



Commerce

**A Study of Small Business and Sustainable Development with
Reference to Southern Maharashtra**

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Abstract

In this paper researcher tried to make study entitled Small Business and Sustainable Development with Reference to Southern Maharashtra. Hence researcher has set objectives as to understand the sustainable growth and development and correlation between small business and sustainable development with reference to Southern Maharashtra. Therefore, researcher presented this paper as considering objectives of the study, Hypotheses, research methodology, scope of the Study, and data analysis and interpretation. Finally, researcher has concluded this paper as there is positive correlation between small business and sustainable development with reference to Southern Maharashtra.

Key Word: *Small Business, Sustainable development, MSMEs, Rural Entrepreneurship etc.*

Introduction:

Sustainable development is becoming a very important issue in the 21st century. Its facing global changes such as the global warming, global climate change, as well as other pressing issue, all spheres of economy and social life need to take part in mitigating them and preventing disasters from happening. The concept of "social sustainability" can be called unfair because it focuses on economic sustainability, but not on social justice, which relates to the fairness of all people. There are, in fact, other aspects of economic and social development which, significantly, also belong to the area of social sustainability. Sustainable development requires that we are involved in decisions that affect our communities, not only in economic development, but also in social development.

Hence, in this paper researcher tried to make study entitled Small Business and Sustainable Development with Reference to Southern Maharashtra. Hence researcher has set objectives as to understand the sustainable growth and development and correlation between small business and sustainable development with reference to Southern Maharashtra. Finally, researcher has concluded this paper as there is positive correlation between small business and sustainable development with reference to Southern Maharashtra.

Objectives:

1. To understand the sustainable growth and development with reference to Southern Maharashtra.
2. To study small business and sustainable development in Southern Maharashtra.

Hypothesis of the Study:

It is stated that the *“Small business leads to sustainable development in Southern Maharashtra”*

Scope of the Study:

The present study is confined with special reference to Southern Maharashtra including Kolhapur, Sangli, Satara and Sindhudurg districts. The analysis and interpretation are based

on primary and secondary data which is collected from different sources. The present study focused on the small business and sustainable development in Southern Maharashtra as well as explored the business opportunities for rural people in micro enterprises, problems and prospects in employment creation and economic development.

Research Methodology:

The present research paper entitled “*A Study of Small Business and Sustainable Development with Reference to Southern Maharashtra*”, based on the empirical data and tried to studied the small business and sustainable development with consideration of business opportunities for rural people in micro enterprises, problems and prospects in employment generation and regional rural economic development. Hence, researcher has selected 377 sample respondents from Kolhapur, Sangli, Satara and Sindhudurg districts. Therefore, researcher has used stratified random sampling methods for the selection of the sample respondents. Furthermore, researcher has collected primary data and its analysed with uses of appropriate statistical tools and techniques and drawn the results.

Key Concept of Research: It is need to understand the key concept of research as follows,

Small Business: small businesses are either services or retail operations like grocery stores, medical stores, tradespeople, bakeries and small manufacturing units. Small businesses are independently owned organisations that require less capital and less workforce and less or no machinery. It is defined as “Small Business is the one that operates on a limited scale that requires less funding, fewer workers, and as there is less machinery to run. These are businesses that are not dominant in the market”.

Sustainable Development: sustainable development means adopting business strategies and activities that meet the needs of the enterprise and its stakeholders today while protecting, sustaining and enhancing the human and natural resources that will be needed in the future. Its defined as “*Sustainable development is development that meets the needs of the present, without compromising the ability of future generations to meet their own needs.*” It means an approach to the economic development of a country without compromising with the quality of the environment for future generations.

Profile of the Southern Maharashtra:

Maharashtra state is alienated into six revenue divisions, which are further divided into 36 districts. These districts are further divided into 109 subdivisions of the districts and 357 Talukas. The south Maharashtra section was organized in 2004. This section has been recognized as the southern part of the state of Maharashtra since 2011. Therefore, it seems that the Kolhapur, Raigarh, Ratnagiri, Sangli, Satara, and Sindhudurg is part of south Maharashtra territory. The Maharashtra state occupies a substantial portion of the Deccan plateau in the western peninsular part of the subcontinent. The various parts of southern Maharashtra show a large amount of agriculture and non-farm potential. The districts involved in this section reflect the immense potential of agro-based and forest-based micro, small and cottage industries in Kolhapur, Sangli and Sindhudurg districts.

The ministry of MSME is passed the development act in 2006 for the agreement with the micro, small, and medium enterprises development. As per the Act, MSMEs enterprises are involved in the processing, producing, and preserving goods and commodities in the rural-urban area. These enterprises are considered the pillars of the Indian economy due to their considerable contribution to GDP Export and employment generation. The state has been noticed around 47.78 lakh MSMEs, out of which 47.60 lakh are micro-enterprises, and 17,000 are small industries. The overall micro, small and medium enterprises enormously contribute to south Maharashtra's export, employment, investment, and production capacity.

Table 1 Present Status of MSMEs in Southern Maharashtra

Sr.	Types of Enterprises	No. of Enterprises			
		Kolhapur	Sangli	Satara	Sindhudurg
1	Micro	16225	4035	1114	3229
2	Small	5378	1060	2049	2459
3	Medium	17	04	14	05

(Source: Government of India Ministry of MSME Annual Report-2011-12)

As is evident from table 1 reveals the present status of MSMEs in south Maharashtra. The study has been classified micro, small and medium enterprises of the southern part of Maharashtra. The data shows total micro-enterprises are reported 1114 Satara, 4035 Sangli, 16225 Kolhapur and 3229 Sindhudurg districts. The status of small industries is found in 2049, 1060, 5378 and 2459, respectively Satara, Sangli, and Kolhapur, Sindhudurg districts. Medium enterprises are observed in Satara 14, Sangli 04 Kolhapur 17 and Sindhudurg 05. It shows the different manufacturing and service-based micro, small and medium industries are given investment and employment contributions in rural-urban south Maharashtra.²

Analysis and Interpretation of Data:

It is stated that the for the data analysis and interpretation of 4 tables and required attributes and its measures with scale, multiple choice and dichotomous type questions on the basis of collected data from selected respondents in Southern Maharashtra purposively selected from Kolhapur, Sangli, Satara and Sindhudurg districts. Therefore, on the basis of collected data qualitative and quantitative analysis for the drawn results are made

Table 2 Demographic Profile:

Sr.	Particular	Kolhapur District		Sangli District		Satara District		Sindhudurg District	
		N	%	N	%	N	%	N	%
A	Age								
1	18-30	30	12	05	07	00	00	00	00
2	31-40	75	28	17	24	08	35	05	29
3	41-50	125	47	35	49	11	48	10	59
4	51-60	25	09	07	10	04	17	00	00
5	Above 61	12	04	07	10	00	00	02	12
6	Total	266	100	71	100	23	100	17	100
B	Gender								
1	Male	205	77	59	83	19	83	16	94
2	Female	61	23	12	17	4	17	01	06
6	Total	266	100	71	100	23	100	17	100
C	Education								
1	Married	198	74	55	77	17	74	11	65
2	Unmarried	49	18	14	20	06	26	04	24
3	Divorced	13	05	00	00	00	00	01	06
4	Widow	06	03	02	03	00	00	01	06
5	Total	266	100	71	100	23	100	17	100
D	Education								
1	Up to SSC	107	40	22	31	5	22	05	29
2	HSC	83	31	25	35	10	43	07	41
3	Graduate	17	06	06	08	03	13	03	18
4	Diploma Course	32	12	10	14	3	13	01	06
5	PG	15	06	03	04	01	04	01	06

6	Professional	07	03	01	01	01	04	000	00
7	Any other	05	02	04	06	00	00	0	00
8	Total	266	100	71	100	23	100	17	100
D	Cast								
1	Open	118	44	37	52	17	74	13	76
2	OBC	57	21	11	15	4	17	3	18
3	SC/ST/SBC	70	26	15	21	00	00	00	00
4	NT/ VJNT	12	04	05	07	01	04	01	06
5	Others	09	04	03	04	01	04	00	00
6	Total	266	100	71	100	23	100	17	100
E	Occupation of the Parents								
1	Agro/ Farm	46	17	24	34	11	48	08	47
2	Agro Processing / Non- Farm	84	32	23	32	8	35	04	23
3	Forest Based	06	02	00	00	00	00	02	12
4	Handicraft	25	9	04	06	01	04	01	06
5	Manufacturing	73	27	12	17	00	00	00	00
6	Trading	08	03	02	03	00	00	00	00
7	Service	12	05	06	08	01	04	01	06
8	Other	12	05	00	00	02	09	01	06
9	Total	266	100	71	100	23	100	17	100
F	Average Annual Income (in Rs.)								
1	Up to Rs.100000	115	43	22	31	12	52	07	42
2	Rs.100001- Rs.200000	51	19	10	14	03	13	03	18
3	Rs.200001- Rs.300000	37	14	11	16	02	09	01	06
4	Rs.300001- Rs.400000	26	10	08	11	01	04	01	06
5	Rs.400001- Rs.500000	24	09	12	17	03	13	03	18
6	Above Rs.500001	13	05	08	11	02	09	02	12
G	Total	266	100	71	100	23	100	17	100

(Sources: Field Work, Note: N = Number of Respondents)

From the table 1 shows the demographics profile of the selected study areas. The demographic profile is a key part of small business growth and development, as they help to identify the rural entrepreneurship by certain characteristics, wants and needs. Demographic data is used by businesses to help them understand the characteristics of the rural entrepreneur, who are produce their products and services. It is also understood that the growth of population and production combined with unsustainable consumption patterns places increasingly severe stress on the life-supporting capacities of selected areas. Moreover, it seems that the demographic change can influence the underlying growth rate of the economy, structural productivity growth, living standards, savings rates, consumption, and investment; it can influence the long-run unemployment rate and equilibrium interest rate, housing market trends, and the demand for financial assets.

Table 3: Organizational Structure:

Sr.	Particular	Kolhapur District		Sangli District		Satara District		Sindhudurg District	
		N	%	N	%	N	%	N	%
A	Nature of Business								
1	Agriculture/ Farming	05	02	02	03	00	00	00	00
2	Agro Based/Agro Processing	109	41	32	45	15	65	09	53
3	Forest Based	13	05	00	00	00	00	03	17

4	Handicraft	22	08	00	0	00	00	01	06
5	Manufacturing	85	32	18	25	03	13	03	18
6	Trading	08	03	00	00	00	00	00	00
7	Service	16	06	14	20	003	13	01	06
8	Other	08	03	05	07	02	09	00	00
9	Total	266	100	71	100	23	100	17	100
B	Nature of Products								
1	Main Products	192	72	52	73	17	74	12	70
2	Sub/By Products	42	16	11	16	04	18	03	18
3	Ancillary Product	21	08	05	07	01	04	01	06
4	Other	11	04	03	04	01	04	01	06
5	Total	267	100	71	100	23	100	17	100
C	Nature of Organization								
1	Sole Proprietor	158	59	47	66	19	83	13	76
2	Joint Family	87	33	19	27	04	17	02	12
3	Partnership	08	03	03	04	00	00	01	06
4	Company	08	03	02	03	00	00	01	06
5	Other	05	02	00	00	00	00	00	00
6	Total	266	100	71	100	23	100	17	100
D	Capital Investment								
1	Up to Rs.500000	36	13	06	08	02	09	01	06
2	Rs. 500001- Rs. 1000000	39	15	10	14	03	13	03	18
3	Rs.1000001- Rs.1500000	37	14	11	16	02	9	01	06
4	Rs. 1500001- Rs.2000000	26	10	06	08	01	4	01	06
5	Rs. 2000001- Rs.2500000	128	48	38	54	15	65	11	64
6	Above Rs. 2500001	00	00	00	00	00	00	00	00
7	Total	266	100	71	100	23	100	17	100
E	Annual Turnover								
1	Up to Rs.500000	13	05	03	04	02	09	01	06
2	Rs. 500001- Rs. 1000000	33	12	05	07	01	04	01	06
3	Rs.1000001- Rs.1500000	41	16	09	13	02	09	02	12
4	Rs. 1500001- Rs.2000000	50	19	16	23	03	13	02	12
5	Rs. 2000001- Rs.2500000	59	22	15	21	06	26	04	24
6	Above Rs. 2500001	70	26	23	32	09	39	07	41
7	Total	267	100	71	100	23	100	17	100
F	Location of Micro Enterprise:								
1	Rural	153	58	47	66	16	70	11	65
2	Nearby Urban	85	32	20	28	07	30	06	35
3	Urban	00	00	00	00	00	00	00	00
4	Living/ Residual Area	17	06	04	06	00	00	00	00
5	Other	11	04	00	00	00	00	00	00
6	Total	267	100	71	100	23	100	17	100

(Sources: Field Work, Note: N = Number of Respondents)

Table 2 shows the organisational factors, It helps to understand the how to organisational factors are significantly affected on the growth and development of rural regional entrepreneurship with reference Southern Maharashtra. It is understood that the organisational factors show the performance of small business with reference to Southern Maharashtra. It is also noted that selected study areas have plentiful business opportunities as

well as selected business are playing a significant role creating regional rural entrepreneurship development with reference southern Maharashtra.

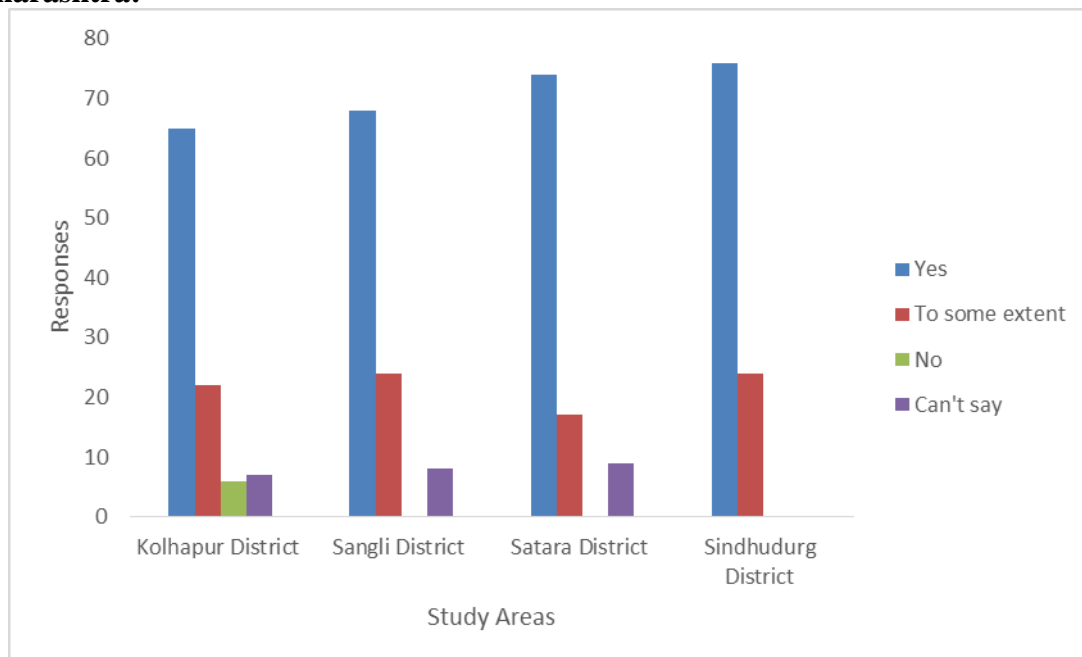
It is also stated that the these fulfill the organization's goal or objective, based on resource efficiency and effectiveness. The organization is affected by the organization's non-human and human resources (i.e., individuals, groups, culture, values, attitudes, and norms), its infrastructure, its supply chain (upstream and downstream), and the interactions with its stakeholders (internal, inter-connecting, and external). Thus, this paper tried to understand the relation between small business and sustainable development.

Table 4: Small Business Leads to Sustainable Development in Southern Maharashtra:

Sr.	Particular	Kolhapur District		Sangli District		Satara District		Sindhudurg District	
		N	%	N	%	N	%	N	%
1	Yes	173	65	48	68	17	74	13	76
2	To some extent	60	22	17	24	04	17	04	24
3	No	15	06	00	00	00	00	00	00
4	Can't say	18	07	06	08	02	09	00	00
Total		266	100	71	100	23	100	17	100
z cal			9.80		5.76		3.41		3.61
z tab			1.64		1.64		1.64		1.64
P value			0.00		0.00		0.00		0.00

(Sources: Field Work, Note: N = Number of Respondents)

Diagram 4: Small Business Leads to Sustainable Development in Southern Maharashtra:



(Sources: Field Work, Note: N = Number of Respondents)

Table 4 it reveals that the significance of the small business sustainable development especially in rural area. *This variable has set by the researcher to understand the availability of rural resources and how it benefited to the micro enterprises in their start up. It is addressed by focusing on location-based support or infrastructure for entrepreneurship. It is stated that sustainable development include resource endowments, institutional arrangements, and proprietary functions, systems of innovation, entrepreneurial ecosystems etc.* In Kolhapur district majority of 65% respondents agreed that sustainable development

with support to start up i.e. setup new business ventures, followed by 22% said to some extent, 06% do not agree and least 07% could not express their views. In Sangli district majority of 68% respondents agreed that sustainable development with support to start up i.e. setup new business ventures, followed by 24% said to some extent, and 08% of respondents could not express their view. In Satara district majority of 74% respondents agreed that sustainable development support to start up i.e. setup new business ventures, followed by 17% said to some extent, and 09% respondents could not express their view. Similarly, in Sindhudurg districts majority 76% of respondents agreed that sustainable development with support to start up i.e. setup new business ventures, followed by 24% said to some extent infrastructure support to entrepreneurship development. **Moreover, it is noted that proportion z test value i.e. 9.80, 5.76, 3.41 and 3.61 in Kolhapur, Sangli, Satara and Sindhudurg districts respectively is higher than z table value i.e. 1.64 ($Z_{cal} > Z_{tab}$) and p value is less than significant level. This shows that the small business leads to sustainable development, where have significance support to start up as well as entrepreneurship development.** It means small business have potential to regional rural development and its significantly contributed in rural based economy in selected study areas i.e. Western Maharashtra. Hence it is stated that the pre-set hypothesis was accepted.

Conclusion and Discussion:

It is stated that the small business plays a key role in the economic development and its contribute in national economic growth and employment. Nowadays, in a complex, competitive and volatile business environment, the adoption of Sustainability principles is of utmost importance for a steady and sustainable growth of the small business and to a large extent their survival depends on it. Hence, it is stated that the corelation between the small business and Sustainability is mutually interdependent and the success of small business depend on sustainability. The research paper entitled A Study of Small Business and Sustainable Development with Reference to Southern Maharashtra. *It is stated that in present research work pre-set hypothesis as small business leads to sustainable development in Southern Maharashtra. it is noted that proportion z test value i.e. 9.80, 5.76, 3.41 and 3.61 in Kolhapur, Sangli, Satara and Sindhudurg districts respectively is higher than z table value i.e. 1.64 ($Z_{cal} > Z_{tab}$) and p value is less than significant level. This shows that the small business leads to sustainable development, where have significance support to start up as well as entrepreneurship development.* It means small business have potential to regional rural development and its significantly contributed in rural based economy in selected study areas i.e. Western Maharashtra. Hence it is stated that the pre-set hypothesis was accepted.

Reference:

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