

**IMPACT OF MICRO ENTERPRISES ACTIVITIES OF SHGs ON  
THE NON-FARM EMPLOYMENT OF TRIBAL WOMEN  
(A Case Study of Srikakulam District of Andhra Pradesh)**

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## **CHAPTER- VIII**

### **CONCLUSIONS AND POLICY MEASURES TO PROMOTE NON-FARM EMPLOYMENT AMONG WOMEN IN TRIBAL AREAS**

Many of the earlier studies relating to the role of women in promoting rural non-farm employment observed that the women folk of the poor families work under economic compulsion and the participatory rate of the manual and unskilled workers are particularly high in agriculture and forestry. They are essentially the sweated labour and receive fewer wages than their male counterparts, because it is said that they do less, arduous works and their productivity is low. This pattern is in a changing process with the passing of Equal Remuneration Act. However, prevalence of child labour among girl children persists on a wider scale due to their poverty, illiteracy and ignorance and they continue in a state of malnutrition, deprivation and destitution.

Almost all the studies argued that the SHGs created awareness among tribal poor women and got benefitted by the collective action. Many studies pointed out that NGO supported SHGs are better placed and are deriving more credit from banks and their repayment status is far satisfactory. But the financial flows are not resulting in creation of more output and employment in the interior tribal areas. Thus the research gap is clearly identified as to how to divert the SHGs into productive agents and help them in taking up non-farm employment activities in the interior tribal areas of Srikakulam district in Andhra Pradesh.

#### **8.1 STATEMENT OF THE PROBLEM:**

Womenfolk constitute almost half of our total population and their gainful employment adds to GNP. In spite of this women's contribution to the economy by and large remains unrecognized. The features like feminization, in formalization of labor market are almost universal. Marginalization of tribal women labour and gender based disparities are matter of concern, as women labor cannot be overlooked, because they are the half of the labor force. Occupational structure and employment pattern reflect the distribution of

workforce and participation in different economic activities. Women work pattern, occupational structure and labour participation behavior differ substantially from their male counterparts.

An overwhelming presence of women is manifested in the unorganized sector. The National Commission on Self-Employed Women estimates that 94 per cent of the total female workforce is to be found in this sector. The tribal women are disadvantageous because of their low caste status. The tribes are the hill people, jungle persons or dwellers of forests. They live in wide spectrum of diversities of geographical location, socio-economic and cultural conditions.

The growth of employment or output shares in the Rural Non Farm Sector (RNFS) appears to be positively associated with absolute growth rates in so many districts of A.P. In other words, the faster the growth, the share in employment of the RNFS, among A.P. Districts, the faster the growth of total employment claim that RNFS growth happened where agricultural growth precedes. One reason why RNFS is considered important is to counter the undesirable consequences of rapid urban population growth. Rural non-farm activity can successfully reduce large scale rural urban migration. This has many social benefits such as lower levels of congestion and less pressure on infrastructure which caused social and economic problems.

The existing anomalies of regional inequalities, social imbalances, economic disparities, poverty, widespread unemployment and discrimination against women are the areas of concern for the planners and policy makers. It is in this context, the present study will be definitely an addition to the already existing literature on the socio-economic status of tribal women. Against this background an attempt is made in this study to analyze the impact micro enterprises activities on the SHGs on the non-farm employment of women in the tribal areas of the Srikakulam District of Andhra Pradesh, with the following basic objectives.

## **8.2 OBJECTIVES OF THE STUDY:**

6. To analyze the trends in Work Participation Rates (WPR) of women workers in non-farm employment.
7. To examine the strategies adopted for providing Micro-Finance to women Micro Enterprises in tribal areas.
8. To examine the impact of women Micro Enterprises in promoting non-farm employment to women households in tribal areas.
9. To identify the specific problems facing by Micro-Enterprises managed by women in tribal areas.
10. To suggest appropriate employment policy measures to promote Non-Farm employment among women households in tribal areas.

**Hypotheses:**

There is need for promoting non-farm employment activities in the interior rural and tribal areas. The hypothesis is that financing to Micro-Enterprises through SHGs in AP has positive impact on the non-farm employment activities of tribal women households in the Srikakulam district of Andhra Pradesh.

**8.3 METHODOLOGY:**

The study is conducted in the Srikakulam district of Andhra Pradesh. From the district, Seethampeta, Mandasa, Pathapatnam mandal are selected as Region –I, Milliaputti, Bhamani, Kotturu are selected as Region –II. On the bases of development aspects these six tribal concentrated mandals are selected. From each mandal, a number of 6 tribal concentrated villages are selected. From each village, master list of micro-enterprises with a cumulative loan from Bank linkage of Rs. 50,000 are prepared. After arranging them in descending order, the top best performing 10 women micro-enterprises are selected from each village. Thus, the study has selected the leaders of 180 enterprises from each division from the 3 selected mandals and 18 selected villages. As a whole 360 enterprises are selected from the selected 6 tribal

mandals and 36 selected villages from the Sub-Plan areas of the Srikakulam Districts of Andhra Pradesh.

As a whole from the selected study area, a number of 360 sample tribal women households organizing the Micro Enterprises through SHGs activities on the rural non-farm employment conditions of tribal women households in the Sub-Plan areas of the Srikakulam Districts of Andhra Pradesh.

Information relating to the socio economic conditions of the selected enterprises and women households are collected while canvassing a pre designed and structured household schedule in the selected villages. In the district, the best performing units are selected, based on the following criteria: year of establishment, capital investment from bank linkage programmes of the SHGs and number of workers employed. Three instruments are used for the collection of primary data. A structured and pre-tested household schedule for women who runs micro-enterprises, another schedule is for the SHG leaders and the third one is the village schedule.

The secondary data is obtained from Annual Reports and Action Plans of ITDA/DRDA offices, district hand book of statistics of different years published by the Chief Planning Officer, MRO and MDO offices. In analyzing the data apart from tabular analysis with averages and percentages will be used to explain the general profile and their different economic patterns. In the multi-variate analysis the multiple regression analysis has been used in order to find out the factors affecting the success or otherwise of the women enterprises in the study area. The method of estimation is the Ordinary Least Squares (OLS).

#### **8.4 DESIGN OF THE STUDY:**

The study is broadly presented in eight chapters. The first chapter comprises of introduction, objectives and methodology of the study. The second chapter brief reviews on SHGs micro –enterprises. Trends in work participation rates of women workers in non-farm employment in tribal areas are presented in the third chapter. The fourth chapter analyses socio-economic

profile of the study area. The Socio-Economic and living condition of selected SHGs tribal women households is presented in the fifth chapter. The sixth chapter provides the analysis relating functional aspects and problems facing by women micro-enterprises in the study area. The impact of SHGs micro-enterprise activities on the socio-economic and living conditions of women households is outlined in chapter seventh. Summary, conclusions and policy measures to promote non-farm employment among women in tribal areas are presented in the last chapter.

## **8.5 MAJOR FINDINGS OF THE STUDY:**

### **8.5.1 Trends in Work Participation Rates of Women Workers in Non-Farm Employment.**

The trends in workforce participation rates of women workers in non-farm employment in rural areas reveals that the total number of workers in rural India expanded more in the non-farm sector than the farm sector. The gender specific count showed that the rise in male workers was larger than the rise in female workers.

Looking at the sector related employment situation, it was found that the manufacturing units in the non-farm sector continued to absorb the highest number of workers. These units absorbed most of the increase in employment in the non-farm sector. While this suggests the presence of demand-pull factors at work, the expansion of employment in sub-sectors-construction, trade-hotels, restaurants, transport and communications sectors hold promise of employment opportunities. The available data however, fails to substantiate employment growth in these sub-sectors. This is because expansion in these sectors could be due to both the push and pull factors. The gender wise distribution gives a clear impression of distress-driven employment increase. This impression is supported by the analysis of status distribution of workers. It was noticed that the majority of workers were self-employed. Based on their responses, it was found that they had a very low expectation about the reward of their work, so much so that many would be satisfied if only they could earn no more than even the minimum prescribed wages.

A survey of available literature on the subject was conducted in order to verify the perception of distress- induced growth of employment in the non-farm sector. The survey revealed that although linkages between the farm and non-farm sectors in rural India were multifarious and strong, yet there were examples of a vibrant non-farm sector that was emerging without the support of the agricultural sector. The scenario as a whole led us to believe of the role of both the demand and distress -pull as well as external factors in generation of non-farm employment. However, another significant feature noted was that most of the non-farm activities took place in the unorganised sector. Although these activities were on a small scale and, in terms of gross value added, were not highly productive, yet at least some of them comprised last resort sources of income to those who were unable to access agricultural sources.

Relating to the factors that influenced the participation in non-farm activities, the analysis supported the theoretical assumptions showing the interrelationship of these factors with rural non-farm employment. It also provided evidence to suggest broad distress-induced circumstances of non-farm workers. The existing social structure in the tribal areas is so strong that any economic change will be defeated by such structures.

#### ***8.5.2 Socio-Economic Profile of the Study Area.***

The profile of the study area shows that a higher proportion of the scheduled are of the three selected district is covered with forest and uncultivable land, consequent of which the gross cropped and net area sown are limited. The main source of irrigation is the hill streams and rivulets hence; the net area irrigated is also less. The cropping pattern reveals that a major proportion of gross cropped area is used for the production of food grains. The cropping pattern reveals that a major portion of the gross cropped area is used for the production of food grains in the district.

This study analysis Srikakulam District had a population of 26.9 lakhs and the sex ratio (Females for 1000 males) was found to be 1,014 in 2011 as against 1,027 in 1981 and 1,032 in 1971 respectively. Density of population is

very high in Srikakulam district as compared to Andhra Pradesh where as it is low as compared to 1971, 1981, 1991, and 2001 census respectively. The literacy rate in Srikakulam district has increased from 18.99 per cent in 1971 to 55.3 per cent in 1991. In the state as a whole the literacy has increased from 24.57 per cent in 1971 to 60.47 per cent in 2011. The rainfall of the Srikakulam District is 1,033 mm during the period 2002-03. The south – west monsoon contributes about 60.79 per cent and the most east monsoon contributes about 24.10 per cent.

In the study the households are higher in case of Mandasa mandal ie., 17,958 and in case of Bhamani mandal the households are recorded very lower in number ie., 9,841. the population in Mandasa mandal is quite higher (82,699) than that of all other mandals. In case of Bhamani mandal the population is recorded very low of 44,157 and in Mandasa mandal the population is almost double the figure of Bhamani mandal.

In the study, as whole, in Region I mandal agricultural working is higher and contrary to this the industrial working class is higher in the Region I mandal. In all the mandals hospitals are not available. Regarding PHCs are concernthey are available more in the mandals. Seetampeta mandal is provided with a number of 4 PHCs.

The major irrigation projects are not available in the mandals in plain areas but good number of minor irrigation projects like check dams are available in these mandals. Similarly in case of mandals in hill tract areas also streams rivulets and check dams are available and they are providing irrigation to the farmers in these mandals. Including small and big, there are many number of minor irrigation sources are used for cultivation in the mandals in plain areas.

The study provides information relating to the mandal wise live stock and poultry population. As the agricultural activities are high in case of mandals in hill tract areas, the allied agricultural activities are also high in these mandals. In all the selected mandals a sizable number of households are getting



subsidiary income by way of selling milk. That is why the cattle and buffalo population is dominated the remaining live stock.

In this study mandal wise details of SHG bank linkage and pavalavaddi reveals that, among the selected mandals the number of SHGs are recorded very high (599) in case of Mandasa mandal and it is able to get highest bank linkage of Rs 783.74 lakhs. Similarly the Kotturu mandal is in the second position among the selected mandals in having more number (359) of SHGs and it is able to get bank linkage of Rs 721.81 lakhs.

The Angnawadi centers are relatively recorded higher in the mandals located in the plain areas like Seetampeta (122), Mandasa (115) and Pathapatnam (65). These centers are registered in very low number in the mandals from hill tract areas like Kotturu (166), Meliaputt (65) and Bhamani (40).

### **8.5.3 The Socio-Economic and Living Conditions of Selected SHGs Tribal Women Households.**

The total strength of the family members of the respondents is 1632, consisting of 607 males (37.19 percent), 589 females (36.09 percent) and the remaining 436 children (26.72). The analysis relating to the age particulars of the selected sample households reveal that 55.56 percent of selected sample are in the age group of 25-35 years which is the highest number in this age group rather than all other ranges. There are 19.44 percent of selected sample in the age group of below 25 years, 16.94 percent are in 35-45 years and only 8.06 percent are from 45-55 age group.

The marital status particulars of the selected sample reveal that as many as 339 respondents accounting for 94.17 per cent are married, while 5 respondents accounting for 1.39 per cent are unmarried. However, 16 respondents accounting for 4.44 per cent are widows. The analysis relating to the encouragement received from the family members reveal that in the case of 78.89 per cent of the households it is the husband. The role of the family members other than husband is marginal in this regard. Thus it can be stated that the husband played an important role in encouraging their wife to become

business entrepreneurs. Relating to the information about the carriers of business, it is revealed that as many as 77.22 of the households are carrying the business with the help of the family members, while the remaining 22.78 are carrying the business alone. Thus it can be stated that majority of the women entrepreneurs are carrying the business by taking the assistance of the family members.

The particulars relating to the level of education it can be noticed that out of the sample as many as 43.61 per cent have no formal education and they are illiterates, but they know only how to sign. Nearly over one-fourth of the respondents have formal education between first standard and fifth standard, while a little over one-fourth of the respondents have formal education between sixth standard and 10<sup>th</sup> standard. The analysis relating to the educational awareness improvement through SHGs, it can be noticed that the educational awareness is created among the sample women entrepreneurs through SHGs. About 64.44 per cent of selected sample opined that the significance of education is realized with the awareness camps which are organized by the SHG. 35.56 per cent of selected sample stated that SHGs didn't create any sort of environment for the accumulation of knowledge through basic education.

The analysis relating to the calorie intake of food is recorded very high among the selected households of Region I mandals in the plain areas 4893. On the other hand the calorie intake of selected households of Region II interior mandals 4393 recorded relatively lower extent of calorie intake. The information relating to the per capita calorie intake of different food items consumed by different members reveal that the households of Region I mandals in the plain areas receiving higher calories from the consumption of sufficient extent of edible oil, vegetables, ragi and other food grains thereby generating more calories.

The particulars relating to the deficiency in the diet taken by the women entrepreneurs exists with regard to almost all selected commodities. The deficiency with regard to the cereal consumption is relatively less

compared to other items. Further, the deficiency is very high in case of commodities like oils, mutton and chicken. Across mandals the situation is very alarming. Almost all women entrepreneurs of both the mandals have deficiency of a higher order with regard to all the chosen items. It can be observed that, the sample women entrepreneurs are probed regarding discussion on health related issues. Majority of the members reported that they discuss family welfare issues in their group meetings.

The information relating to the number of working days of the selected sample women out of 360, 61.11 per cent are able to get the work about 200-300 man days in a year and 34.45 per cent from 100-200 man days. Very little percentage of women entrepreneurs are attending their duties in the range of 300 and above per the year. The income earning particulars of the sample women entrepreneurs reveal that, all the members who are selected for the study are earning the income from Rs. 10000-30000 and above per annum. Out of 360 selected sample 38.05 per cent are able to get the income in the range of Rs. 20000-25000 which represents the higher number of selected sample. 33.89 per cent are getting the income in between Rs. 25000-30000. 19.17 per cent are receiving income in between 10000-20000. About the number of earning members in the family of the selected sample, only one earning member that is respondent in the house is 10.56 per cent. There are as many as 89.44 per cent of the respondents who are having only one earning member in the family in addition to the respondent, while the remaining respondents are having two earning members each.

The analysis relating to improvement in the income level of the selected sample after they joined in the ME activities reveal that, the group activity provided an opportunity to earn additional income to meet the growing needs of their family members. Out of selected sample 73.33 per cent opined that they can manage to earn additional income after being a member in SHG. But 26.67 per cent of the selected sample didn't see any change in their income levels in spite of being a member in SHG.

The income earning particulars per month of the selected sample reveal that, the net income from business earned by 38.89 per cent of the women entrepreneurs is between Rs.1400 and 1600 per month, while that of 20.00 per cent of them is between Rs.1600 and 1800. They are 15.56 per cent of the women entrepreneurs who have been earning Rs.1800 and 2000 per month. It is clear from the table that the average monthly income is the highest in the activity of preparation of adda leaves (Rs.2750) followed by food processing (Rs.2730), basket making (Rs. 2710) and other activities. The analysis relating to the determinants of household income ultimately reveals that, family size, work participation rates and non-farm activities like Micro Enterprise activities sources of income are major determinants of per capita income of all the selected tribal women households.

The analysis relating to the consumption patterns of all the selected sample women entrepreneurs shows that in case of all the selected mandals, the per capita monthly incomes are recorded low when compared to their respective per capita monthly expenditure. Across the selected mandals and regions the similar trend can be noticed. The consumption patterns of all the selected sample households are shows that the share of expenditure on food items is high in case of all households. Among the selected sample women entrepreneurs of villages in the hilly interior areas as the per capita monthly income is relatively low, the proportion of expenditure on food items is relatively high. Thus, the results of this study are in consistence with the Eagle's hypothesis of income expenditure relationship. It is evident from the analysis relating to consumption patterns of all the selected women entrepreneurs on food and non food items that almost 60 percent of the average monthly household expenditure has been met by the sample selected women entrepreneurs on food items.

The monthly saving particulars of the selected sample reveal that, out of the total sample selected 45.83 per cent are saving the money Rs.50 per month. 35.56 per cent selected sample are able to save Rs. 100 per month. 18.61 per cent are able to save above Rs. 100. In the Region I mandals in the plain areas

women entrepreneurs are higher in number in saving Rs. 100. The analysis relating to the improvement in the saving levels of the sample after they join in the ME activities reveal that, out of 360 selected sample, 39.72 per cent opined that there is an improvement in saving level due to the additional employment. 60.28 percent of the selected sample opined that there is no improvement in their saving in spite of gaining additional employment through Micro-Enterprise activities.

The particulars relating to savings per month other than group savings reveal that, as many as 73.61 per cent selected sample have no savings other than group savings. Among the rest, the savings varied from Rs.200 to 400 and above per month. Selected sample women entrepreneurs who are saving outside are found in businesses such as dairy business and vegetable vending. The accumulated savings of each member in the group varied between Rs.2,000, and Rs.8,000. On an average savings of the households is worked out to be Rs.4,245, as on date of enquiry. The total savings in the group of the 42.23 per cent are between Rs.4,000 and 6,000. While that of 9.44 per cent are between Rs.6,000 and 7,000.

The information relating to the prevailing housing conditions of the sample women it can be observed that the roof of the house of 111 respondents (30.83 per cent) is thatched while that of 204 respondents (56.60 per cent) is of RCC. There are however 45 respondents (12.50 per cent) who are living in asbestos roof houses. The data relating to the personnel hobbies of the selected sample reveal that, 86.67 per cent of the households have the hobby of watching television. The phenomenon of seeing pictures is found among 69.72 per cent of the households. It is surprising to note that 8.89 per cent of the women entrepreneurs have the hobbies of reading newspaper.

The statistical information relating to independent decision making is concerned, 68.89 per cent of the selected sample are unable to take decision with regard to the business transactions. And about 31.11 per cent of selected samples are able to take wise decision independently to improve their

economic status in the business activities. The involvement of others in business decisions of the selected sample is concerned, in the case of 34.44 per cent of the sample the decision-making lies with the women entrepreneurs themselves, while the business decisions are made by their respective husband in the case of 12.78 per cent of them. Joint decision making of husband and wife is also found among 17.50 per cent of the sample. Decision-making by respondent along with group members is found in the case of 31.11 per cent of the sample. The analysis relating to the involvement of the sample women in the Government programmes reveal that 314 respondents accounting for 87.22 per cent of the respondents participated in various government programs, while the remaining has not participated in government programs. Regarding the sample women participation in different Government programmes, as many as 22.50 per cent of the sample have been participated in mid-day-meals program. 54.44 percent of households participated in training programs. This is the highest percentage in the sample that participated for self employment generation. Followed by 49.72 per cent have participated in Pulse Polio Program. Only 9.44 per cent of the respondents participated in AIDS awareness Program. In non-formal education these women entrepreneurs participated as much as 17.22 per cent.

#### **8.5.4 Functional Aspects and Problems Facing by Micro-Enterprises Organizing by SHGs in the Study Area.**

In the study area major number of households in all mandals is engaged in basket making 23.88 percent and preparation of adda leaves 20.83 percent. In all mandals the tribal women households are engaged in goat rearing 15.27 per cent, vegetable vending 11.27 per cent, petty business 10.56 per cent and food processing 10 per cent. It is observed from the field data that the selected sample women entrepreneurs from Region-II mandals from the interior areas are more than Region-I mandals in the plain areas who are engaged in basket making and preparation of adda leaves. In case of service activities the women households selected from Region-I mandals in the plain areas are actively

involved. Thus, the analysis reveals that the percentage of dependence on agricultural activities in the tribal areas is still at higher levels.

Regarding previous occupation of the sample tribal women entrepreneurs, the previous occupation among the selected tribal women in the region-II as many as 44.72 per cent of the respondents is agricultural labour. In case of the selected women from the villages of region-I mandals higher proportion of them whose previous occupation was small and marginal farming. Thus, it can be stated that majority of the respondents used to dependent on agriculture either as daily wage earners or as small and marginal farmers.

The analysis relating to choosing the present business is concerned existence of demand for the finished goods is the main reason for selecting the present business. In the case of higher proportion of the women entrepreneurs the demand for baskets and adda leaves from local and nearby hotel owners is the major reason for selecting these businesses. The demand for Vegetables in the Rythu Bazars of the nearby major towns by these women entrepreneurs. Regarding the sources of business idea, higher proportion of the women entrepreneurs from the region I mandals received business idea from their group members and family members collectively and ideas received from solely group members is nearly 30 per cent. However among the respondents selected from region-II mandals only 10 per cent got the business idea by themselves. However in case of mandals selected from both the regions 15 per cent of the women entrepreneurs got the business idea from the family members.

The sample households selected from region-I mandals and villages visualized number of reasons to become a member of the group. Majority of the members i.e., about 65 per cent opined that they took membership in the group to support the family on economic matters. Nearly 5 per cent of the selected sample women entrepreneurs became the members to avail training facility for skill development which is provided by the government. About the

formation of the Groups, from the selected sample women households there are nearly 30 per cent of women entrepreneurs who became the members of the SHG is the highest number which is registered in the year 2009-10 followed by 20 per cent in the year of 2010-11, 19.17 per cent in the year of 2011-12 respectively.

Relating to the sources of funds as many as 50 per cent of the women entrepreneurs started their business with both their own funds and borrowed funds and as many as 30 per cent women entrepreneurs depended only on bank loan to start and running their business. The information relating to the sources of investment, out of 360 selected sample women entrepreneurs 28 per cent of the selected sample women entrepreneurs from the mandals selected from both the regions are able to utilize the share amount of SHG as source of investment for their business activities. About 30 per cent of the selected sample women entrepreneurs availed the individual banking loan facility and nearly 40 per cent of the selected sample women entrepreneurs are able to arrange their investment from multi sources for business activities.

The credit disbursement particulars reveal that in the range of Rs. 1000 to Rs.11000. Out of 360 selected sample women entrepreneurs 40.00 per cent of selected sample women entrepreneurs are able to get the financial assistance in the range of Rs.7000 to Rs. 9000 followed by 28.33 per cent, 18.89 per cent 9.17 per cent and 3.61 per cent of the selected sample women entrepreneurs are availed credit facility in the range of Rs. 5000-7000, Rs. 5000 and below, Rs. 9000-11000 and Rs. 11000 and above respectively. The revolving fund particulars reveal that out of 360 selected sample women entrepreneurs who became the members of SHG, 52.22 per cent are benefited with the sanction of revolving fund. And 47.78 per cent selected sample women entrepreneurs are unable get the benefit of revolving fund.

The loan repayment particulars show that the repayment towards both group loan and bank loan is very regular among all the sample women entrepreneurs. Defaults are rarely reported except for late repayment due to



unavoidable reasons. It is surprising to note that almost all the women entrepreneurs are punctual in respect of repayment of group loan as well as bank loans. The particulars relating to mode of selling reveal that a little over 50 per cent of the women entrepreneurs sell the finished products exclusively for cash, while a little over 49 per cent sell the finished products both for cash and on credit.

The activity wise mode of selling patterns reveal the reasons for the women entrepreneurs for carrying income-generating activity is the inadequate income of their husband. The details relating to the expansion of the business activity shows that as many as 78.89 per cent of the women entrepreneurs have plans to expand their business, while the rest of the women entrepreneurs have no such plans.

Regarding the problems facing by the women entrepreneurs, it is surprising to note that 206 women entrepreneurs accounting for 58 per cent expressed that they are not facing any problems carrying their business, while 108 women entrepreneurs representing 30 per cent who have been carrying basket making and preparation n of adda leaves expressed that they have been facing marketing problem. Lack of transportation facilities, lack of demand, collection of payments are revealed as the other problems facing by them. However 46 per cent of women entrepreneurs admitted that by becoming members of the SHGs, they are benefited by the Micro Enterprise activities and they could save every month. The next important benefit accrued as perceived by 37 per cent is the achievement of economic independence. There are however 16.94 per cent who were silent on this issue.

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selected sample women entrepreneurs became the members to avail training facility for skill development which is provided by the government. About the formation of the Groups, from the selected sample women households there are nearly 30 per cent of women entrepreneurs who became the members of the SHG is the highest number which is registered in the year 2009-10 followed by 20 per cent in the year of 2010-11, 19.17 per cent in the year of 2011-12 respectively.

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The loan repayment particulars show that the repayment towards both group loan and bank loan is very regular among all the sample women entrepreneurs. Defaults are rarely reported except for late repayment due to unavoidable reasons. It is surprising to note that almost all the women entrepreneurs are punctual in respect of repayment of group loan as well as bank loans. The particulars relating to mode of selling reveal that a little over 50 per cent of the women entrepreneurs sell the finished products exclusively for cash, while a little over 49 per cent sell the finished products both for cash and on credit.

The activity wise mode of selling patterns reveal the reasons for the women entrepreneurs for carrying income-generating activity is the inadequate income of their husband. The details relating to the expansion of the business activity shows that as many as 78.89 per cent of the women entrepreneurs have plans to expand their business, while the rest of the women entrepreneurs have no such plans.

Regarding the problems facing by the women entrepreneurs, it is surprising to note that 206 women entrepreneurs accounting for 58 per cent expressed that they are not facing any problems carrying their business, while 108 women entrepreneurs representing 30 per cent who have been carrying basket making and preparation n of adda leaves expressed that they have been facing marketing problem. Lack of transportation facilities, lack of demand, collection of payments are revealed as the other problems facing by them. However 46 per cent of women entrepreneurs admitted that by becoming members of the SHGs, they are benefited by the Micro Enterprise activities and they could save every month. The next important benefit accrued as perceived by 37 per cent is the achievement of economic independence. There are however 16.94 per cent who were silent on this issue.

#### **8.5.5 The Impact of SHGs Micro-Enterprise Activities on the Socio-Economic and Living Conditions of Women Households.**

In the study, the SHG is the highest number which is registered in the year 2008-09 followed by 20.27 percent in the year of 2007-08, 19.17 percent in the year of 2009-10 respectively.

A major proportion of the sample respondents were motivated by neighbours i.e. 51.39 per cent, followed by friends 19.44 per cent, family members 17.78 per cent and the Government Officials and NGOs contributed together 3.61 per cent and 5.56 per cent. About 56.94 per cent of the units sell their output in their village/ town (local market) and 34.17 per cent sell them in the nearest town.

The average annual income during 2008-09 financial year is estimated at Rs. 52,438 and expenditure at Rs. 38,083 growth and net profit is Rs. 14,355 which comes out to be Rs. 1,196 per month. There is 141 per cent increase in money incomes of the household. The highest income increases are reported from the occupation group of Artisans (427%), Petty Business (233%), Poultry (207%) and Dairy (148%). It is noticed that agriculture is not at all a profitable profession, since it is recorded an income increase of 79 per cent.

Before joining SHG, the number of days worked was only 221 days in 365 days. After joining SHG, the number has increased to 290 days. It can be observed from the study that Region-I got a score of 447 out of 500 and Region-II got 429. Thus, Region-I has achieved a greater degree of women empowerment when compared to the Region-II.

The calculated Co-efficient presented in the study show that the  $R^2$  is significant for all the sample households. These  $R^2$  values show that the independent variables considered in the impact of micro-enterprises on the SHGs tribal women is significantly explained. Here, occupation and total income are significantly at 1 per cent level. Women empowerment index is significantly at 10 per cent level.

The study area women are by and large illiterate and have no access to modern methods of domestic and agricultural operations. There is a wide scope

for micro enterprises in this area because there are vast resources for several products ranging from food processing, building materials, jute, coffee and tea plantations. Since the area is highly migratory in nature, women and children stay back in villages and men work in faraway places. Hence there is a greater need for implementing women empowerment programmes in these two regions.

## **8.6 POLICY SUGGESTIONS:**

- Tribal women has to provide access to formal and non-formal training in skills, management of money and enterprise and there is need to explore new avenues for self-enterprise, upgrade their knowledge, skills and provide them with suitable technical guidance, financial and marketing support and infrastructural facilities.
- The major inferences drawn from this study reveal that the whole SHG movement in Andhra Pradesh should be reoriented towards training women for starting micro-enterprises by providing prompt and needed amount of loans.
- Similarly in order to encourage more women towards setting up of micro-enterprises the subsidy amount should be increased and at the same time the subsidy should be linked to the promptness of the repayment.
- Present repayment structure is not suitable for promotion of micro-enterprises. Though the loan recovery period is fixed for 36 installments but in reality the loan is recovered in 18 to 24 monthly installments. Therefore it is necessary to further reduce the influence of the private money lenders by taking measures such as further branch expansion, motivating the staff to be more receptive and responsible and by giving promotional and financial incentives linked with their loan recovery performance.

- Training programmes should be prioritized and annual specific programme oriented. Different training programmes should be conducted for different nature of micro-enterprises and for different management functions.