



Impact of rural entrepreneurship on migration-A case study of Dahanu (Maharashtra), India

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ABSTRACT

A society's prosperity critically depends upon the level of success, prosperity and growth opportunities available to its people. Entrepreneurs serve as the catalyst in the economy's engine, triggering and stimulating all economic activity. The present study is based on primary and secondary data collected from various sources and primary data collected from Dahanu district of the Indian state of Maharashtra India during 2017-18. Qualitative data collected from different stakeholders including rural entrepreneurs concluded that agriculture is predominant occupation in Dahanu district of Maharashtra. Seasonal migration is common due to seasonal nature of rice farming, leading to high rate of school dropouts. Entrepreneurial ventures available in Dahanu categorized into two categories *viz.* Agriculture based and non-agriculture based ventures. Prospective entrepreneurial ventures in the study area are warli painting, poultry farm, clothes, handicrafts and handlooms, floriculture and perfumery, rice processing unit, ice factory, Sapota processing unit, Bidi making which can operate on commercial basis. There is scope to scale up existing ventures as well. Entrepreneurship helped certain individuals to reduce migration and to continue the education of their children. Hence, rural entrepreneurship can help in mitigating the complex challenges caused by migration.

Key words: Gender disparity, Migration, PRA tools, Rural entrepreneurship, Unemployment.

INTRODUCTION

A society's prosperity critically depends upon the level of success, prosperity and growth opportunities available to its people in any economy. The most vibrant societies in the world are the ones that have the most entrepreneurs, plus the economic and legal structure to encourage and motivate entrepreneurs to greater activities.

Unemployment is very much prevalent in non agricultural season in India. Impoverished people have to migrate in near by location in search of employment and this was happening since many generations in Dahanu area of Maharashtra. Migration causes the detrimental impact on all the stages of human life cycle. The Economic Survey of India 2017 estimates that the degree of inter-state migration in India was close to 9 million per annum between 2011 and 2016, while Census 2011 pins the total number of internal migrants in the country has 139 million.

Entrepreneurs serve as the catalyst in the economy's engine, triggering and stimulating all economic activity. The economic success of nations worldwide is the result of encouraging and rewarding the entrepreneurial instinct.

The objectives of the study are: To study the types of existing entrepreneurial ventures available in the Dahanu

district of Maharashtra. To identify prospective entrepreneurial ventures in the study area. To study the relationship between migration and entrepreneurship.

Santhi and Kumar (2011) elaborated the major challenges faced by the Indian entrepreneurs, which were broadly classified as family challenges, social challenges, technological challenges, financial challenges and policy challenges. Venkateswarlu and Ravindra (2014) identified the major challenges faced by rural entrepreneurs under three major heads as – financial, technological and institutional. Tripathi and Agarwal (2015) enumerated the challenges faced by agricultural entrepreneurs in the Indian state of Uttar Pradesh as, lack of funds, lack of infrastructure, risk, marketing problems and competition and various management problems including lack of technological dissemination, legal formalities and regulations, lack of quality control and low skill level among farmers. Kumbhar (2013) and Patel (2015) reviewed major problems of rural women entrepreneurship development in India. Rathod (2014) identified the challenges faced by female entrepreneurs in Gujrat. Bhargava (2012) reported that for the rural entrepreneurs, access to training and educational programme and government assistance is crucial to achieve advantage in business.

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MATERIALS AND METHODS

The present study is based on primary data collected from Dahanu district of the Indian state of Maharashtra during 2017-18 and secondary data collected from various sources. An exploratory research methodology was adopted. Qualitative data was collected from various stakeholders including rural entrepreneurs involved in agricultural and non-agricultural activities by conducting extensive field visits and in-depth interviews with rural entrepreneurs. Various PRA tools such as transect walk, focussed group discussion, in-depth interview, resource mapping and ethnographic observations were used to gather relevant information. Time series data of school dropouts was collected and analysed for studying the trends.

Profile of the study area: Dahanu is a taluka situated in Palghar district in the western coastal part of the Indian state of Maharashtra. The cropping pattern is predominantly a rice-based one. Coconut and toddy palm form the traditional horticulture component alongside vegetables in this area. Besides these, fodder and horticulture fruit plantation has long been introduced in this area through chikoo (sapota) plantation and vegetable cultivation. Agriculture is able to provide only a partial employment during monsoon season while in the lean months (October onwards upto May) it is unable to provide substantial employment opportunities. As a result of this, seasonal migration is common.

RESULTS AND DISCUSSION

Existing entrepreneurial ventures in the study area: Based on the primary research, observations and remarks on various entrepreneurial ventures available in the study area are presented in Table 1. Two types of entrepreneurial ventures were observed *viz.* Agriculture based and non-agriculture based.

Prospective entrepreneurial ventures in the study area: Taking into consideration the availability of resources, infrastructural facilities, manpower available and demand for various products and services both within as well as outside the district, the following industries are suggested in the study area, i.e. Dahanu

Horticulture – Greenhouse / Polyhouse cultivation of vegetables: At present horticulture is limited to fruit plantation such as sapota and vegetables mainly during the winter season. Protected cultivation of vegetables can be done in other seasons with limited water resources. It can fetch better price in the nearby city areas.

Floriculture and Perfumery: Mogra (Jasmine) flower cultivation is predominant in the area. However, other cut flowers were not very predominant in the area. Jasmine flowers are mainly used as loose flowers being sent to nearby city areas. Since these are available in bulk quantity, entrepreneurship in perfume manufacturing is recommended.

Tissue culture banana cultivation: This is a lucrative option being tried by few progressive farmers in the area. It has a potential for scale up.

Dairy farm: Dahanu is home to fodder crops and is a hub for trade of dry fodder. However commercial dairy units are very limited. Local farmers can take up small scale dairy farming as a step for diversification of agriculture cropping pattern. This will serve as a risk management mechanism in their regular cropping pattern.

Poultry farm: As financial support is available from government and climatic conditions are also favourable for that business.

Sapota processing unit: A woman entrepreneur has started this unit and this activity can be scaled up as there is large scale production of sapota in this area leading to crashing of market prices in glut season. By processing, value addition can be done and shelf life of the products is found to be up to a year. This will help growers to get remunerative returns.

Rice processing unit: It can operate on commercial basis as this is a rice growing area. Rice processing units were available in the study area but were not operating efficiently. People were processing rice just for home consumption. Dahanu is a rice belt so they should take an advantage of such cereal and should do processing for commercial purpose to fulfil the demand of the nearby area.

Warli painting: Dahanu is the area where the local Warli tribes originated from and they have this traditional art form.

Table 1: Types of entrepreneurial ventures available in Dahanu.

Agriculture and allied entrepreneurship ventures	Observations and Remarks
Rice processing – Rice mill, Poha (flattened rice) mill Chikoo (Sapota) processing	Rice is the most common crop grown in the area and a staple food. Sapota plantations are common in the area and most of the fruits are sold fresh resulting in low income due to market rate fluctuations. There is scope for value addition for stable income generation.
Poultry farming	Financial support from government and suitable climatic conditions are available.
Non Agriculture ventures	
Fly-Ash Brick making	Fly ash waste from the thermal power plants in the area can be reused for brick making.
Warli art	Warli art is traditional art form available in the area which has scope for commercialisation.

It is a well-recognised one and there is a demand for the product too. However, it needs to be tuned to the taste and specific needs of the modern urban consumers.

Clothes, handicrafts and handlooms: Women entrepreneurs were more interested in these ventures and they were having the skills as well. Traditional styles of stitching and cloth making can be retained but modernised in the packaging and presentation.

Ice factory and cold storage: Quality of water is suitable for ice making so it is possible to promote this business. Demand for ice is there from the nearby coastal areas for fish storage.

Bidi making: This is a secondary occupation they opt for.

Relationship between migration and entrepreneurship: Farming is a predominant occupation in the Dahanu area. This area is known as a rice belt. The farming activity takes place only during five to six months of the year and remaining part of the year people are either idle or seasonally migrate in search of livelihood. This seasonal migration is typically to nearby cities or semi-urban areas. Their entire family gets migrated along with the head of the family and their children had to drop out from the school. So school dropout due to seasonal unemployment of parents was a major challenge in that area.

The entrepreneurs, whom we interviewed, had overcome this challenge. They can stay with the family even in lean farming time of the year and they could not only earn for themselves but are also providing employment to others. Entrepreneurship has helped them to reduce migration and to continue the education of their children by staying in the same place. Hence entrepreneurship has positive impact to avoid the migration in the study area.

Challenge of school dropouts and gender disparity: We studied the school dropout rate at of different standards in a time period from 2000-01 to 2011-12 in India (Table 2). Rate of dropout among school children showed an overall reducing trend over the time period of one decade (From 66.41 to 48.60 per cent in male students and from 71.51 to 52.20 per cent in female students, as presented in column A in Table 2). However the average dropout percentage over the decade was still high in both categories *viz.* male 57.70 and female 60.57 per cent. Another important trend visible from the data table is that in the year 2000 the rate of female dropout (71.51) was higher than male (66.41). However, upon segregating the same dropout data into two class intervals *viz.* standard I to V and Standard VI to X (data presented in column B and C respectively in Table 2), another dimension of dropout phenomenon was evident. The dropout rate of female students in the class interval of Standard I to V has reduced from 41.90 to 21.00 averaging to 28.59 (Fig 1) as compared to the dropout rate of male students which

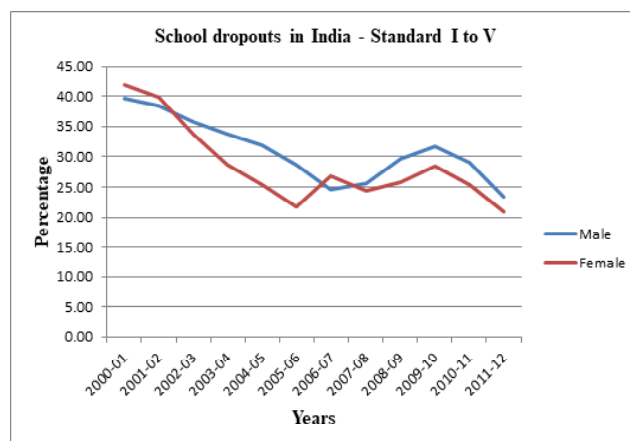


Fig 1: School dropouts in India - Standard I to V
Source: calculated by the authors.

Table 2: Drop out rate in schools by class in India.

Year	School dropouts -Standard I to X (A)		School dropouts - Standard I to V (B)		School Standard VI to X (C)	
	Male	Female	Male	Female	Male	Female
2000-01	66.41	71.51	39.71	41.90	26.70	29.61
2001-02	64.16	68.59	38.36	39.88	25.80	28.71
2002-03	60.72	64.97	35.82	33.72	24.90	31.25
2003-04	60.98	64.92	33.74	28.57	27.24	36.35
2004-05	60.41	63.88	31.81	25.42	28.60	38.46
2005-06	60.10	63.56	28.71	21.77	31.39	41.79
2006-07	58.61	61.50	24.57	26.75	34.04	34.75
2007-08	56.55	57.33	25.70	24.41	30.85	32.92
2008-09	54.00	54.40	29.60	25.80	24.40	28.60
2009-10	53.30	51.80	31.80	28.50	21.50	23.30
2010-11	48.60	52.20	29.00	25.40	19.60	26.80
2011-12	48.60	52.20	23.40	21.00	25.20	31.20
Average	57.70	60.57	31.02	28.59	26.69	31.98

Source: Ministry of HRD, Government of India

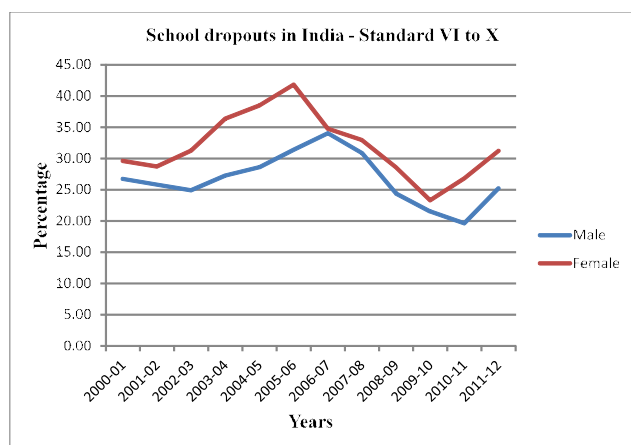


Fig 2: School dropouts in India - Standard VI to X.
Source: calculated by the authors.

reduced from 39.71 to 23.40 averaging to 31.02 during the same decade. It meant that more male students dropped out in the early phase (Class I to V) of schooling than female students. Interestingly, during the same time period, the trend in the dropout rates in the second class interval viz. Standard VI to X showed a reverse trend (Fig 2), showing that more female students dropped out of school than male students in the second phase (Class VI to X). This shows that even though efforts to retain students in school have shown positive results, there is a gender disparity which becomes more acute in the second phase of schooling. Possible reasons could be a blend of socio-economic and socio-cultural reasons.

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CONCLUSION

The study concluded that agriculture was a predominant occupation in Dahanu district of Maharashtra. There were few entrepreneurs who made efficient use of available resources and started their own ventures. Entrepreneurial ventures available in Dahanu categorized in to two categories, agriculture based and non-agriculture based ventures. Apart from that, many prospective entrepreneurial ventures in the study area were Warli painting, poultry farm, clothes, handicrafts, and handlooms, floriculture and perfumery, rice processing unit, ice factory, Sapota processing unit, Bidi making which can operate on commercial basis. There is scope to scale up existing ventures as well. As agriculture is a seasonal occupation, rural residents had to either remain unemployed in lean period or had to migrate in search of employment, which resulted into their children being dropped out from school. Rate of school dropout is still on higher side in both the categories – male and female students. Despite reducing trend observed in the dropout rates over a decade, the dropout rate of female students in second phase of schooling is still high. Entrepreneurship helped certain individuals to reduce migration and to continue the education of their children. Hence, rural entrepreneurship can help in mitigating the complex challenges caused by migration. These positive success stories need to be replicated and scaled up by adopting the recommended entrepreneurial activities and through training and support to rural residents.