Role of Women Entrepreneurship in Small-Scale and

**Cottage Industries:** 

A Case Study of Dang District

A Thesis Submitted to

The Central Department of Rural Department,

Tribhuvan University,

in partial fulfillment of the requirements for the

**Degree of master of Arts (M.A.)** 

in

**Rural Development** 

By

Liladhar Basnet

**Central Department of Rural Development** 

Tribhuvan University, Kathmandu

T.U. Reg. No. 6-2-320-202-2005

Roll No. 282141 (2<sup>nd</sup>)

2071

#### Letter of Recommendation

The thesis entitled **Role of Women Entrepreneurship on Small- Scale and Cottage** Industries has been prepared by **Liladhar Basnet** under my guidance and supervision. I hereby forward this to the evaluation committee for final evaluation and approval.

.....

(Dr. Arun Kumar Thakur)

Associate Professor

Date :7/4/2015

24/12/2071

#### **Letter Approval**

The thesis entitle **Role of Women Entrepreneurship in Small-Scale and Cottage Industries** submitted by **Liladhar Basnet** in partial fulfillment of the requirements for the Master's Degree (M.A.) in Rural Development has been approved by the emulation committee.

**Evaluation Committee** 

.....

Prof. Dr. Chandra Lal Shrestha Head of Department Central Department of Rural Development

.....

External Examiner

Dr. Silu Manandhar

.....

Supervisor Dr. Arun Kumar Thakur Associate Professor Date : 13/4/2015 30/12/2071

#### Acknowledgements

It has been a matter of great pleasure for me to complete this under the Central Department of Rural Development. I would like to extend my sincere thanks to my supervisor. De. Arun Kumar Thakur for providing me comprehensive and authentic inputs during the whole phases of my research work. I am highly indebted and want to express my sincere gratitude guidance. His encouragement kind cooperation and inspiration are memorable for me .

I would like to express my heart- felt thanks to Prof Dr. Chandra Lal Shrstha, Head, Central Department of Rural Development and other teachers associated with the Department for their kund cooperation and valuable suggestions.

I a, grateful to all respondents contacted during my field work at Tulsipur Municipality. The help o got from all the women entrepreneurs, who provided me valuable input by sacrificing their time during individual interview, deserve special appreciation.

My wife Mrs. Kopila Khadka deserves special appreciation for her endless encouragement and moral support during my study. I would not have completed this work with her support .

Last but least, I sincerely express my heart- felt gratitude to my parents, brothers, sister and my friends and other for continuous encouragement and inspiration. Finally, I would like extend my thanks to all of them who directly or indirectly contributed to accomplish this valuable work .

#### Abstract

This study deals with the "Role of Women Entrepreneurship in Small - Scale and Cottage Industries" of Tualsipur Municipality of Dang District. It is and Important occupation to generate income, from where most of the women entrepreneurs can fulfill their different necessities easily,

This Study covers only Tualsipur Municipality of Dang District. The general objectives of the study is to examine socio- economic status of women entrepreneurs and to analyze the product faced by women entrepreneurs. for the study the extensive field visit was conducted in Tualsipur Municipality of Dang District. Hence, the findings and recommendations of this study may not be applicable on other place. It is based on empirical data alone with available pertinent was applied. For primary data generation, structured questionnaire. informal interview from key- informant and observation method were applied. The study is descriptive and analytical in nature in which descriptive statistics is applied for the analysis of the data. The analysis of the data is done manually/ 38 cottage and small industries are taken on the basis of universal method on different words of Tualisipur Municipality of Dang District.

There are some problems in goods production and, marketing such as lack of institutional credit services, low price of goods insufficient raw materials unprotected government policies and so on. Specially the products and services are for local areas. There is further possibility of market expansion.

#### **Table of Contents**

#### **CHAPTER – 1**

### Introduction 1-9

1.1	Background of the study	1
1.2	Statement of the Problem	5
1.3	Study Area	7
1.4	Objectives of the study	8
1.5	Limitations	9

## **CHAPTER – 2**

**Review of Literature** 

10-18

2.1 Relevance of cottage and small-scale industry	10
2.2 Role of cottage and small scale industry in Nepal	10
2.3 Women Entrepreneurs: Context and Challenges	12
2.4 Role of Women Entrepreneurship in Economic Development	13
2.5 Importance of Women Entrepreneurship in Economic	
Development	15
2.6 Review of Related Study	

### CHAPTER – 3

	<b>Research Methodology</b>	19-20
3.1 Research design		19
3.2 Sampling size and sa	mpling procedure	19
3.3 Source of Data collec	tion	19
3.4 Method of Data Anal	ysis	20

# **CHAPTER – FOUR**

DATA ANALYSIS AND RESULTS	21-37			
4.1 Age Distribution of Respondent	21			
4.2 Marital Status				
4.3 Education Level	23			
4.4 Purpose of Starting Enterprise	25			
4.5 Source of Idea Generation	26			
4.6 Training Status before entering industry	27			
4.7 Family Support	27			
4.8 Sources of Finance	28			
4.9 Raw Materials	29			
4.10 Product Marketing				
4.11 Family Problems faced by Women Entrepreneurs				
4.12Family Dependence on Women Entrepreneurs Income				
4.13Decision Making				
4.14 Findings of the study	36			
<b>CHAPTER – FIVE</b>				
SUMMARY, CONCLUSION AND RECOMMENDATIO	ON 38-45			
5.1 Summary	38			
5.2 Conclusion	40			
5.3 Recommendations	42			
5.3.1 Improve Marketing Opportunities	42			
5.3.2 Quality Improvement and Vocational Education	43			
5.3.3 Restriction on illegal activities	43			
5.3.4 Improve Credit Facilities for Women Entrepreneurs	44			
REFERENCES				

# List of Tables

Table 1: Distribution of women entrepreneurs by Age group	22
Table 2: Distribution of Women entrepreneurs by Marital Status	23
Table 3: Distribution of Women Entrepreneurs by Level of Education	24
Table 4: Distribution of Women Entrepreneurs by Reason for	
Involvement	25
Table 5: Distribution of Women Entrepreneurs by Source of IdeaGeneration	26
Table 6: Distribution of Women Entrepreneurs by Formal Training Before Entering Industry	27
Table 7: Distribution of Women Entrepreneurs by their Family	
Support	28
Table 8: Distribution of Women Entrepreneurs by Source of Finance	28
Table 9: Distribution of Women Entrepreneurs by Source of Raw Material	29
Table 10: Distribution of Women Entrepreneurs by Product Market	30
Table 11: Distribution of Women Entrepreneurs by the Family	
Related Problems	30
Table 12: Distribution of Women Entrepreneurs by Family Dependent	ce
on Respondent's Income	31
Table 13: Distribution of Women Entrepreneurs by Investment	
Decision	34
Table 14: Distribution of Women Entrepreneurs by Decision Making	
Allocation of Income Proceeds	35
Table 15: Distribution of Women Entrepreneurs by Management of	o =
Enterprise	35

# List of Figures

Figure 1: Distribution of Women Entrepreneurs by Age Composition	22
Figure 2: Distribution of Women Entrepreneurs by the Level of	
Education	25
Figure 3: Distribution of Women Entrepreneurs by Family Income	33
Figure 4: Distribution of Women Entrepreneurs by Investment	
Decision	34
Figure 5: Distribution of Women Entrepreneurs by Management of	
Enterprises	36

#### List of Abbreviations

- ANCSI = Association of Nepal cottage and small industry
- APCTT = Asian and Pacific Centre for transfer of technology
- BIS = Biratnagar Industrial State
- CBS = Central Bureau of Statistics
- CEDA = Centre for Economic Development and Administration
- CSIDB = Cottage and Small Scale Industry Development board
- DDC = District Development committee
- FNCCI = Federation of Nepal Chamber of Commerce and Industry
- GNCCS = Grad National Cross Country Series
- ILO = International Labor Organization
- WEAN = Women Entrepreneur's Association Nepal