Entrepreneurs to be a Part of Entrepreneurship Development Process**

An entrepreneur plays an important role in the entrepreneurship development process. The level of satisfaction derived by the entrepreneurs to be a part of entrepreneurship development process is shown in table no. 5.23.
It is observed from Table No.5.23 that as much as 135 entrepreneurs representing 81.3% of the total are satisfied to be part of the entrepreneurship development process, followed by 22 entrepreneurs representing 13.3% who are not satisfied and 9 entrepreneurs representing 5.4% (i.e., 6 from trade and service sector, 2 from industry sector and only 1 from agriculture and allied sector) were highly satisfied. Out of 135 satisfied entrepreneurs, 29 belonged to agriculture and allied sector, 21 to industry sector and 85 to trade and service sector. Among the 22 dissatisfied entrepreneurs, 13 are from trade and service sector, 8 are from agriculture and allied sector and 1 from industry sector. In short, it can be stated that among the entrepreneurs from different sectors, industrial entrepreneurs held the majority share.
Testing of Hypothesis

While planning the study, a set of hypotheses have been formulated based on various aspects of entrepreneurship. These hypothesis have been tested on the basis of some logic based on availability of data and statistical analysis of the sample data.

**Hypothesis-1: The Entrepreneurship Development Programmes launched by the Government have largely failed to develop Entrepreneurship in the district.**

In Karbi Anglong district, number of schemes has been implemented by the Government institutions for entrepreneurship development and as such numbers of training programmes have been organized. In order to test the hypothesis, an analysis of number of training programmes organized by the Government institutions, number of trainees attended the training programmes for the period 2002-03 to 2006-07 and knowledge of the entrepreneurs on EDPs and entrepreneurship development schemes has been made. Besides, a detail analysis of the PMRY scheme on different aspects has been made as because the PMRY scheme is the core part of the study.

**Number of Training Programmes Organised by the Government Institutions in Karbi Anglong District**

An analysis of the number of training programmes conducted by the Government institutions organising EDPs under entrepreneurship development schemes in the district in different years indicates that there is a decreasing trend in the number of training programmes. The total number of the training programmes conducted in the year 2002-03 was 54 which increased to 71 in 2003-04 but then decreased gradually every year till 2006-07 to 63 (Table.No.3.1 to Table.No.3.4).
Number of Trainees under EDPs Organised by the Government institutions in Karbi Anglong District

An analysis of number of trainees who attended the training programmes conducted under various entrepreneurship development schemes by the different Government departments in the district decreased from 884 trainees in the year 2002-03 to 446 trainees in the year 2003-04. No doubt, the number of trainees increased in the subsequent two years i.e. 1467 in 2004-05 and 1779 in 2005-06 but in the year 2006-07, the number of trainees again decreased to a great extent i.e., 1,101 (Table.No.3.1 to Table.No.3.4).

Number of Entrepreneurs Sponsored, Trained and Disbursed under PMRY in Karbi Anglong District

An analysis of the number of entrepreneurs sponsored, trained by the implementing agency of PMRY i.e., DICC as well as disbursed by the banks under PMRY reveals that 432 entrepreneurs were sponsored, 251 entrepreneurs were trained as well as 133 entrepreneurs were disbursed loan under PMRY in the year 2002-03 but the number in each category decreased gradually during the period 2005-06 to 2006-07. During 2005-06, 542 entrepreneurs were sponsored, 285 entrepreneurs were trained and 160 entrepreneurs were granted loan by the banks under PMRY and during 2006-07, number of entrepreneurs sponsored, trained and disbursed decreased to 424, 146 and 100 entrepreneurs which is even less than the number of entrepreneurs sponsored, trained and disbursed during the year 2002-03 (as shown in Table.No.3.7).

Amount Disbursed to the Entrepreneurs under PMRY in Karbi Anglong District

An analysis of the amount of loan disbursed by the banks to the entrepreneurs shows a decreasing trend from the year 2005-06 to 2006-07. Again, only 31.06% of
the total amount sponsored by the DICC is disbursed to the entrepreneurs during the
study period by the banks (as shown in Table.No.3.8).

Moreover, the total number of entrepreneurs to whom loan was disbursed
under PMRY in Karbi Anglong district during the period 2002-03 to 2006-07 was 740
which is 0.06% of the total number of entrepreneurs disbursed under PMRY in India
and 1.92% of the entrepreneurs disbursed in Assam. Again, the amount disbursed by
the banks under PMRY in Karbi Angong district is 0.82% of the country as a whole
and 2.13% of the total amount disbursed under PMRY in Assam (as shown in
Table.No.3.7, Table.No.3.5 and Table.No.3.6).

**Proportionate Amount under PMRY to Total Advance in Karbi Anglong District**

An analysis of the proportionate advance under PMRY to total advance
granted by the banks responded to the study (including PMRY advance) indicates a
decreasing trend from the year 2005-06 to 2006-07. Moreover, percentage of loan
under PMRY to total loan granted by the banks operating in the study area ranges in
between 2.46% to 5.12% during the period 2002-03 to 2006-07 (Table.No.4.6).

**Employment Generation by the Entrepreneurs under PMRY**

The entrepreneurs assisted by the banks under PMRY engaged number of
employees in their entrepreneurial activities during the study period. An analysis of
the size of employment generated by the entrepreneurs under study reveals that a total
of 106 persons were provided employment on full time basis in the year 2002-03
which decreased to 102 employees in the year 2006-07. The number of part time and
seasonal employees engaged were same in each year (as shown in Table.No.5.20 (a )).

**Recovery Performance of the Banks under PMRY**

An analysis of the recovery performance of the banks responded to the study
indicates that the recovery rate of PMRY loan by the banks in all three economic
activity sector is very low. In agriculture and allied sector, the recovery rate of PMRY loan was 4.09% as on 30th June 2003 which increased to 10.10% as on 30th June 2006 but then it decreased to 6.32% as on 30th June 2007. The recovery rate during the period 2002-03 to 2006-07 was 7.06% only (as shown in Table.No.4.13). The recovery rate of PMRY loan to industrial entrepreneurs was 18.75% during 2002-03 but it decreased to 1.11% during 2006-07. The overall recovery rate of PMRY loan from industrial sector during the study period was 3.42% only as revealed by Table.No.4.14. Again, the banks recovered only 8.06% of the loan granted to the entrepreneurs engaged in trade and service sector during the study period (as shown in Table.No.4.15).

Knowledge of the Entrepreneurs on EDPs and Entrepreneurship Development Schemes

An analysis of the study in this aspect reveals that 83.70% of the total entrepreneurs under study do not have any knowledge on EDPs. Again, majority of the entrepreneurs i.e., 92.8% of the total entrepreneurs are unaware of the various schemes launched for entrepreneurship development in the district.

Extent of Help Derived by the Entrepreneurs from the EDPs under PMRY in Karbi

The EDPs conducted by the DICC provided training and information to the entrepreneurs on different aspects. But an analysis of the study in this aspect reveals that the EDPs were not helpful to all the entrepreneurs equally so far as its content is concerned. No doubt, majority of the entrepreneurs considered the EDPs helpful in selection of project (77.10% of the total entrepreneurs), preparation of the project plan (79.52% of the total entrepreneurs), getting sanction of loan by the banks (85.54% of the total entrepreneurs), maintenance of accounts (79.52% of the total entrepreneurs)
and 84.33% considered that the EDPs has helped them in managing day to day affairs of the business. But there are some entrepreneurs who considered the EDPs not helpful in providing information on tax related matters (73.49% of the total entrepreneurs). Besides, only 38.55% of the total entrepreneurs stated that the EDPs helped them in learning market condition and 21.08% stated that the EDPs have increased their efficiency in running the enterprises.

Thus, on the basis of above analysis, the null hypothesis is accepted and thus, it can be concluded that the entrepreneurship development programmes launched by the Government have largely failed to develop entrepreneurship in the district.

Hypothesis-2: The prevailing social attitude is not favourable to the development of Entrepreneurship in the district.

This hypothesis has been tested by applying Likert method and as such the responses of the entrepreneurs on being asked about the support help, and encouragement received by them in regard to the establishment of the enterprises has been analysed.

Attitude of the Family Members at the Time of Initiation of the Enterprises

An analysis of the attitude of the family members at the time of initiation of the enterprises reveals that 126 entrepreneurs out of 166 number of entrepreneurs covered under study considered the attitude of the family members as moderately helpful and 26 entrepreneurs as very helpful i.e., 91.56% of the total entrepreneurs gave a positive response in this regard (Table.No.5.24). Besides, 53.9% of the total entrepreneurs received major support and the remaining 46.1% entrepreneurs received minor support from their spouse or other family members.
Table.No.5.24
Attitude of the Family Members Towards the Entrepreneurs

<table>
<thead>
<tr>
<th>Attitude of the Family Members</th>
<th>No. of Entrepreneurs</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very Helpful</td>
<td>26</td>
<td>15.7</td>
</tr>
<tr>
<td>Moderate Helpful</td>
<td>126</td>
<td>75.9</td>
</tr>
<tr>
<td>Not very Favourable</td>
<td>6</td>
<td>3.6</td>
</tr>
<tr>
<td>Totally Unfavourable</td>
<td>8</td>
<td>4.8</td>
</tr>
<tr>
<td>Indifferent</td>
<td>8</td>
<td>4.8</td>
</tr>
<tr>
<td>Total</td>
<td>166</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: Field Survey.

Attitude of the Neighbours and Relatives towards Taking up the Entrepreneurial Activities

The entrepreneurs under study were asked to present their opinion in regard to the attitude of their neighbour and relatives towards taking up entrepreneurial units by them and their responses reveals that a majority i.e., 112 of the entrepreneurs considered the attitude as helpful while 23 entrepreneurs considered very helpful i.e., 81.32% of the total entrepreneurs under study gave a positive response towards the attitude of the neighbours and relatives in starting up of enterprises (Table.No.5.25).

Table.No.5.25
Attitude of the Neighbours and Relatives Towards the Entrepreneurs

<table>
<thead>
<tr>
<th>Attitude of the Neighbours and Relatives</th>
<th>No. of Entrepreneurs</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very Helpful</td>
<td>23</td>
<td>13.9</td>
</tr>
<tr>
<td>Helpful</td>
<td>112</td>
<td>67.5</td>
</tr>
<tr>
<td>Not So Helpful</td>
<td>22</td>
<td>13.3</td>
</tr>
<tr>
<td>Not Helpful</td>
<td>6</td>
<td>3.6</td>
</tr>
<tr>
<td>Discouraging</td>
<td>3</td>
<td>1.8</td>
</tr>
<tr>
<td>Total</td>
<td>166</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: Field Survey.
Attitude of the Bank and Government Officials towards the Proposals of Starting Enterprises by the Entrepreneurs

An analysis of the responses received by the entrepreneurs under study in regard to the reaction of the Banks and Government Officials towards their proposal of undertaking enterprises under PMRY reveals that a majority i.e., 121 entrepreneurs representing 72.89% of the total entrepreneurs under study opined that the bank and Government officials encouraged them to start enterprises and 32 entrepreneurs considered the attitude as indifferent (Table.No.5.26).

<table>
<thead>
<tr>
<th>Attitude of the Government and Bank Officials</th>
<th>No. of Entrepreneurs</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Encouraging</td>
<td>121</td>
<td>72.9</td>
</tr>
<tr>
<td>Discouraging</td>
<td>13</td>
<td>7.8</td>
</tr>
<tr>
<td>Indifferent</td>
<td>32</td>
<td>19.3</td>
</tr>
<tr>
<td>Total</td>
<td>166</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: Field Survey.

Opinion of the Entrepreneurs towards the Support of the Entrepreneurial Class to the growth of Entrepreneurship

An analysis of the views of the entrepreneurs regarding the support of entrepreneurial class to the growth of entrepreneurship reveals that 161 entrepreneurs representing 96.99% of the total entrepreneurs agreed that the entrepreneurial class supported them in regard to the establishment of entrepreneurial activities while the 4 entrepreneurs disagreed and only 1 entrepreneur partially disagreed to this effect (Table.No.5.27).

200
Table No. 5.27

Opinion of the Entrepreneurs Towards the Support of the Entrepreneurial Class to the Growth of Entrepreneurship

<table>
<thead>
<tr>
<th>Response of the Entrepreneurs</th>
<th>No. of Entrepreneurs</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agree</td>
<td>161</td>
<td>97.0</td>
</tr>
<tr>
<td>Partially Agree</td>
<td>1</td>
<td>.6</td>
</tr>
<tr>
<td>Disagree</td>
<td>4</td>
<td>2.4</td>
</tr>
<tr>
<td>Partially Disagree</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>166</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: Field Survey.

Thus, on the basis of the responses of the entrepreneurs, it can be stated that the attitude of the family members, neighbours, relatives, Banks and Government officials is favourable to the development of entrepreneurship in the study area and hence, the null hypothesis is rejected.

Hypothesis-3: Educational background has no bearing in the success of Entrepreneurs.

Education plays an important role in the day to day life as it encompass within it knowledge. Education is necessary for the all round development of a person. Now, it is well recognised that entrepreneurs are not born but can be made. Educational qualification has a great impact on entrepreneurial activities of the entrepreneurs. Educational qualification has a lot to do with entrepreneurship in the sense qualified entrepreneurs run their entrepreneurial activities more efficiently as compared to the less educated ones. In this study, majority (78 entrepreneurs representing 47%) of the entrepreneurs are matriculate, followed by 51 entrepreneurs (i.e., 30.7%) under metric 9 (as shown in Table No. 5.7). Besides, “Chi-square Test” is also used to test the hypothesis.
### Crosstabulation

<table>
<thead>
<tr>
<th>Profit (yearly) (Rs.)</th>
<th>Educational Qualification</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Under-metric</td>
<td>Matriculate</td>
</tr>
<tr>
<td>1000 – 25000</td>
<td>22</td>
<td>34</td>
</tr>
<tr>
<td>25000 – 50000</td>
<td>25</td>
<td>36</td>
</tr>
<tr>
<td>50000 – 75000</td>
<td>3</td>
<td>5</td>
</tr>
<tr>
<td>Above 100000</td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td>Total</td>
<td>51</td>
<td>78</td>
</tr>
</tbody>
</table>

### Chi-Square Test

<table>
<thead>
<tr>
<th></th>
<th>Value</th>
<th>d.f.</th>
<th>Asymp. Sig. (2-sided)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson Chi-Square</td>
<td>28.201</td>
<td>12</td>
<td>.005</td>
</tr>
<tr>
<td>No. of Valid Cases</td>
<td>166</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

It is seen from the table that the calculated Pearsons Chi-Square value is 28.201 with ‘p’ value 0.005. Hence, the null hypothesis is rejected at 5% level of significance and it can be concluded that there is significant relation between education and income of the entrepreneurs.

**References**


5. New Industrial Policy and Other Concessions in North Eastern Region, No. Ea/1/ 96-IPO, Govt. of India, Ministry of Industry, Department of Industrial Policy and Promotion, 24th December 1997.


7. www.meginindustry.com

8. New Industrial Policy and Other Concessions in North Eastern Region. op. cit.