

**REPORT ON INTER DISTRICT COMPARISION OF  
MICRO ENTERPRISES OF KUDUMBASHREE**

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**CENTRE FOR DEVELOPMENT STUDIES**

**2018**

## **Acknowledgement**

A research project is a combination of the efforts of many people. The study could not have been made possible without the contribution of many hands at work.

Firstly, my sincere thanks to Kerala State Planning Board (KSPB), for providing me an opportunity to work as an intern. I have learnt a lot during the period of internship.

I would like to express my sincere gratitude to my guide, Ms Gayatri Nair, Economic Advisor to Vice Chairperson, KSPB, without her this research would have not been possible. She has guided me at every step and in all the ways she could. I have learnt a lot under her guidance. I would also like to thank Shri Himanshu Pathak, Technical Assistant, KSPB, for the continuous support for the internship work. I would also like thank Ms Manjusha P, Research Associate, SPB, for helping me in my work.

I am very thankful to Dr V.K. Ramachandran, Vice Chairman of Kerala State Planning Board, for his insightful comments and suggestions on the topic.

I am also very thankful to Ms Niranjana, Programme officer, Micro Enterprises(ME), Ms Priya Paul, Programme Manager NULM and Ms Suchitra, Programme Manager (ME )at Kudumbashree State Mission Office, who helped me in providing the data and analysing my work.

I would also like to thank late Dr VijayaKumar, Chief, Evaluation Division, SPB and his team for their support throughout the work.

I would like to thank all my friends and all my seniors who kept motivating me. The compilation of this report couldn't have been possible without their critical reviews and constant encouragement.

## Contents

<u>1</u> .INTRODUCTION.....	1
<u>2</u> .MOTIVATION OF THE STUDY .....	1
<u>3</u> .LITERATURE REVIEW.....	2
<u>4</u> .OBJECTIVES OF THE STUDY .....	3
<u>5</u> .SOURCE OF THE DATA .....	3
<u>6</u> .DESCRIPTIVE ANALYSIS OF THE DATA.....	4
<u>6.1</u> LOCATION OF KUDUMBASHREE UNITS (Micro Enterprises) .....	4
<u>6.2</u> RURAL-URBAN UNITS OF KUDUMBASHREE .....	5
<u>6.3</u> PROPORTION OF POPULATION TO PROPORTION OF KUDUMBASHREE UNITS.....	5
<u>6.4</u> PERCENTAGE OF MICRO ENTERPRISES IN A DISTRICT VIS –A – VIS DEPRIVATION UNDER THE DISTRICT .....	7
<u>6.5</u> BASIC PROFILE OF UNITS.....	8
TYPE OF UNITS .....	8
INVESTMENT PATTERNS .....	8
SOURCES OF FUNDS.....	10
PLACE OF ESTABLISHMENT.....	12
AREA OF WORK.....	13
<u>7</u> .FINDINGS .....	14
<u>8</u> .CONCLUSION.....	15
APPENDIX .....	17
REFERENCES.....	21

## GLOSSARY

SHG	Self Help Group
NHG	Neighbourhood Group
ADS	Area Development Societies
CDS	Community Development Societies
RME	Rural Micro Enterprise Scheme
SJSRY	Swarna Jayanthi Shahri Rozgar Yojana
LSG	Local Self Government

## List of Tables

<b>Table 1: Number of District wise Micro Enterprises units of Kudumbashree .....</b>	<b>4</b>
<b>TABLE 2: District wise Rural and Urban units of Kudumbashree .....</b>	<b>5</b>
<b>TABLE 3: Ratio of percentage of units to percentage of population .....</b>	<b>6</b>
<b>TABLE 4: Percentage of Micro enterprise in a district vis-à-vis deprivation in district .....</b>	<b>7</b>
<b>TABLE 5: District wise type of the units.....</b>	<b>8</b>
<b>TABLE 6: District wise Investment pattern of units, in per cent .....</b>	<b>9</b>
<b>TABLE 9 : District wise Sources of funds of the units, in per cent .....</b>	<b>10</b>
<b>Table 10: Correlation between own fund and investment below Rs. 25000, in per cent.....</b>	<b>11</b>
<b>TABLE 11 : Correlation between RME scheme and Group based Units , in per cent.....</b>	<b>11</b>
<b>TABLE 14: District wise place of establishment of unit, in per cent.....</b>	<b>13</b>
<b>TABLE 17: District wise Area of Work of Units, in per cent.....</b>	<b>13</b>
<b>TABLE 7: Investment Pattern in Rural Areas, in per cent.....</b>	<b>17</b>
<b>TABLE 8: Investment Pattern in Urban Areas, in per cent .....</b>	<b>17</b>
<b>TABLE 12: Sources of funds in urban areas, in per cent.....</b>	<b>18</b>
<b>TABLE 13: Sources of funds in rural areas, in per cent.....</b>	<b>18</b>
<b>TABLE 15: Place of Establishment in Rural Areas, in per cent.....</b>	<b>19</b>
<b>TABLE 16: Place of Establishment in Urban Areas, in per cent .....</b>	<b>19</b>
<b>TABLE 18: Area of Work in Rural areas, in per cent .....</b>	<b>20</b>
<b>TABLE19: Area of Work in Urban areas, in per cent.....</b>	<b>20</b>

## List of Figures

FIGURE 1 :District Wise Micro Enterprise Units of Kudumbashree. ....	4
FIGURE 2 :Ratio of percentage of units to percentage of population .....	6

## ABSTRACT

Kudumbashree, a women centered self-help group based poverty alleviation programme, was established with an aim of local economic development, social development and women empowerment. Micro enterprises promotion and development is one of the significant strategies of Kudumbashree mission to facilitate economic empowerment of the poor.

The present study attempts to look at inter district variation in micro enterprise units of Kudumbashree in terms of following parameters: location of the units and its proportion to population, rural and urban units, investment patterns, and sources of funds.

The study reveals that Ernakulam and Idukki districts are exceptions in terms of the proportion of units to proportion of population share in the district. Northern Kerala has a greater proportion of higher investments (large scale enterprises) and Ernakulam has a greater proportion of lower investments (small scale based units).

## **INTRODUCTION**

The present study attempts to look at inter district variation in micro enterprise units of Kudumbashree in terms of following parameters namely location of the units and its proportion to population, rural and urban units, investment patterns and sources of funds.

Self-help groups (SHGs) are community-based informal microfinance institutions, which exists on pillars of trust and peer pressure. It gives opportunities to enhance capabilities of the people.

Kudumbashree is a poverty eradication and women empowerment programme implemented by the State Poverty Eradication Mission (SPEM) of the Government of Kerala. It is women centered, self-help groups based programme. The name Kudumbashree in the Malayalam language means ‘prosperity of the family’. The motto of Kudumbashree is:

*“Connect societies through families; connect families through women”.*

Kudumbashree has 3 tier structure. Starting from neighbourhood group (NHG) at the lowest level to area development societies (ADS) at ward level and community development societies (CDS) at the local government level.

NHGs are the primary units which are formed by women of the same locality and economic background. ADS, the second tier, is formed by combining the NHGs at the ward level. Members of ADS are elected by all the concerned NHGs together. CDS is apex body of a three-tier community network; functions at the local government level, formed by combining the groups of ADS, members of CDS are elected from all the ADS.

## **MOTIVATION OF THE STUDY**

Poverty is a multi-dimensional phenomenon. To address the problem of poverty, Government of Kerala started Kudumbashree in 1998. It has completed 20 years



of existence in 2018. In these 20 years, it has become one of the largest women movement in Asia, covering 43 lakh women.

The motivation for the study is see how far Kudumbashree has been successful across all districts and how the micro enterprises are spread across the State.

This study can help to address regional imbalances, if any, in the establishment of microenterprises in the State.

## **LITERATURE REVIEW**

Jacob John (2009) in his study reveals that 94 per cent of women have agreed that Kudumbashree has increased their position in their families and about 67 per cent of women got opportunity to understand banking operations. About 3,200 Kudumbashree women contested and over 1,400 of them got elected in the election to the local government in Kerala in 2005.

“Kudumbashree has made substantial impact on various sectors and areas covering health, education, agriculture, animal husbandry, dairy development, enterprise development, child development, women empowerment and rehabilitation of destitutes.”

Ebrahim Kunju Sulaiman (2014) in his paper discusses economic empowerment of women before and after Kudumbashree, He concludes that income has gradually increased among women who have availed loans.

Manoj (2012) in his paper discusses that Kudumbashree has potential for women empowerment and to tap the full potential of micro enterprises, we have to expand the Kudumbashree programmes.

Although, there are many studies regarding the socio- economic empowerment of Kudumbashree, inter district variations in micro enterprises units of Kudumbashree has not been analysed much.

## **OBJECTIVES OF THE STUDY**

The main objective of this study is to see the spread of micro enterprises across the districts of the State.

The study tries to answer these three questions

- 1) What is the proportion of Micro enterprises in a district as compared to the proportion of population of the district?
- 2) What is the concentration of units in terms of rural and urban areas?
- 3) What is the nature of the units across districts (in terms of investment, source of fund, type of unit and area of work)?

## **SOURCE OF THE DATA**

The study is based on secondary data which is obtained from Kudumbashree micro survey, conducted in 2014. The survey covers units which were established between 2001- 2014 at Panchayat level (Nagarsabhas in urban areas), block and district level.

Data includes information on type of units ( Individual or group) , nature of work ( regular or seasonal), area of work ( production, service ,trade), investment patterns ( from below Rs 25,000 to above 10 lakhs) , source of the funds (own fund, personal loan , schemes such as SJSRY and rural microenterprise scheme.), location of the units (own place, rented, free of rent etc.,) and availability of training (yes or no).

The survey also consists of data on income, expenditure, and profits, different products the unit produces, their quantity, branding status and subsidies availed by units.

The limitation is that information on all parameters is not available for all units and also for all districts.

## DESCRIPTIVE ANALYSIS OF THE DATA

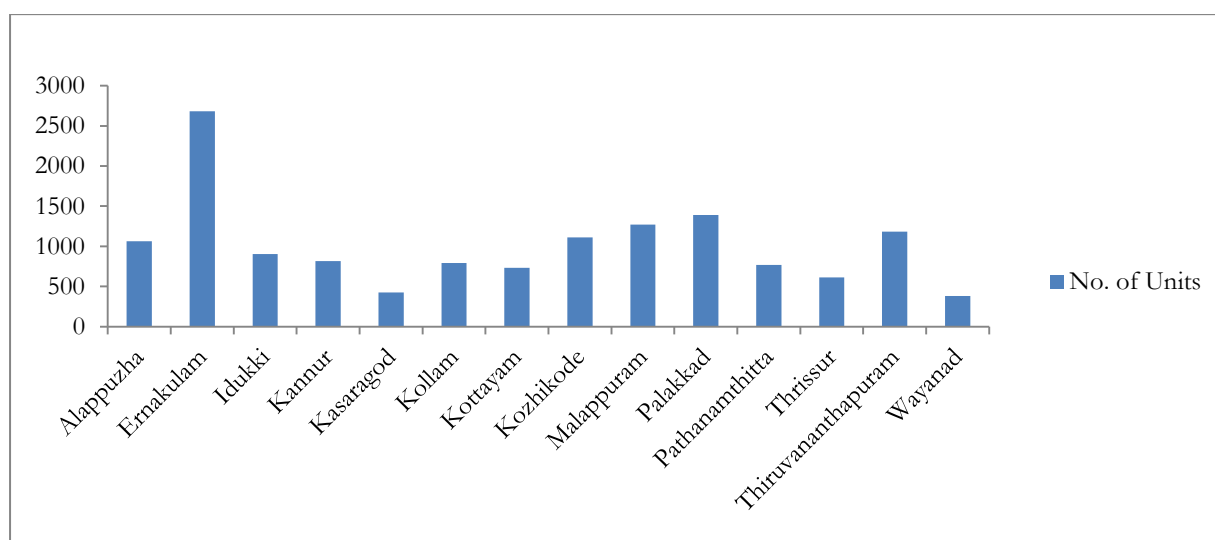
### LOCATION OF KUDUMBASHREE UNITS (Micro Enterprises)

According to the survey the total numbers of units are 14,142. Out of these units, 2,682 (19 per cent) are in Ernakulam, 1,392(9.8 per cent) are in Palakkad, and 1,271 (8.9 per cent) units are in Malappuram . The lowest numbers of units are in Kasaragod 426 units (3.01 per cent) and in Wayanad, 381 units (2.69 per cent). Table 1 gives the district wise distribution of micro enterprises of Kudumbashree.

**Table 1: Number of District wise Micro Enterprises units of Kudumbashree**

Districts	Number of Units	Units (in per cent)
Alappuzha	1065	7.53
Ernakulam	2682	18.96
Idukki	905	6.40
Kannur	818	5.78
Kasaragod	426	3.01
Kollam	791	5.59
Kottayam	734	5.19
Kozhikode	1110	7.85
Malappuram	1271	8.98
Palakkad	1392	9.84
Pathanamthitta	769	5.44
Thiruvananthapuram	1184	8.37
Thrissur	614	4.34
Wayanad	381	2.69

**FIGURE 1: District Wise Micro Enterprise Units of Kudumbashree.**



## RURAL-URBAN UNITS OF KUDUMBASHREE

According to 2011 census, Kerala has an urban population of 48 per cent and rural population of 52 per cent. Ernakulam (32 per cent) is the most urbanised district followed by Kozhikode, Kannur and Thiruvananthapuram. Wayanad (96 per cent), Idukki and Pathanamthitta have a higher percentage of the population in rural areas.

In terms of distribution of Kudumbashree units, most of the units are located in rural areas, nearly 84 per cent of units are in rural areas and 16 per cent of units are in urban areas. Table 2 shows the distribution of the population in rural and urban areas and distribution of Kudumbashree units in the rural and urban area.

**TABLE 2: District wise Rural and Urban units of Kudumbashree**

Districts	Rural Population (in per cent)	Urban population (in per cent)	Rural units (in per cent)	Urban units (in per cent)
Alappuzha	46	54	95	5
Ernakulam	32	68	88	11
Idukki	95	5	95	5
Kannur	35	65	69	31
Kasaragod	61	39	83	17
Kollam	54	45	90	10
Kottayam	71	29	84	16
Kozhikode	33	67	62	38
Malappuram	56	44	86	14
Palakkad	76	24	72	28
Pathanamthitta	89	11	93	7
Thiruvananthapuram	46	54	92	8
Thrissur	33	67	87	13
Wayanad	96	4	84	16
Total	52	48	84	16

## PROPORTION OF POPULATION TO PROPORTION OF KUDUMBASHREE UNITS

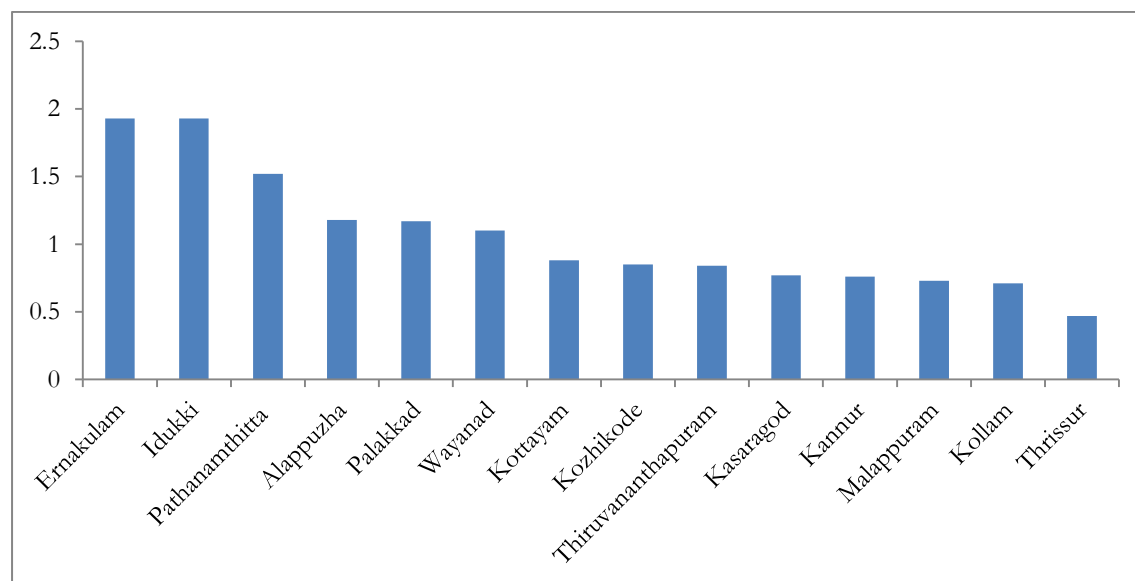
Figure 2 shows the ratio of percentage of units to percentage of population. It is seen that Ernakulam and Idukki have units twice their population, whereas Thrissur has half of the units, to its population (it has nearly 9 per cent of the total

population, but has only 4 per cent of the units). Wayanad has a ratio of 1.1 which means it has equal proportion of population and units.

**TABLE 3: Ratio of percentage of units to percentage of population**

Districts	Population (in per cent)	Units (in per cent)	Ratio of percentage of units to percentage of population
Alappuzha	6.36	7.53	1.18
Ernakulam	9.82	18.96	1.93
Idukki	3.32	6.40	1.93
Kannur	7.56	5.78	0.76
Kasaragod	3.9	3.01	0.77
Kollam	7.88	5.59	0.71
Kottayam	5.93	5.19	0.88
Kozhikode	9.25	7.85	0.85
Malappuram	12.31	8.98	0.73
Palakkad	8.42	9.84	1.17
Pathanamthitta	3.58	5.44	1.52
Thiruvananthapuram	9.91	8.37	0.84
Thrissur	9.32	4.34	0.47
Wayanad	2.45	2.69	1.1

**FIGURE 2: Ratio of percentage of units to percentage of population**



## PERCENTAGE OF MICRO ENTERPRISES IN A DISTRICT VIS –A – VIS DEPRIVATION UNDER THE DISTRICT

**TABLE 4: Percentage of Micro enterprise in a district vis-à-vis deprivation in district**

Districts	Units (in per cent )	Deprivation
Alappuzha	7.53	27.7
Ernakulam	18.96	20.3
Idukki	6.40	33.9
Kannur	5.78	24.25
Kasaragod	3.01	32.8
Kollam	5.59	28.11
Kottayam	5.19	23.02
Kozhikode	7.85	30.89
Malappuram	8.98	32.71
Palakkad	9.84	42.33
Pathanamthitta	5.44	26.61
Thiruvananthapuram	8.37	38.36
Thrissur	4.34	28.57
Wayanad	2.69	36.33

*Source: - Socio Economic and Caste Census (2011)*

Table 4 shows district wise percentage of units and deprivation index. According to the Table, Palakkad has the highest deprivation and Ernakulam has the lowest deprivation

Ernakulam is again an outlier with the highest number of units and the lowest deprivation. Wayanad and Kasaragod have less number of units and high deprivation. Though Thiruvananthapuram and Palakkad have 8 per cent and 9 per cent of total units it also has got the highest deprivation 38 and 42 respectively.

It is to be noted that this study does not attempt to establish any link between number of micro enterprises in a district and deprivation index of the district. This is a matter of detailed analysis.

## BASIC PROFILE OF UNITS

### TYPE OF UNITS

**TABLE 5: District wise type of the units**

Districts	Individual units (per cent )	Group units( in per cent)
Alappuzha	33.62	66.38
Ernakulam	70.20	29.80
Idukki	54.14	45.86
Kannur	40.86	59.14
Kasaragod	51.06	48.94
Kollam	33.75	66.25
Kottayam	37.60	62.40
Kozhikode	65.65	34.26
Malappuram	41.98	58.02
Palakkad	60.32	39.68
Pathanamthitta	53.98	46.02
Thiruvananthapuram	34.75	65.25
Thrissur	47.71	52.29
Wayanad	30.16	69.84
Grand Total	50.67	49.33

51 per cent of units are individually owned and 49 per cent are group owned units. In the contrary, rural areas have more group based units, 53 per cent group based units and 47 per cent individual units. In urban areas, there are 70 per cent of individual units and 30 per cent of group based units .Ernakulam has most individual units in both urban and rural areas. (92 per cent and 67 per cent respectively).

### INVESTMENT PATTERNS

Table 6 shows the investment pattern in Kudumbashree units. Investment normally ranges from below Rs.25000 to Rs.10 lakh. Units with investment of more than Rs.5 lakh is less in number (only 2 per cent). The investment range is mainly seen to be between Rs.25, 000 to Rs.2.5 lakh.

28 per cent of units have investment below Rs.25, 000 and most of it are present in Pathanamthitta, Kollam and Ernakulam. 40 per cent of the units in Ernakulam district have investment below Rs.25000. They are mostly in home-based activities like tailoring, pickle units, animal husbandry etc.

Nearly 48 per cent of units are between Rs.50000- Rs.5 lakh, These units are mostly concentrated in districts like Kannur, Kasaragod, Wayanad, Malappuram . One of the possible explanations for the location of relatively high investment units in Northern Kerala is due to collectives<sup>i</sup>, consortium<sup>ii</sup> and producer companies<sup>iii</sup> These collectives and consortium have high investments because they are formed by a group of units.

**TABLE 6: District wise Investment pattern of units, in per cent**

Districts	Below 25k	25-50k	50-1l	1-2.5l	2.5-5l	5-10l
Alappuzha	33	21	18	19	7	1
Ernakulam	35	20	20	18	5	1
Idukki	19	23	22	21	10	3
Kannur	10	13	25	37	11	2
Kasaragod	9	22	31	25	10	2
Kollam	40	19	16	15	7	2
Kottayam	26	20	21	24	5	2
Kozhikode						
Malappuram	22	20	27	21	8	2
Palakkad	29	20	15	27	8	1
Pathanamthitta	44	23	13	12	5	2
Thiruvananthapuram	21	27	23	21	6	2
Thrissur	22	23	17	27	9	2
Wayanad	21	20	13	23	17	5
	28	21	20	21	7	2

Table 7 (Appendix) shows the data of the rural areas. They follow the same pattern as total units. Table 8 (Appendix) shows the investments in urban units. Nearly 39 per cent of units have investments between Rs 1 lakh to Rs 2.5 lakh. Urban areas also follow similar trends like total units but Pathanamthitta has nearly 62 per cent of its units between Rs.1 lakh to Rs.5 lakh. The reason for this has to be looked further.



## SOURCES OF FUNDS

**TABLE 9 : District wise Sources of funds of the units, in per cent**

Districts	RME	own fund	SJSRY	Personal loan
Alappuzha	15.18	41.50	9.11	10.32
Ernakulam	27.82	51.08	3.39	1.26
Idukki	28.77	50.95	1.27	8.49
Kannur	54.25	5.14	22.31	0.00
Kasaragod	42.05	32.03	7.09	4.89
Kollam	20.12	60.06	4.42	5.03
Kottayam	36.43	37.89	8.20	3.10
Kozhikode	27.60	12.71	31.46	1.25
Malappuram	44.86	28.10	2.66	2.22
Palakkad	10.69	37.14	27.37	2.03
Pathanamthitta	12.48	51.07	3.94	3.61
Thiruvananthapuram	23.95	29.10	5.25	24.14
Thrissur	13.75	32.08	23.72	2.43
Wayanad	32.89	26.51	1.34	4.70
Grand Total	27.27	37.22	10.38	5.33

Table 9 shows different sources from which units have availed their funds .37 per cent of units are established with own funds, 27 per cent have taken the loan from rural microenterprise scheme (RME) of Kudumbashree, 10 per cent of units availed funds from SJSRY scheme and 5 per cent of units took personal loans from banks.

Most of the units in Ernakulam and Kollam (51 per cent and 60 per cent of units respectively) are established from own funds. There is a strong correlation between units established by own funds and investment under 25,000(correlation coefficient is 0.74). This means that Ernakulam, Kollam, Pathanamthitta etc., have very small scale units. (Table 10)

Most of the units in Kannur, Kasaragod, Malappuram (54 per cent, 42 per cent and 44 per cent respectively) have taken loans from RME scheme of Kudumbashree. One possible reason would be due to collectives and consortium in these areas. In the first place collectives and consortium are established with the support of Kudumbashree and Local Self Governments (LSGs) in that particular

place and these units require these high investments, so we can see many units availing RME (Rural micro Enterprise) scheme in these areas.

There is a strong correlation between RME scheme and group-based units. (Correlation coefficient is 0.74) Higher the group based units, higher the people benefitted from RME scheme. This seems that the RME scheme is mostly availed by group based units. (TABLE 11)

**Table 10: Correlation between own fund and investment below Rs. 25000, in per cent**

Districts	Below 25k	Own fund
Alappuzha	33	43
Ernakulam	35	55
Idukki	19	51
Kannur	10	7
Kasaragod	9	37
Kollam	40	59
Kottayam	26	42
Kozhikode		21
Malappuram	22	30
Palakkad	29	53
Pathanamthitta	44	52
Thiruvananthapuram	21	31
Thrissur	22	39
Wayanad	21	28
Grand Total	28	42

**TABLE 11 : Correlation between RME scheme and Group based Units , in per cent**

Districts	RME	Group
Alappuzha	15.18	24
Ernakulam	27.82	31
Idukki	28.77	30
Kannur	54.25	77
Kasaragod	42.05	49
Kollam	20.12	25
Kottayam	36.43	45
Kozhikode	27.60	59
Malappuram	44.86	48
Palakkad	10.69	38
Pathanamthitta	12.48	16
Thiruvananthapuram	23.95	29
Thrissur	13.75	37
Wayanad	32.89	34
Grand Total	27.27	49.3

Table 12 and 13 (Appendix) shows source of funds in urban and rural areas. In rural areas the trends are similar to total trends. But in urban areas, 57 per cent units of units have funding from SJSRY scheme. The SJSRY scheme is an employment-oriented urban poverty alleviation scheme. Most of the units in Thrissur, Palakkad have availed SJSRY scheme; the reason for this has to be looked further.

### **PLACE OF ESTABLISHMENT**

Table 14 shows the district wise place of the establishment of units namely own units (units in their own place), rented units, free of rent and others. 51 per cent of units are established at own place, 35 per cent of units are there in rented places.

Most of the units in Ernakulam, Pathanamthitta, and Thiruvananthapuram have units at their own place (64 per cent, 72 per cent and 70 per cent respectively). There is a strong correlation between units which have established with their own fund and units which are located in their own place.

Most of the units in Ernakulam, Pathanamthitta, Kollam are the small scale based like tailoring units, pickle, curry powder, bakery units which are established with own funds, (around Rs. 25,000) in and around homes.

Most of the units in Idukki, Kannur and Kasaragod are in a rented place. This may be due to the presence of more collectives and consortium in these districts. As collectives are groups of units coming together, they require large spaces, which might be the reason for opting rented units.

21 per cent of units in Alappuzha are in free of rent category. Local governments at some places support the units by renting their own buildings at free of cost. 32 per cent of units in Kozhikode are in other categories, this need to be looked further.

**TABLE 14: District wise place of establishment of unit, in per cent**

Districts	own	rent	free of rent	others
Alappuzha	51.13	24	21	4
Ernakulam	64.53	29	3	4
Idukki	43.57	52	2	3
Kannur	33.46	56	7	3
Kasaragod	30.17	57	5	8
Kollam	50.13	32	7	11
Kottayam	46.74	31	11	11
Kozhikode	28.68	36	4	32
Malappuram	41.55	50	4	4
Palakkad	54.55	35	4	7
Pathanamthitta	72.30	22	4	1
Thiruvananthapuram	70.39	23	3	4
Thrissur	55.01	34	5	5
Wayanad	43.27	46	5	4
Grand Total	51.75	35	6	7

Table 15 and Table 16 (Appendix) shows place of establishment in rural and urban areas. Both rural and urban areas show similar trends of total units, but in urban areas, Thrissur and Alappuzha have more units in their own place. In the urban areas of Thrissur, we have many tailoring and auto rickshaw units, this might be the reason for many units located at own place (home).

### AREA OF WORK

Area of work is divided into production, service and trade .Table 17 shows the district wise area of work. 45 per cent of units are in the service sector, 36 per cent are in production and 18 per cent are in trade-related activities.

**TABLE 17: District wise Area of Work of Units, in per cent**

Districts	Production	Service	Trade
Alappuzha	47.47	35.94	16.59
Ernakulam	29.58	47.57	22.85
Idukki	32.03	38.35	29.62
Kannur	45.94	45.42	8.64
Kasaragod	30.58	56.75	12.67
Kollam	48.86	38.32	12.82
Kottayam	38.36	54.79	6.85

Kozhikode	18.69	58.89	22.42
Malappuram	45.43	40.56	14.01
Palakkad	26.07	54.18	19.74
Pathanamthitta	43.50	28.52	27.99
Thiruvananthapuram	44.97	37.83	17.20
Thrissur	43.71	46.15	10.14
Wayanad	40.64	38.24	21.12
Grand Total	36.70	45.10	18.57

Table 18 and 19 (Appendix) show district wise area of work in rural and urban areas. Both in rural and urban areas, the service sector is dominating, followed by production and trade. But the percentage of units in trade is more in urban areas than in rural areas

## FINDINGS

1. Ernakulam and Idukki are exceptions in terms of number of micro enterprises, proportion of micro enterprises in these districts are twice its proportion of population (2:1)

Ernakulam is considered as an Industrial capital of Kerala, due to the demand attached to it ,we could see many small scale units providing local services ( such as tailoring, catering services, bakery units, auto rickshaw services, beauty parlour etc.). In Idukki this is due to presence of many collectives and a producer company.

2. Thrissur has very low percentage of micro enterprises, when compared to its population proportion. The proportion of units is half of its population proportion (1:2)

3. Percentage of the population in rural areas is 52 per cent, its (rural areas) share in total microenterprises is 84 per cent

4. We could see that Northern Kerala has many large size units, this might be due to the presence of many consortium, collectives and producer companies in

Northern Kerala and most of these units have availed Rural Microenterprise scheme of Kudumbashree.

5. Ernakulam has many individual based units, established with lower investments by own funding and most of the units are located in own establishments (probably in homes). These small-scale units are mostly tailoring, bakery units, curry powder units, soap making units, beauty parlour which can be established with low investments at homes.

## **CONCLUSION**

The study tried to look at the inter district variation in nature and location of micro enterprises of Kudumbashree. Micro enterprises promotion and development has been one of the significant strategies of Kudumbashree mission to facilitate economic empowerment of the poor.

It is important to look where and how these microenterprises have spreaded across the state for future policies of Kudumbashree.

The study concludes that there are Inter district variations in nature and location of the micro enterprises of Kudumbashree. The presence of units in rural areas is significantly large (84 per cent) implying that Kudumbashree has played an important role in rural areas.

Ernakulam and Idukki are exceptions, these districts have high proportion of micro enterprises compared to its proportion of population. Wayanad has very low proportion of microenterprises, compared to its population proportion.

Northern kerala has comparatively large scale enterprises due to the presence of collectives, consortium and producer companies, these micro enterprises are mostly group based and have availed the Rural Micro Enterprises scheme of Kudumbashree.

Ernakulam has many small scale enterprises, a dominant part of units are individual based, established with own funding and are situated in own place. Most of these units attend to the local services such as tailoring, bakery units, curry powder units, soap making units, beauty parlour etc.,( which can be established with low investments at homes).

Kudumbashree can increase its activities in districts where the micro enterprises proportion is less than its proportion to population like Wayanad, Kollam, Malappuram.

**TABLE 7: Investment Pattern in Rural Areas, in per cent**

Districts	below 25k	25-50k	50-1l	1-2.5l	2.5-5l	5l -10l
Alappuzha	34	21	17	19	7	1
Ernakulam	35	20	21	17	6	1
Idukki	20	22	22	21	10	3
Kannur	14	14	28	29	13	1
Kasaragod	11	25	27	25	10	3
Kollam	43	18	15	13	7	2
Kottayam	28	23	24	17	5	2
Kozhikode						
Malappuram	23	21	27	19	8	2
Palakkad	33	25	16	18	6	1
Pathanamthitta	46	25	14	10	4	2
Thiruvananthapuram	22	28	23	21	4	1
Thrissur	25	24	18	22	8	3
Wayanad	23	18	12	22	18	5
Grand Total	30	22	20	19	7	2

**TABLE 8: Investment Pattern in Urban Areas, in per cent**

Districts	below25k	25-50k	50k-1l	1l-2.5l	2.5-5l	5-10l
Alappuzha	0	18	43	27	12	0
Ernakulam	31	24	19	21	4	1
Idukki	14	30	25	25	2	5
Kannur	1	13	19	53	9	5
Kasaragod	3	11	48	23	13	0
Kollam	12	24	23	32	8	0
Kottayam	15	6	7	60	6	4
Kozhikode						
Malappuram	10	11	24	36	9	6
Palakkad	17	10	12	47	13	1
Pathanamthitta	22	7	7	47	15	0
Thiruvananthapuram	9	18	18	20	29	5
Thrissur	3	15	12	54	15	0
Wayanad	8	31	17	27	13	4
Grand Total	14	15	18	39	10	2



**TABLE 12: Sources of funds in urban areas, in per cent**

Districts	RME	Own fund	SJSRY
Alappuzha	0	10	57
Ernakulam	46	14	36
Idukki	9	56	23
Kannur	20	2	61
Kasaragod	35	5	46
Kollam	2	68	22
Kottayam	8	24	39
Kozhikode	13	2	72
Malappuram	34	15	19
Palakkad	4	8	75
Pathanamthitta	4	34	51
Thiruvananthapuram	3	10	65
Thrissur	0	4	89
Wayanad	8	8	16
Grand Total	15	12	57

**TABLE 13: Sources of funds in rural areas, in per cent**

Districts	RME	own fund	personal loan	linkage loan
Alappuzha	16	43	11	15
Ernakulam	26	55	1	4
Idukki	30	51	8	6
Kannur	74	7	0	1
Kasaragod	43	37	5	2
Kollam	22	59	6	5
Kottayam	44	42	3	3
Kozhikode	39	21	2	1
Malappuram	47	30	2	9
Palakkad	14	53	2	10
Pathanamthitta	13	52	4	8
Thiruvananthapuram	26	31	24	14
Thrissur	17	39	3	4
Wayanad	35	28	5	14
Grand Total	30	42	6	7

**TABLE 15: Place of Establishment in Rural Areas, in per cent**

Districts	own	rent	free of rent	others
Alappuzha	50	24	22	4
Ernakulam	64	29	4	3
Idukki	43	52	2	3
Kannur	34	56	8	1
Kasaragod	30	57	4	9
Kollam	50	32	8	11
Kottayam	51	33	12	4
Kozhikode	40	35	4	22
Malappuram	42	49	4	4
Palakkad	58	34	5	3
Pathanamthitta	73	22	4	1
Thiruvananthapuram	73	23	2	3
Thrissur	54	36	6	5
Wayanad	42	48	5	5
Grand Total	54	35	6	5

**TABLE 16: Place of Establishment in Urban Areas, in per cent**

Districts	own	rent	free of rent	others
Alappuzha	69	24	6	2
Ernakulam	69	21	1	8
Idukki	52	43	2	2
Kannur	31	56	4	8
Kasaragod	30	57	7	6
Kollam	53	32	7	8
Kottayam	23	20	8	49
Kozhikode	11	38	4	48
Malappuram	37	58	2	3
Palakkad	46	35	3	16
Pathanamthitta	60	28	11	2
Thiruvananthapuram	45	30	15	11
Thrissur	62	25	4	9
Wayanad	48	40	5	
Grand Total	40	36	4	19

**TABLE 18: Area of Work in Rural areas, in per cent**

Districts	Production	Service	Trade
Alappuzha	48	36	16
Ernalulam	30	49	21
Idukki	32	38	29
kannur	46	49	5
Kasaragod	31	57	12
Kollam	50	38	12
Kottayam	41	53	7
Kozhikode	22	52	26
Malappuram	46	41	13
Palakkad	30	57	13
Pathanamthitta	45	27	29
Thiruvananthapuram	46	38	16
Thrissur	50	39	11
Wayanad	44	36	20
Grand Total	39	44	18

**TABLE19: Area of Work in Urban areas, in per cent**

Districts	Production	Service	Trade
Alappuzha	34	44	22
Ernalulam	29	36	35
Idukki	28	37	35
kannur	46	37	17
Kasaragod	25	55	20
Kollam	37	42	21
Kottayam	27	66	7
Kozhikode	14	70	16
Malappuram	43	39	18
Palakkad	14	48	38
Pathanamthitta	30	50	20
Thiruvananthapuram	38	35	28
Thrissur	6	88	6
Wayanad	22	50	28
Grand Total	26	51	24

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## NOTES

i) A collective is a group of people entities that share or are motivated by at least one common issue or interest. Their main aim to reduce cost. This is accomplished by eliminating the operating costs that are needed to support levels of management. The approach is to set Common Facility Centres. This will be set wherever LSG provides space and other infrastructure facilities. Each CFC will have a common infrastructure to support a cluster of 10-20 small units. Clusters have the potential to affect competition in three ways: by increasing the productivity of the units in the cluster, by driving innovation in the field, and by stimulating new businesses in the field

ii) A consortium is a group made up of two or more individuals units in the same sector that work together toward achieving a chosen objective. Each entity within the consortium is only responsible to the group in respect to the obligations that are set out in the consortium's contract. Therefore, every entity that is under the consortium remains independent in his or her normal business operations and has no say over another member's operations that are not related to the consortium. The consortiums are organisational forms that will improve the bargaining power, net income and quality of micro-entrepreneurs, contribute to the scale of production, helps in cost reduction by collective raw material purchase and organized marketing. This helps in collective action and reduces the chances of defuncting of member units.

iii) A Producer Company is a body corporate registered under the Companies Act, 1956; and having specified objects and activities. Ownership and membership of such companies are held only by 'Primary Producers' or 'Producer Institution. These are located in Kannur, Malappuram and Idukki