



Changing Facets of Women Micro Enterprises in Kerala

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ABSTRACT

The Micro Enterprise sector has the potential to generate enormous economic gains and increased employment for women. Their families, communities and economy would benefit from realizing that potential. It has the potential to generate employment at an average of 4.5 lakhs in the rural economy of Kerala. Women Micro Enterprise opens up new scope of self-employment. We need a strong support policy to tap this rural potential. This paper tries to highlight the increasing importance of women Micro Enterprises in the rural segment of manufacturing and service related activities.

KEYWORDS : Micro enterprise, kudumbashree, Neighbourhood, Yuvasree, Santhawanam

Micro Enterprise development is a means for economic empowerment by providing gainful employment to the people below poverty line and thereby improving their income and living standards. An enterprise is mainly categorised as Micro Enterprise in terms of the employment. Some Asian countries differentiate micro enterprises as the basis of the ownership by local people. In India, the definition of what constitute micro and small enterprises has undergone changes from time to time. The Micro, small and medium enterprise development Act 2006 broadly classified Micro Enterprise into manufacturing and those engaged in providing or rendering of services¹. These enterprises are further classified into micro, small and medium enterprises based on the investment. Investment ceiling for micro enterprises for manufacturing unit is up to 25 lakhs and for service enterprises the ceilings fixed up to 10 lakhs.

A more specific interpretation of Micro Enterprise is given by Kudumbashree Scheme.

The state poverty eradication mission (Kudumbashree) defines Micro Enterprises based on the following criteria

- Investment ranging from Rs. 5000 to Rs. 2.5 lakh.
- Enterprise should have a potential to generate at least Rs. 1500 per member per month either by way of wage or profit or both together.
- Enterprise fully owned, managed and operated by members themselves, preferably, women below poverty line families as entrepreneurs.
- Minimum turnover of Rs.1 lakhs to Rs.5 lakhs (i.e. 2-10 times of the capital investment)

Categorically speaking Micro Enterprises are belonging to unorganized (informal) sector and the employment potential is to define an unorganized employment. This informal sector consists of all unincorporated private enterprises owned by individual or households engaged in the sale and production of goods and service operated on a proprietary basis or partnership basis with less than ten total workers.

Women Micro Enterprises are those which are owned and operated either by individual women or by a group. Micro enterprise represents an important means of earning income for women in rural areas. It is difficult for women to find out a job with their dual responsibility as family provider and social agent. This made them attracted to the idea of self employment

in micro enterprises adjoining their house premises with flexible hours, which allow them to take care of both home and business. It provides employment and income to eradicate poverty. Micro Enterprises are small undertakings run by individual or groups who take up responsibility of managing a business venture and often involved in the family activities. The micro enterprises suit the life style of women because of their multiple roles and need to re-organise time. Originally Micro Enterprises for women were extension of kitchen activities. Now women have ventured into engineering, electronic and other industries under IRDP (David, 1992)

Thrust to Rural Development

Micro Enterprise action plan identified to develop the entrepreneurial capacities and economic participation of women as a significant group active within the micro enterprise sector. A number of the strategies and micro enterprise support policy and programme are already having some success in targeting the informal sector in particular those owned by women. Empirical evidence shows that the women-owned enterprises account a largest share of the total Micro enterprise in Kerala. In both rural and urban areas, micro enterprises are the largest source of employment and get new jobs, especially for women and youth. According to the estimation made by Kudumbashree mission in Kerala, 16727 Micro Enterprises are formed in urban areas and 34679 in rural areas. Largest number of enterprise in urban areas concentrated in Ernakulam district. (442) Thiruvananthapuram and Kozhikode occupies second and third status respectively in this regards (294 and 197).

Number of Micro Enterprises (both individual and group) in Idukki district is highest (675) compared to other districts. Thiruvananthapuram and Kozhikode occupies second and third status respectively (502 and 405)

Group enterprises are formed either by members of single neighbourhood group or members of more units. The nature of activities widely extended since the inception of Kudumbashree programme. Enterprises are set up in agriculture, industry and service sectors. The main agricultural activities are group farming, poultry farming, and cattle and goat rearing. Units under industry have engaged the production of food and non-food items including cosmetic products, oil products etc. The thrust area of service sector micro enterprises has been extended to computers, stitching, hiring services, chitty funds, beauty parlour, canteen etc. apart from the initial field of catering, hotel, provisional store etc.

Micro enterprise Units have now ventured into the another innovative area such as solid waste management, paper and cloth bag units, ornamental fish culture, business process outsourcing.

Shift to Innovative Areas

Kudumbashree programme now identified new areas to set up micro enterprises for the youth from BPL families and to provide gainful ser-

vices to the new generation entrepreneurs. Exclusive female members groups (individual & group enterprises) are allowed in new scheme of Yuvashree. Recent statistics show that 632 individual and group enterprises are set up under this scheme

Micro enterprises under Yuvashree

Nature of units	No. of Members in the unit
Group Activity	10 or more
Group activity	5 member
Group activity	6 to 9 members
Individual units	One

Table:1 Source : Kudumbashree mission

Distribution of Enterprises Under Yuvasree on District Basis

Sl.No.	District	Individual Enterprises	Group Enterprises
1	Thiruvananthapuram	6	20
2	Kollam	15	35
3	Pathanamthitta	2	9
4	Alapuzha	29	58
5	Kottayam	6	1
6	Idukki	12	15
7	Ernakulam	13	39
8	Thrissur	48	20
9	Palakkad	4	25
10	Malappuram	69	20
11	Kozhikode	25	31
12	Wayanad	7	45
13	Kannur	25	17
14	Kasargod	13	23
	Total	274	358

Table: 2 Source : Oommen and Kudumbashree Mission Health Care Activities

Kudumbashree enterprises undertake many health care activities with the intention of realizing better health and nutrition for all. Neighbourhood group has health volunteers who help in complete coverage of children in immunization. Health care enterprises under the name 'Santhawanam' is a joint venture of Kudumbashree's Health Action by People (HAP) and State Bank of India. It provides home based health screening facility by body mass index, blood pressure and blood glucose. Under this programme, entrepreneurs selected from among science graduates from NHG families, are given a week training, to becoming a health service provider. Over 200 service providers are available. It is a source of income of each entrepreneur. Amrutham is another Kudumbashree enterprise programme which help improve the nutritional status of children between 6 months and 3 years. It is a five member enterprise group supplying different food products. Kudumbashree units are associating with the 'Clean Kerala' mission programme. Women group under KDMS collect waste material from residences and commercial places and get it recycled. This public health improvement programme is a source of income.

Education and Child Welfare

Another area that Kudumbashree carried out its activities is formation of Mother-Teacher Associations and promotion of remedial education for children belonging to risk families. Kudumbashree units have or-

ganized vacation classes and career guidance programme. 'Balasabha' is a grass root level strategy for the children of BPL families intends to create atmosphere for informal learning capacity building, cultivating creative potentials to develop innate talents of children of poor families. The piolet programme of Kudumbashree IT@ school was subsequently universalized by Government of Kerala.

Women micro enterprises have now been reached to new and innovative areas in the field of milk products, marketing of consumer durable and non-durable goods. Kudumbashree implemented the pilot micro enterprise project named 'Nature Fresh' in Idukki district first and spread to other districts. As part of the project, cows were distributed to women entrepreneurs.

The milk produced is delivered to the houses within one hour in bottles by a four member women marketing group.

Madhuram Project is a women initiative of bee farming providing employment to around 2000 women beneficiaries in a single district. Under this project, establishment of bee hives, procurement and processing centres, Agmark labs and value addition of honey were implemented and executed. Women owned micro enterprises have started many novel, ventures in manufacturing, marketing, warehousing and IT oriented services apart from its traditional home made products.

Kudumbashree is centred on a unique 3-tier organizational system-NHG, ADS and CDS. It brings women to the Grama sabhas and help them bring the needs of the poor to the attention of the local government. It charts out new meaning and possibilities for local economic development and citizen centric governance.

Challenges

Micro enterprises in both the formal and informal sectors find that their growth is hindered by limited access or lack of access to affordable credit, market beyond the immediate area, new technologies, supplies and materials domestic and international business networks and information. Quality control is inconsistent and staffs are few. There is a general perception that micro enterprises are mainly of street merchants or small cottage craft producers.

Micro enterprises owned by women face even greater challenges at all levels. Often, these are related to gender discrimination. Women work in the productive sector while they are carrying, prime responsibility for the care of their families. This limit the growth of their business and hinder their ability to travel to seek new market. Women's micro enterprises need land and other resources and increased access to new technology and innovation. But women are generally poorer than men and have fewer assets. Therefore they have less collateral to offer in order to obtain business loans. Married women are not allowed to borrow money in their own names and must have their husband's signature on loan agreement.

Village women face even greater challenges. Many of their micro enterprises are located in isolated rural areas. They are sometimes stereotyped and may have limited abilities to innovate and promote their culturally based products. Their cultural appropriation tend not to develop products further. Years of discrimination have eroded their self-confidence, resulting in hesitancy to take risk or make public presentation. They also face issues arising from poverty.

Despite these challenges, women support one another and one another's products. Local government and community support is essential for the stable growth of micro enterprises in general and women micro enterprises in particular.

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