

# AN INQUIRY IN TO SUSTAINABILITY OF THE ENTERPRISES MANAGED BY SCHEDULED CASTE WOMEN ENTREPRENEURS: SOME GRASSROOTS LEVEL REFLECTIONS

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## ABSTRACT

The surge in women entrepreneurship is the off shoot of structural adjustment programs, 1991 in India. A new trend has emerged in India recently that Women from the downtrodden communities have been encouraged by the state and its organs to emerge as an agents of development from the status of mere beneficiaries of development. The scheduled caste women entrepreneurs are in transition from the status of job recipients to job donors. The chief objective of the paper is to analyze the performance of the enterprises owned by scheduled caste women entrepreneurs in Telangana state and to assess their sustainability. Major findings include: majority of the scheduled caste women entrepreneurs, credit availed from organized sources ranged from 25.1 to 75 lakh rupees, credit availed from unorganized sources ranged from 10.1 to 30 lakh rupees, credit from both the sources put together is 50.1-100 lakh rupees, income generation ranged from 50.1 to 150 lakh rupees, productivity (earnings per one rupee of investment) is 1.21-1.8, raw materials is the major component of their funds use and Tobin's Q is greater than one which is an indication of high degree of sustainability of the enterprises owned by the scheduled caste women entrepreneurs. To ensure an inclusive growth of entrepreneurs from scheduled castes, they must be encouraged to scale up their economic and enterprising activities inclusive of scale and scope economies and adequate finances from formal financial institutions.

**KEY WORDS:** Scheduled caste women entrepreneurs, Organized sources of credit, Productivity, Tobin's Q, Sustainability of the enterprises, inclusive growth.

## Introduction

Entrepreneurship is considered to be an effective instrument to accelerate economic growth as well as to reduce poverty. Schumpeter, J .A\* observed that an entrepreneur is harbinger of economic development. Entrepreneurs promote employment and innovations which in turn play a very crucial role in the process of economic development (OECD Council Report, 2012). The surge in women entrepreneurship is the off shoot of structural adjustment programs, 1991 in India. A new trend has emerged in India recently that Women from the

\* Cai Li, Naveed Ahmed and Sikandar Ali Qalati (2019) "Impact of Gender-Specific Causes on Women Entrepreneurship: An Opportunity Structure for Entrepreneurial Women in Rural Areas". Journal of Entrepreneurship & Organization Management 8: 270.

downtrodden communities have been encouraged by the state and its organs to emerge as an agents of development from the status of mere beneficiaries of development. The scheduled caste women entrepreneurs are in transition from the status of job recipients to job donors. The chief objective of the paper is to analyze the performance of the enterprises owned by scheduled caste women entrepreneurs in Telangana state and to assess their sustainability. For the said objective three hundred enterprises owned and managed by the scheduled caste women entrepreneurs are selected from Khammam, Karimnagar and Nizamabad by the adhering to the principles of stratified random sampling. The criterion of stratification is line of activity. For the purpose of the study relevant data are collected directly from the respondents with the help of a structured questionnaire.

## RESULTS AND ANALYSIS

Table-1  
Credit from organized sources

Rs in lakhs	Frequency	Percent	Cumulative Percent
Up to 25	17	5.7	5.7
25.1-50	116	38.7	44.3
50.1-75	100	33.3	77.7
Above 75	67	22.3	100.0
Total	300	100.0	

Source: Field study

Table-1 refers to the distribution of the scheduled caste women entrepreneurs by the size of credit availed by them from organized sources of credit and shows that 5.7 percent of the scheduled caste women entrepreneurs have availed credit from organized sources to the extent of up to 25 lakhs rupees followed by 25.1-50 lakhs rupees by 38.7 percent of the entrepreneurs, 50.1-75 lakhs rupees by 33.3 percent of the entrepreneurs and above 75 lakhs rupees of credit by 22.3 percent of the entrepreneurs.

Table-2  
Credit from unorganized sector

Rs in lakhs	Frequency	Percent	Cumulative Percent
Up to 10	92	30.7	30.7
10.1-20	126	42.0	72.7
20.1-30	62	20.7	93.3
Above 30	20	6.7	100.0
Total	300	100.0	

Source: Field study

Table-2 refers to the distribution of the scheduled caste women entrepreneurs by the size of credit availed by them from unorganized sources of credit and shows that 30.7 percent of the scheduled caste women entrepreneurs have availed credit from unorganized sources to the extent of up to 10 lakhs rupees followed by 10.1-20 lakhs rupees by

42 percent of the entrepreneurs, 20.1-30 lakhs rupees by 20.7 percent of the entrepreneurs and above 30 lakhs rupees of credit by 6.7 percent of the entrepreneurs.

Table-3  
Total investment

Rs in lakhs	Frequency	Percent	Cumulative Percent
Up to 50	75	25.0	25.0
50.1-100	169	56.3	81.3
Above 100	56	18.7	100.0
Total	300	100.0	

Source: Field study

Table-3 refers to the distribution of the scheduled caste women entrepreneurs by the size of credit availed by them from both organized and unorganized sources of credit put together and shows that 25 percent of the scheduled caste women entrepreneurs have availed credit from both organized and unorganized sources of credit put together to the extent of up to 50 lakhs rupees followed by 50.1-100 lakhs rupees by 56.3 percent of the entrepreneurs, and above 100 lakhs rupees of credit by 18.7 percent of the entrepreneurs.

Table-4  
Income

Rs in lakhs	Frequency	Percent	Cumulative Percent
Up to 50	34	11.3	11.3
50.1-100	136	45.3	56.7
100.1-150	114	38.0	94.7
150.1-200	13	4.3	99.0
Above 200	3	1.0	100.0
Total	300	100.0	

Source: Field study

Table-4 refers to the distribution of the scheduled caste women entrepreneurs by the average income generation through their enterprises and shows that 11.3 percent of the scheduled caste women entrepreneurs have generated an average income of up to 50 lakhs rupees through their enterprises followed by 50.1-100 lakhs rupees in case of 45.3 percent of the entrepreneurs, 100.1-150 lakhs rupees in case of 38 percent of the entrepreneurs, 150.1-200 lakhs rupees in case of 4.3 percent of the entrepreneurs, and above 200 lakhs rupees of income in case of 1 percent of the entrepreneurs.

Table-5  
Interest adjusted credit from organized sector

Rs in lakhs	Frequency	Percent	Cumulative Percent
Up to 50	118	39.3	39.3
50.1-100	165	55.0	94.3
Above 100	17	5.7	100.0
Total	300	100.0	

Source: Field study

Table-5 refers to the distribution of the scheduled caste women entrepreneurs by the size of the interest adjusted credit availed by them from organized sources of credit and shows that 39.3 percent of the scheduled caste women entrepreneurs have availed interest adjusted credit from organized sources to the extent of up to 50 lakhs rupees followed by 50.1-100 lakhs rupees by 55 percent of the entrepreneurs, and above 100 lakhs rupees of interest adjusted credit by 5.7 percent of the entrepreneurs.

Table-6  
Interest adjusted credit from unorganized sector

Rs in lakhs	Frequency	Percent	Cumulative Percent
Up to 10	61	20.3	20.3
10.1-20	110	36.7	57.0
Above 20	129	43.0	100.0
Total	300	100.0	

Source: Field study

Table-6 refers to the distribution of the scheduled caste women entrepreneurs by the size of interest adjusted credit availed by them from unorganized sources of credit and shows that 20.3 percent of the scheduled caste women entrepreneurs have availed interest adjusted credit from unorganized sources to the extent of up to 10 lakhs rupees followed by 10.1-20 lakhs rupees by 36.7 percent of the entrepreneurs, and above 20 lakhs rupees of interest adjusted credit by 43 percent of the entrepreneurs.

Table-7  
Productivity

Rs in lakhs	Frequency	Percent	Cumulative Percent
Up to 1.2	45	15.0	15.0
1.21-1.8	252	84.0	99.0
Above 1.8	3	1.0	100.0
Total	300	100.0	

Source: Field study

Table-7 refers to the distribution of the scheduled caste women entrepreneurs by the productivity of their enterprises and shows that productivity is up to 1.2 in case of 15 percent of the enterprises and the same is 1.21-1.8 in case of 84 percent of the enterprises and above 1.8 in case of 1 percent of the enterprises.

Table-8

Uses of funds

Major use of funds on	Frequency	Percent	Cumulative Percent
Raw materials	180	60.0	60.0
Wages and salaries	93	31.0	91.0
Others	27	9.0	100.0
Total	300	100.0	

Source: Field study

Table-8 refers to the distribution of the enterprises managed by the scheduled caste women entrepreneurs by the uses of funds in their enterprises. It is observed that in case of 60 percent of the enterprises, raw materials is the major component of their funds use followed by wages and salaries is major component in case of 31 percent of the enterprises and others is the major component in case of 9 percent of the enterprises.

Table-9  
Tobin's Q

Ratio	Frequency	Percent	Cumulative Percent
<1	30	10.0	10.0
1	100	33.3	43.3
>1	170	56.7	100.0
Total	300	100.0	

Source: Field study

Table-9 refers to the distribution of the enterprises managed by the scheduled caste women entrepreneurs by the ratio of market value of assets to the replacement cost of the assets (Tobin's Q) and found that Tobin's Q is less than one in case of 10 percent of the enterprises, and the same is one in case of 33.3 percent and greater than one in case of 56.7 percent of the enterprises.

Table-10

Line of activity and credit from organized sources

Line of activity	Credit from organized sources				Total
	Up to 25	25.1-50	50.1-75	Above 75	
Manufacturing	8	48	47	38	141
	5.7%	34.0%	33.3%	27.0%	100.0%
	47.1%	41.4%	47.0%	56.7%	47.0%

Food processing		3	38	25	18	84
		3.6%	45.2%	29.8%	21.4%	100.0%
		17.6%	32.8%	25.0%	26.9%	28.0%
Trading		3	22	12	8	45
		6.7%	48.9%	26.7%	17.8%	100.0%
		17.6%	19.0%	12.0%	11.9%	15.0%
Business services		3	8	16	3	30
		10.0%	26.7%	53.3%	10.0%	100.0%
		17.6%	6.9%	16.0%	4.5%	10.0%
Total		17	116	100	67	300
		5.7%	38.7%	33.3%	22.3%	100.0%
		100.0%	100.0%	100.0%	100.0%	100.0%

Pearson Chi-Square=14.14, Df=9,  $\rho=0.118$ ,  $r=-0.102$

Source: Primary data

Table-10 reveals that correlation between the line of activity of the scheduled caste women entrepreneurs and size of the credit availed by them from organized sources of credit is negative ( $r=-0.102$ ) and the relationship between the said variables at LOS=0.05 and DF=9 is statistically independent.

Table-11

Line of activity and Credit from unorganized sources

Line of activity	Credit from unorganized sources				Total
	Up to 10	10.1-20	20.1-30	Above 30	
Manufacturing	45	47	39	10	141
	31.9%	33.3%	27.7%	7.1%	100.0%
	48.9%	37.3%	62.9%	50.0%	47.0%
Food processing	23	45	11	5	84
	27.4%	53.6%	13.1%	6.0%	100.0%
	25.0%	35.7%	17.7%	25.0%	28.0%
Trading	13	25	4	3	45
	28.9%	55.6%	8.9%	6.7%	100.0%
	14.1%	19.8%	6.5%	15.0%	15.0%
Business services	11	9	8	2	30
	36.7%	30.0%	26.7%	6.7%	100.0%
	12.0%	7.1%	12.9%	10.0%	10.0%
Total	92	126	62	20	300
	30.7%	42.0%	20.7%	6.7%	100.0%
	100.0%	100.0%	100.0%	100.0%	100.0%

Pearson Chi-Square=18.3, Df=9,  $\rho=0.032$ ,  $r=-0.061$

Source: Primary data

Table-11 reveals that correlation between the line of activity of the scheduled caste women entrepreneurs and size of the credit availed by them from unorganized sources of credit is negative ( $r=-0.061$ ) and the relationship between the said variables at LOS=0.05 and DF=9 is statistically dependent.

Table-12

## Line of activity and Total investment

Line of activity		Total investment			Total
		Up to 50	50.1-100	Above 100	
Manufacturing		30	82	29	141
		21.3%	58.2%	20.6%	100.0%
		40.0%	48.5%	51.8%	47.0%
Food processing		21	48	15	84
		25.0%	57.1%	17.9%	100.0%
		28.0%	28.4%	26.8%	28.0%
Trading		16	23	6	45
		35.6%	51.1%	13.3%	100.0%
		21.3%	13.6%	10.7%	15.0%
Business services		8	16	6	30
		26.7%	53.3%	20.0%	100.0%
		10.7%	9.5%	10.7%	10.0%
Total		75	169	56	300
		25.0%	56.3%	18.7%	100.0%
		100.0%	100.0%	100.0%	100.0%

Pearson Chi-Square=4.2, Df=6,  $\rho=0.650$ ,  $r=-0.087$

Source: Primary data

Table-12 reveals that correlation between the line of activity of the scheduled caste women entrepreneurs and size of the credit availed by them from both organized and unorganized sources of credit put together is negative ( $r=-0.087$ ) and the relationship between the said variables at LOS=0.05 and DF=6 is statistically independent.

Table-13

## Line of activity and income

Line of activity		income					Total
		Up to 50	50.1-100	100.1-150	150.1-200	Above 200	
Manufacturing		15	62	58	4	2	141
		10.6%	44.0%	41.1%	2.8%	1.4%	100.0%
		44.1%	45.6%	50.9%	30.8%	66.7%	47.0%
Food processing		6	42	32	4	0	84
		7.1%	50.0%	38.1%	4.8%	.0%	100.0%
		17.6%	30.9%	28.1%	30.8%	.0%	28.0%
Trading		8	21	13	3	0	45
		17.8%	46.7%	28.9%	6.7%	.0%	100.0%
		23.5%	15.4%	11.4%	23.1%	.0%	15.0%
Business services		5	11	11	2	1	30
		16.7%	36.7%	36.7%	6.7%	3.3%	100.0%
		14.7%	8.1%	9.6%	15.4%	33.3%	10.0%
Total		34	136	114	13	3	300
		11.3%	45.3%	38.0%	4.3%	1.0%	100.0%

	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
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Pearson Chi-Square=10.98, Df=12,  $\rho=0.531$ ,  $r=-0.038$

Source: Primary data

Table-13 reveals that correlation between the line of activity of the scheduled caste women entrepreneurs and income generated through their enterprises is negative ( $r=-0.038$ ) and the relationship between the said variables at LOS=0.05 and DF=12 is statistically independent.

Table-14

Line of activity and Interest adjusted credit from organized sources

Line of activity	Interest adjusted credit from organized sources			Total
	Up to 50	50.1-100	Above 100	
Manufacturing	47	85	9	141
	33.3%	60.3%	6.4%	100.0%
	39.8%	51.5%	52.9%	47.0%
Food processing	38	40	6	84
	45.2%	47.6%	7.1%	100.0%
	32.2%	24.2%	35.3%	28.0%
Trading	22	23	0	45
	48.9%	51.1%	.0%	100.0%
	18.6%	13.9%	.0%	15.0%
Business services	11	17	2	30
	36.7%	56.7%	6.7%	100.0%
	9.3%	10.3%	11.8%	10.0%
Total	118	165	17	300
	39.3%	55.0%	5.7%	100.0%
	100.0%	100.0%	100.0%	100.0%

Pearson Chi-Square=7.87, Df=6,  $\rho=0.247$ ,  $r=-0.100$

Source: Primary data

Table-14 reveals that correlation between the line of activity of the scheduled caste women entrepreneurs and interest adjusted credit from organized sources is negative ( $r=-0.100$ ) and the relationship between the said variables at LOS=0.05 and DF=6 is statistically independent.

Table-15

Line of activity and Interest adjusted credit from unorganized sources

Line of activity	Interest adjusted credit from unorganized sources			Total
	Up to 10	10.1-20	Above 20	
Manufacturing	29	42	70	141
	20.6%	29.8%	49.6%	100.0%
	47.5%	38.2%	54.3%	47.0%
Food processing	14	40	30	84
	16.7%	47.6%	35.7%	100.0%
	23.0%	36.4%	23.3%	28.0%
Trading	11	20	14	45
	24.4%	44.4%	31.1%	100.0%
	18.0%	18.2%	10.9%	15.0%
Business services	7	8	15	30
	23.3%	26.7%	50.0%	100.0%
	11.5%	7.3%	11.6%	10.0%
Total	61	110	129	300
	20.3%	36.7%	43.0%	100.0%
	100.0%	100.0%	100.0%	100.0%

Pearson Chi-Square=11.5, Df=6,  $p=0.074$ ,  $r=-0.080$ 

Source: Primary data

Table-15 reveals that correlation between the line of activity of the scheduled caste women entrepreneurs and interest adjusted credit from unorganized sources is negative ( $r=-0.080$ ) and the relationship between the said variables at LOS=0.05 and DF=6 is statistically independent.

Table-16

## Line of activity and Productivity

Line of activity		Productivity			Total
		Up to 1.2	1.21-1.8	Above 1.8	
Manufacturing		18	122	1	141
		12.8%	86.5%	.7%	100.0%
		40.0%	48.4%	33.3%	47.0%
Food processing		15	68	1	84
		17.9%	81.0%	1.2%	100.0%
		33.3%	27.0%	33.3%	28.0%
Trading		8	37	0	45
		17.8%	82.2%	.0%	100.0%
		17.8%	14.7%	.0%	15.0%
Business services		4	25	1	30
		13.3%	83.3%	3.3%	100.0%
		8.9%	9.9%	33.3%	10.0%
Total		45	252	3	300
		15.0%	84.0%	1.0%	100.0%
		100.0%	100.0%	100.0%	100.0%

Pearson Chi-Square=3.7, Df=6,  $\rho=0.722$ ,  $r=-0.034$

Source: Primary data

Table-16 reveals that correlation between the line of activity of the scheduled caste women entrepreneurs and productivity of their enterprises is negative ( $r=-0.034$ ) and the relationship between the said variables at LOS=0.05 and DF=6 is statistically independent.

Table-17

## Line of activity and Tobin's Q

Line of activity		Tobin's Q			Total
		<1	1	>1	
Manufacturing		17	38	86	141
		12.1%	27.0%	61.0%	100.0%
		56.7%	38.0%	50.6%	47.0%
Food processing		1	41	42	84
		1.2%	48.8%	50.0%	100.0%
		3.3%	41.0%	24.7%	28.0%
Trading		8	14	23	45
		17.8%	31.1%	51.1%	100.0%
		26.7%	14.0%	13.5%	15.0%
Business services		4	7	19	30
		13.3%	23.3%	63.3%	100.0%
		13.3%	7.0%	11.2%	10.0%
Total		30	100	170	300
		10.0%	33.3%	56.7%	100.0%
		100.0%	100.0%	100.0%	100.0%

Pearson Chi-Square=20.5, Df=6,  $p=0.002$ ,  $r=-0.047$

Source: Primary data

Table-17 reveals that correlation between the line of activity of the scheduled caste women entrepreneurs and Tobin's Q is negative ( $r=-0.047$ ) and the relationship between the said variables at LOS=0.05 and DF=6 is statistically dependent.

It is concluded that in case of majority of the scheduled caste women entrepreneurs, credit availed from organized sources ranged from 25.1 to 75 lakh rupees, credit availed from unorganized sources ranged from 10.1 to 30 lakh rupees, credit from both the sources put together is 50.1-100 lakh rupees, income generation ranged from 50.1 to 150 lakh rupees, productivity (earnings per one rupee of investment) is 1.21-1.8, raw materials is the major component of their funds use and Tobin's Q is greater than one which is an indication of high degree of sustainability of the enterprises owned by the scheduled caste women entrepreneurs. The relationship between line of economic activity and the economics of the enterprises managed by the scheduled caste women entrepreneurs is statistically independent except with reference to credit from unorganized sources and Tobin's Q. To ensure an inclusive growth of entrepreneurs from scheduled castes, they must be encouraged to scale up their economic and enterprising activities inclusive of scale and scope economies and adequate finances from formal financial institutions.

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