

# **WOMEN EMPOWERMENT THROUGH MICRO-ENTERPRISES**

## **A STUDY IN NORTH COASTAL ANDHRA PRADESH**

**Revised**

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# **Chapter - 6**

## **SUMMARY, CONCLUSIONS AND POLICY IMPLICATIONS**



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## **SUMMARY, CONCLUSIONS AND POLICY IMPLICATIONS**

### **6.1 Summary**

A SHG is organised with the coming together of 5-15 members with the help of facilitator normally, or on their own and opening a bank account on the name of the group. The members are from the neighbourhood and have homogeneity among themselves in socio-economic conditions which ensures equal participation in the affairs of the group unlike a cooperative, which is dominated by some influential people. The groups start savings on a regular basis and deposit the money in the bank account which will be used for lending among the members after prioritisation of their needs. The collection of savings and decisions of lending will be taken by all members in the fortnightly meeting and the minutes will be recorded. All the savings and loaning transactions, member-wise, will be recorded in their own books of accounts.

During the regular meetings, the group is also supposed to discuss the social problems in their village and participation in community oriented programmes will be planned. Thus a good group is to have minimum of the six characteristics as regular savings – mostly on monthly basis – saving amount to be decided by group itself, regular meetings – to take group decisions on savings, loans and social issues, internal lending – utilising the savings and grants to meet prioritised credit needs of members, regular repayment – cultivating the ethic of repayment among members, books of accounts – maintenance of accounts to avoid future conflicts and participation in social and development activities. Once a group attains these characteristics and after

activities. Once a group attains these characteristics and after six months it becomes eligible for the assistance from the government in the form of matching grant/revolving fund which is given to augment their corpus which it can use for rotation among members but cannot be appropriated. Any group, which exists for six months, with the above characteristics, become eligible for loans from formal banking system under NABARD, sponsored SHG-Bank Linkage scheme. The group is eligible to receive loan up to four times of their corpus amount at 8-11 per cent rate of interest. The bank will never insist on the purpose of the loan and the group can utilise their amount, along with savings and grants, to meet the production or consumption needs of the members depending on their exigencies.

As observed by NSSO about 67 per cent of the female population is not gainfully employed. In order to utilise this valuable human resources, the government should adopt policies to bring these eligible women into productive employment. One such attempt is the DWCRA programme in early 1980s. The objective of the programme initially was to provide all the support for a collective action by the women groups towards achieving sustainable livelihood. Later these women groups have been provided bank loans for helping them to become micro-entrepreneurs.

Rural women with extremely poor economic background and mostly illiterate cannot be expected to possess the modern characteristics of an entrepreneur. Yet, with the given encouraging rural environment supported by the Government and NGOs with foreign funding, rural women have emerged as

SHGs and as a vibrant micro-finance movement. They have become part and parcel of the rural community.

Andhra Pradesh stood first among all the states in empowerment programmes starting from equal property rights for women, reservation in jobs and educational institutions as well as political reservations in local self-governments. The DWCRA programme in Andhra Pradesh has been judged number one in the country in terms of mobilising women for social, political and economic development of the poorest of the poor families in rural areas. With the World Bank funding, the then government named the programme as “*Velugu*” and the next government renamed it as IKP. The entire programme has been implemented by an independent society called SERP which functions under the Ministry of Rural Development. Self help movement through savings has been taken up as a mass movement by women. As on 31 March 2009 there are about 8.506 lakh women SHGs in Andhra Pradesh covering nearly 101.82 lakh rural poor women. SHGs are not only resorting but are also taking small loans out of the corpus available with the group. An amount of Rs. 4,025.55 crores is mobilised as corpus among these groups. The state government has taken several initiatives to extend financial support to these groups. In self sustaining movement, the members of SHGs are poor with low or nil saving capacity and who depend on money lenders or private sources to meet their expenditure and other obligations.

During the group meetings, the thrift amount is pooled and given as loans to members for utilisation, production or investment purposes based on the priorities determined by the



group. The group members keeping in view the interests and prosperity of the member take a collective decision regarding all matters. These groups play the role of a mid-wife or money lender. NABARD introduced a pilot project in 1992 for linking banks with SHGs to encourage thrift and savings amongst the rural poor and to supplement their credit needs through the banking system and constituted working group in the matter. Based on the recommendations of the working group, the RBI decided to extend SHG Linkage Programme beyond the pilot phase and advised to banks to make it a part of their mainstream banking function.

If a serious impact on the economic conditions of rural poor has to be made, a much larger flow of credit to support a much broader production base is required. It is towards this objective the SHG-Bank Linkage Programme need to be taken forward. These groups have to graduate into promoting micro-enterprises. Though micro-enterprises are not a panacea for the complex problems of chronic unemployment and poverty, yet promoting micro-enterprises is a viable and effective strategy for achieving significant gains in income and assets for poor and marginalised people.

The evolution of SHGs is at three levels:

1. Initially poor households use micro-finance to meet ‘survival’ requirements where small savings and loans serve as a buffer in the event of an emergency or to smoothen consumption or even service previous debt to give itself more liquidity during lean times.



2. At the second level, 'subsistence' needs are met through micro-finance, where a household begins to utilise micro-finance to diversify its basket of income – generating activities or to meet working capital requirements in traditional activities.
3. At the third level, as households reach a stage where they can assume a higher degree of risk, micro-finance would be used to invest in setting up an enterprise or facilitating entry into employment in one way or the other in order that the household becomes sustainable.

The SHGs in Andhra Pradesh have gone through these first two stages and entered the third stage on a limited scale and it is the time to adopt new and innovative strategies to motivate and strengthen the initiatives of the women.

The SHG-Bank linkage is a great success story in Andhra Pradesh. Twenty-five Commercial Banks, 16 Regional Rural Banks and more than 4000 branches are participating in the programme.

Bank lending has dramatically increased from Rs.197.70 Crores in 2001-02 to Rs.6,979.01 Crores in 2008-09. AP leads the country in SHG-Bank Linkage Programme with 50 per cent of all bank loans given to SHGs in India and recovery of SHG loans is above 98 per cent. During the year 2009-10, SERP has facilitated Rs.6,501.35 crores of bank loans to 4,13,625 SHGs.



In traditional societies, women's role was naturally limited to the family. They played a crucial role as a bearer of children, as mother and home maker. Many factors like urbanisation, technical progress and educational status of women have changed these conditions. The participation of women in the economic development has to be not only in unorganised sector, but also in organised sector, self-employment and entrepreneurship.

Having realised the importance of the role to be played by women in national development a special chapter on the details of the plan of action for "Integration of Women in Development" has been included in the Sixth Five Year Plan and also was extended in subsequent Five Year Plans. Further, the New Industrial Policy of Government of India has specially highlighted the need for conducting entrepreneurship programmes for women to enable them to start small scale industries.

Problems faced at the idea conceptions are lack of initiative, lack of self-confidence, lack of prior experience, lack of family support and lack of knowledge regarding schemes. Problems related with being a women: working odd hours, meeting customers, balancing home and business and uncooperative attitude of society. Problems faced during project formulation: indifferent attitude of officials, inadequate information dissemination and publicity of schemes, complicated procedures and lack of coordination between support agencies. Problems faced in availing loans: gender discrimination of lending agencies, insistence on collateral security, bank document not available in local

language, delay in sanction and insufficient sanction of working capital. Problems faced in running the enterprise: bad recovery of dues from buyers, time consuming procedure for raw material procurement, labour problems, inappropriate marketing strategy.

## **6.2 Conclusions Based on the Secondary Data**

- ❖ According to 2001 census, the population of Visakhapatnam District was 38.32 lakh, Srikakulam District was 25.37 lakh and that of Vizianagaram was 22.49 lakh. In Srikakulam and Vizianagaram Districts female population is marginally higher than that of male population. Where as in Visakhapatnam District vice-versa. The total population of is higher when compared with Srikakulam District and Vizianagaram District.
- ❖ It is concluded that the Scheduled Caste population in Vizianagaram District reported higher (10.58%) than Srikakulam District (9.05%) and Visakhapatnam District (7.59%) as against total population of the respective Districts.
- ❖ In case of *Scheduled Tribe* population, Visakhapatnam District had highest percentage 14.54 than that of Vizianagaram District 9.55 and it is only 5.96 in Srikakulam as against total population of the respective district.
- ❖ The total literacy rate accounted for 55.3 in Srikakulam District and is 51.10 in Vizianagaram District and 60.0 in Visakhapatnam District. The literacy rates for males 67.20, 62.40 and 69.7 for Srikakulam, Vizianagaram and Visakhapatnam Districts respectively.

- ❖ The density of population per square km is significantly higher in Srikakulam District (438) compared to Vizianagaram District (346) and Visakhapatnam District (342).
- ❖ It is clearly shows that the percentage of cultivators and other workers are more in Visakhapatnam District; whereas the percentage of agricultural labourers and household industry are more in Srikakulam.
- ❖ It shows that the major source of irrigation in Srikakulam and Visakhapatnam Districts is canal followed by tanks where as in Vizianagaram District tanks followed canals.
- ❖ It is conclude from the analysis is that total geographical area is more in Visakhapatnam District when compared to Vizianagaram District than that of Srikakulam.
- ❖ There is a large number of 64,872 and 1,36,619 Agricultural and Non-Agricultural Enterprises are registered in Vizianagaram District, 62,488 and 1,22,784 in Visakhapatnam District and 25,775 and 1,16,088 Agricultural and Non Agricultural Enterprises respectively in Srikakulam District.
- ❖ There are large number of persons (5,48,204) working in Visakhapatnam District. Out of this 66.82 per cent are adult male and 33.17 per cent are adult female. Similarly there are 4,57,766 persons working Vizianagaram District out of this 69.56 per cent Adult male and 30.43 per cent of adult female, 2,79,875 persons are working in Srikakulam District among this 73.44 percent of adult male and 26.55 percent of adult female.



- ❖ It is clearly observed that the chemical factories are established in Srikakulam District which provides more employment opportunities to the persons. The remaining industries are not able to facilitate more employment opportunities for the persons in the three sample districts.

### **6.3 Conclusions Based on Primary Data**

The following are some of the major findings of the study:

- ❖ Among the respondents *Backward Classes* constitute about 61 per cent while *Scheduled Castes* and *Scheduled Tribes* together constitute 19 per cent and others are *Open Categories*.
- ❖ Educational status of the respondents reveals that about 32 per cent of them are illiterate while 13 per cent are literates without any formal education, 23 per cent have primary education and 26 per cent having secondary level education. Higher education respondents constitute 6 per cent.
- ❖ More than 57 per cent of the respondents are living in Pucca houses.
- ❖ About 56 per cent of the respondents have nuclear family
- ❖ There is an increased participation of the rural poor in the community based organisations. Almost half of the respondents i.e., 50.3 per cent are covered under NREGS. About 11 per cent of the respondents are in one or more CBOs of the village including panchayats, rythumitras, youth organisations etc.,
- ❖ As regards the economic status of the respondents, 77 per cent of the respondents are poor, while 15 per cent belong

to the poorest of the poor category and 8 per cent are non-poor.

- ❖ The highest motivation for joining SHG seems to be by the influence of neighbors (60.5%) followed by friends (17.2%) and family members (10.5%). The influence of the government officials seem to be very little.
- ❖ As regards the type of rural micro-enterprises, petty business constitute about 35 per cent, dairying 22 per cent and kirana shop 15 per cent of the micro-enterprises.
- ❖ About 43 per cent of the respondents are still using traditional methods of production and management in their enterprises while only 20 per cent use modern technology.
- ❖ As high as 94 per cent of the respondents have not received any entrepreneurial training either from government or NGOs.
- ❖ Almost 50 per cent of the respondents acquire the raw material from the nearest town while using auto for transport. Very few (4%) respondents have their own transport facility.
- ❖ On an average 67 per cent of the enterprises have employed three workers. This shows that potentiality of micro-enterprises in absorbing rural surplus labour.
- ❖ As regards marketing their products, almost 62 per cent of the product is sold in local market alone and 29 per cent sell their product in nearby town.
- ❖ Vast majority (90%) of the respondents are not advertising their product. Among the 10 per cent who have used advertisement, majority of them used posters and paintings on walls as the medium of advertisement.
- ❖ The average annual income during 2008-09 financial year is estimated at Rs. 52,468 and expenditure at Rs. 38083 growth and net profit is Rs. 14,355 which comes out to be Rs.

1,196 per month. This profit or net income is very low. This shows productivity of these micro-enterprises is not at all encouraging.

- ❖ There is 141 per cent increase in money incomes of the household. The highest income increases are reported from the occupation groups 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.
- ❖ The rural households give top priority for improving housing conditions and acquisition of economic assets. It is really surprising that the rural people are preferring mobiles and phones, TV, radio, gold and silver and scooter. The percentage increases in the number of mobiles and phones are 1003 per cent followed by scooter / motor cycle (767%), sewing machines (640%) and TVs (183%).
- ❖ Earlier, rural money markets were dominated by money lenders consisting of 64 per cent of the amounts borrowed are from them, followed by 21 per cent from friends and relatives, rural banks (7%), commercial banks (3.5%) and cooperative banks (2.7%). These patterns have changed now. About 55 per cent of loans are borrowed from commercial banks, followed by money lenders (23.5%), rural banks (6.9%) and cooperative banks (5.6%).

However, money lenders still rule the roost, meeting the needs of the SHG members by 24 per cent of the total outstanding loans.



- ❖ Increased incomes led to rapid growth of consumption of non-vegetarian, oils, pulses, sugar and milk. This is by and large a welcome feature, keeping in view of the lower nutritional levels of the rural people. As regards, changes in non food items, the rural people are spending a higher amount on entertainment (215%), fuel (89%), education (82%) and cosmetics (76%). It is a disturbing feature to note that there is an increase in expenditure on smoking and alcohol by about 51 per cent.
- ❖ There is a remarkable change in the rural employment. 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. Percentage of days unemployed was 39 per cent which declined to 21 per cent during the period under study.
- ❖ Vizianagaram District got a score of 500 out of 500, Srikakulam District got 447 and Visakhapatnam got 429. Thus, Vizianagaram District has achieved a greater degree of women empowerment when compared to the other two districts of Srikakulam and Visakhapatnam.

#### **6.4 Results of the Regression**

It is estimated two linear regression models for each of the three districts namely Srikakulam, Vizianagaram and Visakhapatnam. The two models are (1) Income Model and (2) Investment Model.

Income from the Micro-Enterprises is largely explained by the following Explanatory Variables



1. Total investment
  2. Economic Status of the house hold
  3. Technology used
  4. No. of years of Experience in the trade
  5. Bank Linkage utilised
  6. Method of Advertisement adopted
1. It is obviously that income of the enterprise by and large depends on the level of investment which has been observed from the above regression analysis. The Method of Advertisement adopted is the most important determinant of income after investment. The other significant variables like bank linkage, type of technology used, experience, advertisement and economic status are the other determinants of the income.
2. As regards the investment model the regression analysis found that income of the household is the most important determinant of investment. Among the other significant variables like bank linkage, technology, No. of workers in the family, economic status, training and advertisement are found to be determinants of the investment.

The economic theory suggested that income of a firm depends on the amount of investment and *Vic-versa*. Income depends on the investment. This is exactly the acceleration principle. Among the other common (common for both income and investment) significant variables the most important are the modern methods of management and technology as well as the bank linkage and training are found to be significant in both the models. Therefore, the government should take steps to give

training to the micro-entrepreneurs in modern management techniques as well as enhance loans through bank linkage.

### **6.5 Policy Recommendations**

Entrepreneurship development among women may be looked from two angles. One is to create the environment needed for healthy and sound entrepreneurship and the other is to have more and more rational motivational campaigns. The emergence of entrepreneurs in a society depends to a great extent on the economic, social, religious, cultural and psychological factors prevailing in the society. Therefore, there is an urgent need to nurture and create an enabling entrepreneurial climate.

There is a need for designing appropriate strategies for bringing more and more women into the entrepreneurial arena and providing them with organisational support. The recommendations in this regard derived from the analysis of primary data are given under the following:

- ❖ Examine women's stereotypes for socially desirable traits in their cultures.
- ❖ Explore the qualities, women value in themselves and determine what type of personal support they want.
- ❖ Discuss various types of discrimination and constraints like psychological, socio-cultural and economic and others that might hamper their entrepreneurial aspirations and suggest measures to overcome them.
- ❖ Provide access to formal and non-formal course/training in skills, management of money and enterprise.
- ❖ Explore new avenues for self-enterprise, upgrade their knowledge, skills and provide them with suitable

technical guidance, financial and marketing support and infrastructural facilities.

- ❖ Identify training institutions, which impart vocational training programmes to develop entrepreneurial skills and make women aware of the support they could expect from developmental agencies.
- ❖ Give greater priority to development and provision of infrastructure in rural areas such as access to water, fuel, housing, primary health care and child care centers. Better facilities help them to change in life style and subsequently in their attitudes towards their family, society and the Nation.
- ❖ Undertake research studies to examine individual and cultural barriers, to understand the psychology of rural women. Such findings would help make the promotional programmes more realistic.
- ❖ 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. In this era of globalisation, there is a wide scope for encouraging micro-enterprises to manufacture machine tools, components of TV, radio, watches, cosmetics and even microchips of the computers and other electronic goods. Such cottage industries exist and flourish in China, Korea and Singapore. Indian women can create history if they are helped to rise to the occasion for more productive jobs and absorb surplus labour in the rural areas. This is the real women empowerment, which is not impossible.
- ❖ District Industries Centres and *District Mahila Pranganas* have to be geared up to organise massive awareness

programmes for women in exploring the possibility of starting micro-enterprises. Women have to be given not only initial capital but also help in marketing their products.

- ❖ Private micro-financial institutes are charging very high rate of interest i.e. 24 per cent which affects the financial sustainability of the micro units. Hence necessary steps are to be taken to assure the micro units to avail the sufficient finance at a marginal rate for a certain period (gestation period). The implementer should monitor not only the disbursal of money, but also the end-use of money for productive income generating activities/ micro-enterprises.
- ❖ Policy makers need to recognise the potential of micro-financial services to support investment and growth in key economic sectors and hence to contribute significantly to national economic growth.
- ❖ Due to variation in the price of different quality animal, the loan amount should be as per members' actual requirement. The recommendations of the group members should also taken in to account which fixing the cost of the dairy unit.
- ❖ 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.
- ❖ The government should give necessary instructions to the developmental agencies to co-operate with the financial institutions in conducting recovery drives.

- ❖ Banks and IKP functionaries at the field level need to synergise their efforts that will strengthen the programme and the branch officials should make effective use of tools like of community based recovery mechanism for sustaining the recovery performance.
- ❖ The IKP staff should compulsorily attend the group meetings so that they can facilitate the strengthening of group dynamics. A careful assessment of forward and backward linkages, additional income generating capacity and the unit costs of the schemes should be made before advancing loans by the IKP officials.
- ❖ A portion of the income generated out of the IKP financed activity should be used for the further development of the business/economic activity.
- ❖ The innovative forms of financing is imperative to supplement credit strategies for meeting the needs of the poor by combining the flexibility, sensitivity and responsiveness of the informal credit system with the technical and administrative capabilities and financial resources of formal financial institutions and also to build material trust and confidence between bankers and the rural poor and to encourage banking in a segment of population that formal financial institutions usually find it difficult to reach.
- ❖ 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.

- ❖ 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.
- ❖ Timely and adequate finance by bankers will drive away MFIs / money lender. The banker should understand that SHG lending is a viable business proposition for them and this is avoid multiple borrowings and defaults
- ❖ Policy changes are to be initiated by the financial institutions to inject transparency in transaction, fixing specific time schedule for releasing of the loan, for accepting sureties and continuity of flow of credit etc. The financial institutions should not to resort to “Automatic Adjustments” while releasing the credit to the beneficiaries.
- ❖ Bank point persons / bank mitras may be appointed by IKP staff that will be responsible for initiation and scrutiny of the credit proposal, timely sanction, ensuring proper utilisation and prompt recovery of credit.
- ❖ Establishment of marketing information centre at district level for enhancing the opportunity of marketing outside of locality.
- ❖ One of the major problems of the micro-enterprises is marketing of the products and services. There is a continuous and constant demand for dairy and other related products, but some products like readymade garments, plantation and jute based products etc. there is no assured market on continuous basis. Hence, it is advised that government agencies should come forward

bulk purchase of these items. It is also suggested that mandal level, divisional level and district level fairs, exhibitions should be arranged for mutual benefits of the all the stockholders.

- ❖ Government should provide infrastructure for training of SHG members in micro-enterprise as also marketing infrastructure for marketing of the products.
- ❖ Strong marketing network is required for effective and proper marketing of products and services of micro-enterprises linked SHGs. They need marketing support and institutional capacity to handle marketing activates independently. Multiple Enterprise Development Programmes are to be organised so that awareness for setting up of micro-enterprises could be attained.
- ❖ The availability of natural resources, skills and potentiality is to be thoroughly analysed while initiating the micro-enterprise. Concerned government official should counsel, advice and support the SHG members in this regard.
- ❖ Capacity building of the community based organisation is not up to the mark and additional inputs are required to handle the micro-finance as well as for the development of micro-enterprises.
- ❖ In spite of the existence in group mode for more than a decade, the groups dynamics still not strong and awareness about group objectives beyond thrift and credit at member level was limited. Capacity building for the group members should be a continuous process.
- ❖ Select a few *Mandal Samakhya*s and support livelihood projects based on local resources and skills to promote

entrepreneurship and give required confidence to groups to manage the business operations.

- ❖ Entrepreneurial and management skills such as risk bearing, enterprise planning, product innovation, need perseverance, financial resource mobilisation, production, marketing demand forecasting, cost control, HR related aspects should be properly imparted among the SHG members for commercial viability of the enterprise.
- ❖ Encourage weekly meetings, at least initially stages of SHG formation so as to early grasping of group dynamics since day one of the group formation.
- ❖ The programme should be designed taking into consideration the needs of women at the micro level. Planning for self-employment for women needs a multipronged strategy.
- ❖ Strict supervision should be maintained by the concerned bank officials on the proper utilisation of finance for productive purpose and also to avoid diversion of funds for other purposes.
- ❖ Training programmes should be prioritised and annual specific programme oriented. Different training programmes should be conducted for different nature of micro-enterprises and for different management functions.
- ❖ Value oriented workshop for both the stakeholders and the respondents.
- ❖ Opportunity of experiential learning, attending training and exposure visit for stakeholder and rural entrepreneurs should be increased in proportion in to the increasing number of target groups.

- ❖ Systematic efforts needed to impart skill development training to the groups and to motivate suitable groups to take up micro-enterprises.
- ❖ To organise refresher programmes to groups to reinforce the basic tenets and create better awareness and to strengthen group dynamics.
- ❖ For the beneficiaries of IKP scheme, the training programmes should be conducted periodically with the help of experts available in the nearby universities/departments.
- ❖ Institutional and human capacity building programmes should be organised to train the IKP staff and like minded NGOs activities, volunteers, *panchayat* representatives, members of youth clubs on promotion of small savings and divert them to set up micro-enterprises.
- ❖ Suggested to organise activity oriented training programmes based on the groups choice to initiate the groups into income generating levels.
- ❖ For encouraging more diversified activities in the non-farm sector the group members may be advised by the IKP officials to undertake income generating besides dairy which are suitable to women respondents.
- ❖ Group leader should enforce certain discipline among the members for prompt attendance as well as ensure regular contribution towards group savings, as this would faster growth of saving as well as good recovery performance.
- ❖ A lone group of poor rural women, stands a lesser chance of being effective than a confederation of such groups. A confederation would offer the strength of numbers and

solidarity to its constituents. There are certain areas where SHGs need wider support, crisis-resolution, marketing, networking, effective mobilisation, tackling social issues.

The study clearly brings out the fact that the policies and programmes for promoting women entrepreneurship have not been fully grounded. This is more so among rural women. The good work done by SHGs has some impact on motivating women for social, political and economic development. Women Empowerment can be sustainable only if earning capacities of women improve substantially through non-farm activities. There is a lot of scope for women entrepreneurship even in the context of rural poor and low literate women, who have hidden potential. These women have to be identified, motivated, oriented and trained for becoming potential entrepreneurship. This requires financial, technological and managerial expertise in preparing and implementing the entrepreneurship programme in the context of rural areas. The IKP has taken roots deep into the hearts of the rural women through certain institutional mechanism. These institutions can be strengthened and reoriented towards encouraging women to take up innovative non-farm activities.

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