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SUSTAINABILITY OF WOMEN IN MICROENTERPRISES FOR THEIR LIVELIHOOD SECURITY IN BIHAR

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Abstract

Microenterprise is key to generate employment opportunities as well as income earning avenues to both landless women and land holding people. Now a day it plays a vital role in women earning. presently it is emerging as powerful instrument for poverty alleviation in new economy. Now a day large percentage of women are engaged in various income generating activities to supplement their family income. In Bihar women play an important role in the economic welfare of their family where lots of women are engaged in microenterprise for their livelihood security.

This study was conducted in Muzaffarpur district of Bihar. Two microenterprises namely Papad Making Enterprise (PME) and Agarbatti Making Enterprise (AME), situated at Rambagh and Kalibadi road respectively. In this enterprise approximately 200 women were engaged. A forty respondents were selected from each Papad Making Enterprise and Agarbatti Making Enterprise. Thus, the total sample size was 80 respondents and applied interview method for getting studied. Data showed that in Agarbatti Making Enterprise a maximum of respondents (30%) were getting earning between the ranges of Rs. 60000 – 80000 per year followed by 27.5 percent were earning above Rs. 100000 per year. The results pertaining to the feasibility measurement of Agarbatti Making Enterprise concerned the net present cost was found to be Rs.1000000 per month and total internal rate was Rs.448544.8 per month therefore cost benefit ratio of Agarbatti Making Enterprise were shows the 1.81 which the viability of enterprise as cost benefit ratio is exceeding from 1. Further the data related to the relationship between regression coefficient of decision-making practices of women with selected fourteen independent variable. It was highlighted that decision making of respondents were found to be significant with annual family income, land holding at 5% level of significance.

Keyword: Landless, Microenterprise, Rural, Sustainability.

Introduction

India is a land of enterprises, where almost 70 percent of the population is still self-employed. Microenterprise play an important role in local economies and a large percentage of women are engaging in developing countries.

Microenterprise is the key to generate employment opportunities as well as income earning avenues to both landless women and land holding people. In the semi-arid region, a large number of people are involved in microenterprises for income generation and through which they contribute their house hold economy. Now microenterprise has been conceived as self-employment opportunities especially for rural poor women, but yielding a relatively low net disposable income for primary income beneficiaries.

Under Prime Minister Employment Generation Programme (PMEGP) a total of 50,460 units were assisted at all India level with Rs. 10 crores involved as margin money and estimated employment generation of 3.69 lakh in 2013-14. As against this, in Bihar, 3645 units were sanctioned the margin money amounting to Rs. 82.80 crore. However, only 3093 (85 percent) were disbursed a sum of Rs. 76.76 crore, with an 85 estimated employment generation of 19.9 thousand. As per rough estimate of India, the number of small-scale industries is expected to be 2.5 billion having 9% women entrepreneur in to it.

In Bihar, women play an important role in the economic welfare of their family, where lots of women are involved in microenterprise as there are many small-scale industries running in Muzaffarpur District viz. Papad making unit, Agarbatti making unit, Lac bangles making unit, Honey processing unit, Leechi processing plant, Beauty parlour, Ladies boutique etc. Muzaffarpur is the main industrial hub of the Bajjikanchal region. There are several microenterprises in Muzaffarpur District that engage the women for promoting, development and improving their living standard. These enterprise help of women to generate income and sustain their life independently.

Literature Review

The researcher gets acquainted with the works done in past, which enables her to delineate the important problem areas. It also helps in formulating research design and interpretation of results. This present chapter previous researchers' findings related to the present investigation have been reviewed under heading Involvement of Women in Microenterprises



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Qureshi, Bhadoria and Nanavati (2004) observed that overall time spent by women on various activities in dairying was 4 hours 33 minutes. Nearly 2/3rd of respondents has moderate adoption level about scientific dairy cattle production. Majority of respondents (67.32%) adopted green feeding. Activities like treatment of sick animals, Artificial insemination, vaccination, sale of milk had a lesser involvement of women.

Sidhu and Kaur (2006) revealed that entrepreneurship is the only solution for the growing employment among rural youths. This is more beneficial for women in rural areas as it enables them to add microenterprise is an effective instrument of social and economic development. Microenterprise are an integral part of planned strategy for securing balanced development of the economy of the poor women.

Akhtar, S. et al. (2009) reported mention all these names in the bibliography that the participation of women in income generating activities for the family has been increasing over time. Female work participation not only increases their family income but also brings economic independence.

Govinappa, et al. (2009) observed that the participation of women in economic activities is often those do it as above considered as an important factor in social and economic empowerment of women.

Methodology

This study was conducted in the state of Bihar in Muzaffarpur district. Out of which, two microenterprises were selected namely Agarbatti making enterprise and Papad making enterprise. Approximately two hundred women were engaged in both enterprises. Thus, a total sample size comprises of 80 respondents. From each microenterprise, 40 respondents were taken for the study. The study is based on both primary and secondary data. The primary data has been collected through a questionnaire by stratified random sampling technique.

Results and discussion

The aim of the study was to describe the sustainability of microenterprise with regard to women involvement in papad making enterprise (PME) and agarbatti making enterprise (AME).

From the table 1 it could be seen that the socio – economic characteristics of women involved in two selected microenterprises.

The result of the study on family occupation in agarbatti making enterprise, indicated that maximum of respondents (57.5%) members belongs to labour class whereas in papad making enterprise, majority of respondent (45%) workers belong to labour class. The data on family income shows in AME maximum of respondent (30%) earns 60000-80000 per year where as in PME majority of respondents (55%) earns 100,000 per year. Data pertaining to size of land holding highlighted that the majority of respondents of both the microenterprises i.e., agarbatti making (62.5%) and papad making (75%) had their no land and which was followed by marginal land holding of both microenterprises AME (22.5%) and PME (22.5%). It is evident from table 1 that the socio-economic background (Profile) is not strong in context to family occupation, annual family income, and size of land.

From the table 2 it could be seen that on an average the net present worth (Gross return) of agarbatti making enterprise is Rs. 100000/month. Total cost of production calculated to be Rs. 551455.2/ month where fixed cost is calculated Rs.42975.2 and variable cost Rs. 508480 various are included items come under cost of production such as land, machinery, raw material packaging material, fuel labour charges, transport and communication facilities etc. The internal rate of return is calculated Rs. 448,544.8/ month.the average cost benefit ratio was calculated to be 1:1.81 per month.

Now from table 3 it reveals that on an average the net present worth (Gross return) of papad making enterprise is Rs. 1500000/month. Total cost of production calculated to be Rs. 13,50,720/ month where total fixed cost are calculated Rs.40320 and variable cost Rs. 13,10,4000. The internal rate of return is calculated Rs.1,49,280/month. The average cost benefit ratio was calculated to be 1:1.11 per month.

The result of the study in table 4 indicated that in relation to economic feasibility measurement of both microenterprises i.e., AME and PME. In AME net present worth was RS. 1000000/ month and PME enterprise net present worth was 1500000/month. Total internal rate were 4.48,544.8/month of AME and 1,49,280/month of PME. Cost benefit ration of agarbatti making enterprise and



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paper making enterprise were found to be 1.81 and 1.11 respectively. Both the microenterprise are economic viable because the cost benefit ratio is exceeding from 1.

Table :1 Economic profile of women engaged in microenterprises.

S.No.	Characteristics	Category	AME		PME		Total	
			F	%	F	%	F	%
1.	Family occupation	No work	01	2.5	01	2.5	02	2.50
		Labour	23	57.5	18	45.0	41	51.25
		Cast occupation	03	7.5	10	25.0	13	16.25
		Business	11	27.5	07	17.5	18	22.50
		Farming	00	000	03	7.5	03	3.75
		Any other	02	5.0	01	2.5	03	3.75
2.	Family income	Up to Rs. 40,000	05	12.5	00	000	05	6.25
		Rs.40,000 – 60,000	05	12.5	00	000	05	6.25
		Rs. 60,000-80,000	12	30.0	01	02.5	13	16.25
		Rs. 80,000- 100,000	07	17.5	17	42.5	24	30.00
		Above Rs. 100,000	11	27.5	25	55.0	33	41.25
3.	Land holding	Landless	25	62.5	30	75.0	55	68.75
		Marginal	09	22.5	09	22.5	18	22.50
		Small	06	15.0	01	02.5	07	8.75

Table: 2 Cost Components of Agarbatti Making Enterprise

Cost	Amount (Rs/month)	Depreciation Cost	Total Amount (Rs/ month)
Net Present Worth (Gross Return)	10,00000/month	-	10,00000/month
Present Worth of Cost (Cost of Production)			
Fixed Cost			
Land	14,210	-	14,210
Machinery	9,5000	9500	9500
Furniture	28,000	2800	2800
Interest on fixed cost @ 12% p.a	16,465.2	-	16,465.2
Total			42,975.2
Variable Cost			
Raw Material	50,000	-	50,000
Packaging Material	100000	-	100000
Fuel	36000	-	36000
Labour Wages/ Salary	250000	-	250000
Transport	6000	-	6000
Communication facilities	12000	-	12000
Interest on fixed cost @ 12% p.a	54480		54480
Total	-	-	508480

Table: 3. Cost Components of Papad Making Enterprise

Cost	Amount (Rs/month)	Depreciation Cost	Total Amount (Rs/ month)
Net Present Worth (Gross Return)	15,00000/month	-	15,00000/month
Present Worth of Cost (Cost of Production)			
Fixed Cost			
Land	12,000	-	12,000
Machinery	1,12,000	11,200	11,200



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Furniture	20,000	2000	2000
Interest on fixed cost @ 12% p.a	15,120	-	15,120
Total			40,320
Variable Cost			
Raw Material	80,000	-	80,000
Packaging Material	50000	-	50000
Fuel	40000	-	40000
Labour Wages/ Salary	250000	-	250000
Transport	50000	-	50000
Communication facilities	15000	-	15000
Interest on fixed cost @ 12% p.a	140,400		140,400
Total		-	1310400

Table: 4. Economic Feasibility Measurement

S.No.	Parameters	AME	PME
	Net Present Worth	1000000	1500000
	Benefit Cost Ratio	1.81	1.11
	Internal Rate of Return	4,48,544.8	1,49,280
	Pay Back Period	1	1

CONCLUSION

The findings of the study it provides relevant information about economic status of women engaged in microenterprises and psychological characteristics of selected women entrepreneur. There have several problem and challenges that emerge in the process of entrepreneurship, women are going ahead in the business domain. Their entry in to this male dominated country is definitely bringing a fresh air as they can add valuable innovation to this. The result of the study on economical aspect women faced several problems like land, difficulty of housing finance, lack of economic resources etc. therefore it is the best option for rural women to take up occupation for raising the economic status of their family and improving living standard of life.

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