Chapter 6

Conclusion

6.1 Introduction

Microfinance, which is the provision of a variety of financial services to poor, low-income people and micro and small enterprises that lack access to banking and related services, is proving vital to empowering communities. Many development experts agree that microfinance, when properly harnessed and supported, can economically empower individuals and small enterprises and enable them to contribute to and benefit from economic development. Having access to financial services helps people improve their lives and work their way out of poverty (Mahmoud, Michael; Hayford, Patrick; Hamam, David Mehdi, 2013).

UN document on Microfinance in Africa mentions that the greatest contribution of microfinance is that it empowers people, providing them with confidence, self-esteem, and the financial means to play a larger role in their development. The potential of microfinance far exceeds the micro-level, scaling-up to address macro-problems associated with poverty eradication (UN).

Microfinance Institutions (MFIs) in India are expected to grow by 30-40% annually which means the top MFIs in India could double in size over next few years. Microfinance has shed its non-profit character. In the last decade, microfinance was the domain of NGO’s but the regulations introduced by RBI has totally altered the character of the organisations disbursing loans. Since most NGO’s could not meet the stringent financial adequacy requirements, NBFC’s now account for more than 90% of the micro-lending taking place in the country (Nayak, 2016).
The debate on financial services to the poor and low income households in India has revolved around the rural population since the time when banks were nationalised for the first time in the country (Nair, 2009). Unlike rural financial intermediation, flow of financial resources to urban populations was never a matter of serious debate in India. The tendency among microfinance intermediaries to move towards urban centres came only after it found that the rural markets coming to a saturation point. Still now the SHG-Bank linkages model predominantly a rural phenomenon (Nair, 2009).

The first targeted credit programme with focus on enterprise and self employment opportunities in urban areas was launched in 1989 during the seventh Five Year Plan period (1985-90). Various urban poverty alleviation schemes with a credit focus introduced in India since 1989 shows that they broadly followed a top-down approach. The Swarna Jayanti Shahari Rozgar Yojana (SJSRY) is the first such urban scheme launched by Government of India where community based organisations, especially poor urban women, were reorganised as the critical points of delivery of benefits (Nair, 2009).

According to Nair & Tankha (2015), microfinance best describes the idea of inclusive finance. The methodology of microfinance owes its genesis to global efforts to address the apparent imperfections in the financial services markets that particularly constrained poor households from fully participating in its functioning. Microfinance experiments in India had evolved through several phases over the past quarter of a century and have resulted multiple institutional models. SHGs, JLGs, federations, for-profit non-banking companies, non-profit NGOs and trusts, and mutually aided thrift and credit societies and all part of the microfinance sector in the country. While each such model has distinct working principles, they overlap each other in most of the markets (Nair & Tankha, 2015). Collectively they have helped extend the reach of basic financial services to segments of population who were historically treated as outsiders to the mainstream financial markets. The savings-led model of SHGs and credit-led model of MFIs have both targeted these excluded sections served otherwise by high cost and exploitative informal agencies. The market potential for microfinance in urban poverty pockets like slums and low income neighbourhoods
caught the attention of MFIs since the mid 2000s. Urban focused MFIs like Ujjivan, Janalakshmi, Satin Credit-care, SMILE and Arohan came up during this period. But microfinance still remained a predominantly rural phenomenon and did not attract much attention from banks and investors (Nair & Tankha, 2015). The situation has changed dramatically over the past 5 to 6 years. It may be noted that the rapid pace of urbanization and urban expansion coupled with the peculiar demographic transition in favour of the youth (demographic dividend) has brought the ‘urban’ to the core of development debate in the 2000s. It is estimated that over a period of just 5 years the urban microfinance market has cornered one third of the gross loan portfolio of MFIs. In another three years the ratio is expected to change to 50:50. Two critical issues while discussing financial inclusion for urban areas are the importance of urban livelihoods and the segmentation of urban clientele. Serving the financial needs of a highly segmented set of clients in systematic and sustainable ways is a complex innovation challenge for urban microfinance (Nair & Tankha, 2015).

Research shows most of the studies on impact of microfinance (involving SHGs/JLGs) on entrepreneurial development that have been reported were carried out in rural context. Most of the studies that were carried out are relatively less concerned with micro-enterprise development and focus more on rural poverty. This means that there is a major gap in the relevant literature for urban areas including Mumbai, which has to be covered by research. This research attempts to fill this gap by studying the situation in Mumbai and providing more empirical evidence on the effects of microfinance activities of SHG/JLG on micro-entrepreneurial development. The present study addresses the issues related to urban microfinance & its impact on micro-entrepreneurship. This research study is about how to effectively harness the development potential of microfinance in Mumbai to lift its poor out of poverty and reduce their vulnerability. It examines the efficacy of SHGs/JLGs as a policy tool to promote micro-entrepreneurial activity/income generating activity in Mumbai. It compares the traditional SHGs & JLGs of various MFIs in Mumbai. As increases in entrepreneurship and self-employment have been linked to economic growth, it is especially important to understand what leads women to choose to be self-employed. Our research brings together the literature on the effect of individual attributes on self employment.
Recognising self employment /business as one of the multiple activity status choices, we use multinomial logit framework to study SHG/JLG members’ activity status choices in Mumbai. We have used multinomial logit estimation to consider each woman’s employment choice. The multinomial logit estimation allows us to use the observed employment choice and the other observable factors to estimate the probability of her choice relative to a base case outcome.

The present chapter is organised as follows. **Section 6.2** highlights the important findings of the research study. **Section 6.3** analyses the various research questions mentioned in the introductory chapter of the thesis. **Section 6.4** describes the contribution of this study to the field of research and **Section 6.5** mentions the scope for future research. **Section 6.6** points out the limitations of research study. The chapter concludes with **Section 6.7** on policy implications and recommendations.

### 6.2 Important Findings of Research Study

Primary Survey was conducted to collect data for Pilot Study. 364 clients (SHG members) of some Self Help Promoting Institutions (SHPIs) in Mumbai were interviewed during this Survey. A dichotomous logistic regression model was used to estimate the significance of the factors that determine the probability of SHG member’s choice of occupation for the pilot study. Later this methodological framework was extended to the analysis of the main field survey data set for 1127 respondents (inclusive of 364 clients from pilot study) from various SHPIs in Mumbai, using application of multinomial logit model framework. This helped us in drawing some important conclusions related to the activity status choices of the SHG/JLG members in Mumbai. The present **Section 6.2** summarises the most important findings under following headings.
6.2.1 The factors which contribute to the emergence of entrepreneurial activity within the SHG

The Self Help Group (SHG) members selected in a sample have several occupational choices. In choosing their occupations, the SHG members make a binary choice between the Entrepreneurship /Self Employment & No Entrepreneurship/No Self Employment (the basic form of entrepreneurship is assumed to be Self Employment). Different factors, however, influence SHG member’s choice. To be able to predict and explain these decisions, the study employs discrete choice models, given that the outcome variable is not continuous, to identify the factors and provide information on the direction and magnitudes of their effects.

Following are the statistically significant predictors which explain the choice of an occupation by the SHG members in Mumbai.

❖ PERCa.ms (level of significance =0.001)

It was expected that those SHG members who perceived themselves confident of managing new business activity well, would likely to choose self employment as one’s occupation. The multivariate logistic regression model results confirmed this belief. The odds of choosing Self Employment as an occupation by the SHG members are 6.89 times higher among those members who perceive that they possess the necessary skills to implement and manage new business activity as compared to those who do not have similar perception.

❖ PERCe.t (level of significance =0.001)

Similarly the odds of choosing Self Employment as an occupation by the member of SHG in Mumbai are 3.06 times higher for those members who strongly perceive that their school education & entrepreneurship training (by SHPI) helped them in developing a sense of initiative, as compared to others who do not have similar perception.


**PERCinfra**

The odds of choosing self employment are 2.28 times higher for those SHG members who perceive that it is difficult to have access to basic infrastructural facilities such as access to place, markets, power, fuel, equipments etc. to start a business, as compared to those who believe otherwise (statistically significant at 0.05 level).

**SEPFM**

The odds of choosing Self Employment as an occupation by the SHG member are 1.97 times higher among those persons who have Self Employed Partner/Father/Mother (SEPFM) as compared to those who do not have Self Employed Partner/Father/Mother. The association between having a Self Employed family member and incident of choosing Self Employment as one’s occupation is statistically significant (0.05 significance level).

**EarningM**

The odds of choosing self employment as one’s occupation are 1.44 times higher for the members who have relatively more earning members as compared to those SHG members who have relatively lesser earning members in a household (significant at 0.05 level).

On the basis of the empirical estimates for the multiple logistic regression model applied to the pilot study data set, we may state that the most significant predictors of the choice of occupation by the SHG members in Mumbai are of two categories viz. Predictors related to perceived entrepreneurial constraints and Predictors related to the personal attributes of the SHG members. The positive perception about one’s own abilities and managerial skills (PERCa.ms) and perceived importance of formal education and skills training in developing entrepreneurial attitude (PERCe.e.t) have favourable influence on the decision to choose self employment as one’s occupation. Similarly, negative perception about the ease of accessing infrastructural facilities (PERCinfra) will have favourable influence on the decision to choose self
employment. This indicates that these SHG members might have experienced great difficulties in accessing infrastructural facilities in the past and thus place considerable value on the ease of accessing infrastructural facilities to start a new business/continue in the existing business.

Among the personal attributes, the most important are- presence of self employed partner (spouse)/ father/mother (parents) in a family (SEPFM) and the presence of additional number of earning members in a household (EarningM). Thus presence of self employed family member and additional earning member in a household improves chance of choosing self employment as one’s occupation. Both these factors helps in mitigating the effects of risks involved in entrepreneurial activity.

6.2.2 The parameters for the effectiveness of Self Help Promoting Institutions (SHPIs) in promoting entrepreneurial activity among the SHG/JLG members in Mumbai

Our goal was to determine whether the membership of SHG/JLG promoted by different SHPIs in Mumbai influences the Activity Status Choice along with the other predictors. We used a multinomial logit specification to model the choice amongst the four outcomes viz. “Active”, “Failed”, “Latent” and “Passive”. This specification allows us to test whether the factors associated with “Active” choice are significantly different from the factors associated with “Failed” and “Latent” choices. If the factors affecting Activity Status Choice “Active”, “Failed” and “Latent” with reference to “Passive” are similar, then a simple logit specification may be appropriate. If the factors are different, then the approach used here will provide a more accurate picture to analyse Activity Status Choice by the SHG/JLG members. Tests were conducted to determine whether the assumptions underlying the MNL (Multinominal Logit) specification are appropriate.

The SHPIs affiliation of the respondent was taken as one of the determinant of the Activity Status Choice. Given the total 8 categories of SHPIs, BMC was selected as the default base category for the multinomial logit model. Thus odds of choosing “Active” category relative to “Passive” were estimated for seven SHPIs with
MCGM/BMC as the base category for comparison. The odds of Vandana Foundation clients choosing category “Active” relative to “Passive” were 33.15 times higher compared to the SHG members affiliated to BMC. Similarly odds of choosing “Active” category by NGO-CH clients were only 0.12 times as compared to SHG members from BMC. Thus being a client of Vandana Foundation improves the likelihood of choosing “Active” category over “Passive” by the respondents when BMC was used as the base SHPI. These results were statistically significant at 0.001 level. Similarly odds of choosing “Active” over “Passive” were only 0.45 times for MAVIM-SHG members compared to BMC-SHG members. This result was significant at 0.01 level.

Thus the relative probability of choosing “Active” with reference to “Passive” was observed to be higher for the Vandana Foundation clients (JLG members) in comparison with the SHG members affiliated to BMC. Membership of other SHPIs such as NGO-AK, NGO-PV, Others, Suryoday was observed to be statistically insignificant for choosing “Active” category.

Vandana Foundation is incorporated as a non-profit Company under section 25 of Companies Act in the year 2010, based in Mumbai. The Foundation is largely engaged in providing sustainable livelihood support to the people at the bottom of the pyramid both urban and rural areas. It aims at helping urban and rural poor to become economically self-sustaining; primarily through the medium of micro-enterprise (Vandana Foundation). We can explain these findings by considering the differences in the approaches to the organisational goals of the SHPIs.

Creative Handicrafts, initiated the savings and credit groups with an idea that earning combined with saving is the only way to ensure that the women do not fall into a debt trap of money lenders. After a period of 6 months from the date of membership and saving, women are eligible to take a loan. Members are encouraged to take loans for educational purposes, medical emergencies and for entrepreneurial activities. The goal is to help these women grow holistically i.e. to provide an opportunity for both economic and social growth (Creative Handicrafts).
MAVIM & Maharashtra state Minorities Commission, Mumbai have taken up a project called “Minorities Women Empowerment Programme” (MWEP) for the selected pockets of Mumbai and eight districts of Maharashtra i.e. Malegaon, Karanja, Bhiwandi, Nanded, Parbhani, Bhusawal etc. In the 8 years of the programme (financial year 2011-12 till end of financial year 2019) MAVIM will form the 2600 SHGs & also CMRC. The main goal of this programme is to empower poor women from minority communities through grass root institutions of SHGs and bring them in the main stream of socio-economic development. The main components of the programme are - grass root institutions of SHGs, livelihood development and market, microfinance services, women health and awareness (www.mavimindia.org/index.php/component/content/article?id=11).

The Municipal Corporation of Greater Mumbai (MCGM) is the body responsible for providing all essential urban services in Mumbai as well as for the implementation of government schemes for the benefit of the general public. The Swarna Jayanti Shahari Rozgar Yojna (SJSRY) of the central government and the Gender Budget of the MCGM, are both schemes implemented by MCGM to economically empower the disadvantaged women in Mumbai. The MCGM works in the community to mobilise women from low-income families and encourages them come together and form self-help groups (SHGs) to improve their socio-economic conditions by accessing these schemes. With the help of these schemes, SHGs are linked to banks where they can get facilities like credit and savings. These groups are also given subsidies for their

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51 The Community Managed Resource Centre (CMRC) is a federation of around 150-200 SHGs formed in a cluster of around twenty villages, within the radius of 20 to 25 k.m. All SHGs in the cluster, regardless of the agency that promoted them, will be eligible to become members and avail of the services of the CMRC. The CMRCs are registered organization under society’s Act 1860. The CMRC is functioning with a comprehensive and holistic agenda for area development. The overall role of the CMRC is to provide the basis primary services to SHGs, that is –capacity building training to members, bank linkages, gradation, and audit of SHGs. The CMRC also provide specialized services to SHGs such as assessing the livelihood needs of SHGs, tapping the required resources through convergence with various government schemes and services and enabling the SHGs to access them and take up community development programmers. MAVIM will support CMRCs for the first few years of the project period on a reducing scale. Thus the SHGs will make a contribution to the running of the CMRC right from the very beginning. CMRCs should strive to become self reliant from the fourth year of their establishment (source- www.mavimindia.org/index.php/component/content/article?id=14).
loans along with training in more than 65 different trades so that they can start their own small-scale enterprises and become socioeconomically independent and empowered (Corporate Social Responsibility Cell, Municipal Corporation of Greater Mumbai).

Thus the main difference between approaches to microfinance programmes of Vandana Foundation and the rest of the SHPIs is that the Vandana Foundation offers microfinance services purely on commercial basis only for business/micro enterprise purpose to the needy clients (both male and female). On the other hand, other SHPIs exclusively target women and do not restrict their microfinance services only to micro enterprise creation. The most important parameters for effective implementation of micro-enterprise promotion programme of Vandana Foundation are - Joint Liability Group model for lending, insisting on productive use (business/micro enterprise creation) of loan and gender neutrality principle in lending. Another strategy followed by Vandana Foundation is encouraging mixed group formation. There JLGs mainly consists of members with prior business experience or exposure to the business environment. The micro loan is sanctioned to the JLG members only after personal interaction and scrutiny by the people leading the organisation. This approach not only helps the organisation in having flexibility in group formation but also enables them to offer flexible micro finance products to their clients and serve them better.

6.2.3 The pattern of credit use by the SHG/JLG members for the productive entrepreneurial purposes & generating incomes for themselves

Sooryamoorthy (2007), state that under microfinance programmes credit is provided for a variety of purposes, ranging from immediate consumption needs to accumulation of assets. However, the credit-users are consistently encouraged to initiate small income-generating microenterprises. Self-employment microenterprises (SEM), with the support of the programme, assist women to stand on their feet and make them economically less dependent on others. In reality, women are constrained to avail and use loans for their immediate needs like consumption rather than for any productive
purposes such as SEM. Although loans are provided for specific purposes women use them for several other needs defeating the very purposes for which loans have been issued (Sooryamoorthy, 2007).

Out of total 1127 respondents 392 respondents reported their status as “non borrower” and 735 have reported their status as “borrower”. Thus only 65.22% of the total respondents reported that they have borrowed money. 361(49.12% of total borrowers) respondents out of 735 have reported that loan is being utilised for non business purpose. The non business use of loan by the respondents was categorised into eleven broad categories as follows: Relative’s marriage, celebrating festivals, housing related expenses, educational expenses, health/medical expenses, repayment of earlier debt, lent money to others, purchased gold jewellery, not utilised yet, routine expenses and to purchase agricultural land. The most dominating category of all was “Educational Expenses- tuition fees/ donation/coaching class fees” - having 31.86% share in the total non business use category. Next largest category with 26.32% share in total non business use category was “Routine Expenses”. Next bigger category with 9.42% share in total non business use category was “Health/Medical Expenses-hospitalisation, medication”. Majority of the borrowers reported that amongst the top four- the most important head of expenditure for them included Educational Expenses. Followed by, Routine Expenses, Health/Medical Expenses and Re - lending to close relative/other members. Children’s education was considered as the most important head of expenditure by the respondents covered during the survey. They had to spend substantial amount of their monthly income on children’s education related expenses which included tuition fees, donation/deposit for school admission, coaching class fees etc.

Out of 735 borrowers 374 (50.88% of total borrowers) respondents reported that they have used loan for economically productive business purpose. Table 6.1 given at the end of this chapter describes the pattern of credit use for businesses /income generating activities as reported by the SHG/JLG members during the primary survey.

Sinha, Parida, & Baurah (2012) suggest that there should be in-built training programmes for using credits so that SHG members can actually use the credit in
more productive ways and are able to improve their lives. The social empowerment aspects also should always be revamped and nurtured with innovative ideas taken from the best practices that are available.

6.2.4 The role of government organisations, NGOs and other Self Help Promoting Institutions (SHPIs) in the process of transformation of SHGs from micro saving institutions into micro entrepreneurship generating institutions

Vanroose (2008), quoting Ghatak & Guinnane (1999), defines MFIs as a group of innovative organisations that have found new methodologies to overcome four major problems that financial institutions face when lending. These problems are: to ascertain the riskiness of potential borrower (adverse selection), to ensure the proper use of the loan so that the borrower would be able to repay it (moral hazard), to learn how the project really did in case one cannot repay (audit costs) and to find methods to force the borrower to repay the loan if she is reluctant to do so (enforcement). Apart from using social capital as collateral for traditional group lending, MFIs used joint liability principle to enable lending to the poor. There are various additional innovations which make the MFIs peculiar and different from traditional banking institutions (Vanroose, 2008).

According to Satish (2001), from the view of institutional framework, an institution can be considered suitable as a self-help promotion institution if it is in a position to foster and nurture the best practices for SHG promotion. In developing microfinance in India, especially through the SHGs, a major role is that of the promotional institutions. In India, the promotional institutions are basically of three types: (1) governments (2) banks and (3) NGOs. The study by Satish (2001), point out that the NGOs, the banks and the government have been equally successful as self-help promotion institutions since the SHGs formed, nurtured, and promoted by them have met the requirement of taking financial services to the poor and have contributed to the economic empowerment of the underprivileged, especially women. The successes therefore were not due to the nature of the institutions alone, but to the best practices
these institutions evolved, nurtured, and followed. The purpose with which an SHG is initially formed varies depending on the kind of programme being implemented and the need for collective working. It may vary from managing a collective resource to promoting a social cause (Satish, 2001). Thus Satish (2001) points out that SHG technology in the Indian microfinance lays stress on thrift as well as credit and also on the linkage between informal groups and formal financial institutions. He highlights the fact that an essential element in this technology is the institution that promotes the SHGs.

6.3 Analysis of Research Questions

This section deals with the discussion on the important research questions listed in the introductory chapter 1 of this thesis.

6.3.1 Factors affecting the success of micro entrepreneurship among the Self Help Group (SHG)/ Joint Liability Group (JLG) members

Behera (2010), points out that the Self Help Group concept not only provides financial services to the poor but also acts as a launching pad for livelihood intervention. Therefore, proper capacity building and linkage of SHGs to mainstream organizations is really necessary to have impact on poverty alleviation and social upliftment goals. The success of micro enterprises depends on the following factors viz. identification of enterprises with local talents and native capabilities of the poor, extending training to develop in them (SHG members) self confidence, self-esteem, self-reliance. Promotion of small savings through micro finance, supply of raw materials, facilities of marketing, technology up gradation and evaluation and assessment would help in success of micro enterprises (Behera, 2010).

James (2012), assert that the concept of success derived from orthodox microenterprise development theory would not represent well the microenterprise
development goals of women entrepreneurs in India. James (2012) further state that the concept is too narrow to incorporate how inequality based in gender, (which can change between contexts and even change between economic sectors in its effects) intervenes in access to resources and mediates women's abilities to utilize resources to gain the empowerment outcomes that are relevant to women. James (2012), thus concludes that in examining microenterprise success in South Asia and other regions, it is vital to measure success in a context- and gender-sensitive manner capturing not just economic feasibility but also how well the entrepreneurs achieve both control over their income and improved decision making status through their participation in the economy.

Roy & Wheeler (2006), argues that many gauge success simply by their ability to provide for their basic needs and those of their households. In other words, the goals and objectives of many are directly in line with their priorities, which are to provide for their basic physiological and safety needs and those of their households. To work towards growth implies more work, more investment and more risk, so many prefer not to do so if they are already able to provide for their basic needs. The Western business paradigm may not be appropriate for evaluating Micro-Enterprise (ME) success in ME development programmes and services. If all micro-enterprises in developing regions were able to achieve even a modest level of success, one could certainly consider this 'development', as this would imply an increase in the standard of living of many people: fewer families would go hungry, and more would be able to put a roof over their heads (Roy & Wheeler, 2006).

For the present research study, assuming that the SHPI promotes micro entrepreneurial activity among the SHG/JLG members, the respondents were asked to report their activity status choice as one of the four categories- “Active”, “Failed”, “Latent” and “Passive” to judge the success of SHPIs in promoting entrepreneurial activity. Thus, if the respondents report that the activity status choice for them is “Active”, category instead of “Passive” then that is viewed as a criterion for success. As mentioned earlier in Chapter 4, the empirical estimates of the Multinomial Logit Model for Activity Status Choice for the SHG/JLG members help us in summarising the factors influencing the success.
Following are the statistically significant factors affecting the entrepreneurial activity choice of the respondents.

Factors *favourably affecting* the decision to choose “Active” category over “Passive” category-

- Respondents’ having self confidence about one’s own administrative abilities and managerial skills to successfully manage and implement new business activity (0.001 level of significance)
- Respondents’ having positive perception about the significance of formal education and training in developing entrepreneurial spirit in them (0.001 level of significance)
- Having a role model in the form of self employed partner/father/mother (close relative) (0.001 level of significance)
- Respondents’ having negative perception about the ease in accessing financial assistance to start new business/ to manage existing business (0.01 level of significance)
- Having an additional number of earning member in a family (0.05 level of significance)
- Having acquired educational level up to level 2 (std.VI to IX) as compared to those who are not literate (0.1 level of significance)
- Having an additional number of dependent members in a family (0.1 level of significance).
Factors adversely affecting decision to choose “Active” category instead of “Passive” category-

- Having risk fearing attitude i.e. having perception that taking up new business activity is not worth because there is possibility that it might fail (risk-fearing)(0.001 level of significance)
- Having additional number of family members (0.01 level of significance)
- Having perception that administrative procedures to start a new business activity and to manage existing business are very tough (0.05 level of significance)
- Having acquired educational level 4 (Graduation) as compared to those who are not literate (0.05 level of significance).

Thus we may club the above mentioned factors affecting the activity status choice by the SHG/JLG members in Mumbai into two broad categories viz. Perception about entrepreneurial constraint and personal attributes. The SHG/JLG members having positive perception about one’s own administrative abilities and managerial skills to successfully manage and implement new business activity are more likely to choose “Active” category over “Passive”. SHG and JLG members place great value on the attainment of educational level and skills training for the development of entrepreneurial attitude in the individual when they have positive perception about the importance of formal education and skills training. With this positive perception they are likely to choose “Active” category over “Passive”. SHG/JLG members having negative perception about the ease in accessing financial assistance to start new business are more likely to choose “Active” over “Passive” category. This negative perception is developed because SHG/JLG members might have experienced difficulties in accessing adequate, cheap and timely finance from their immediate surroundings in the past. This is how they perceive that access to finance to start new business is very difficult.

Personal attributes such as having a role model in the form of self employed partner/father/mother, having additional number of earning member in a family, having acquired educational level up to level 2 (std.VI to IX), would encourage
SHG/JLG members to choose “Active” over “Passive”. Similarly having an additional number of dependent members in a family will force the SHG/JLG members to choose “Active” over “passive”.

6.3.2 The importance/ role of finance in the development of microentrepreneurship among the SHG/JLG members

The use of microfinance to enhance income generation and job opportunities among the poor is a popular tool for governments and non-governmental organisations involved in raising standards of living in developing countries (Chhay, 2011).

Respondents interviewed for the research study were asked to report whether they perceive starting a new business activity as a difficult activity due to lack of financial support. 66.10% of the total respondents reported that they do perceive lack of financial support as one of the important constraint in starting a new business activity.

Westall, Ramsden, & Foley (2000) tries to explain barriers to accessing finance for micro-enterprise in their book. They argue that this may be because microenterprises tend to seek smaller amounts of money. Micro-loans are hard for banks and other financial organisations to deliver at a profit because of high transaction costs and lack of collateral against which to offset the risk. The checking of borrower and the procedures for arranging a loan cost proportionately more for a small loan than a large one. Risk may also be difficult to assess especially where there is no credit history and no track record on which to base the business plan (Westall, Ramsden, & Foley, 2000). Banks find it hard to reach this small scale and risky market because of high transaction cost and information asymmetries. Micro-credit models overcome this but normally require some kind of not-for-profit intermediary to act as the interface with borrower (Westall, Ramsden, & Foley, 2000).
6.3.3 The role of microfinance in addressing the need of women micro entrepreneurs

Hunt & Kasynathan (2001), cautions development agencies and state that development agencies need to acknowledge that microfinance does not directly or automatically lead to women's empowerment and gender transformation.

Dhar (2005) point out that in India majority of the female labour force finds employment in the informal sector. The important characteristics of this sector are fewer and inferior opportunities of work, greater vulnerability due to lack of skills, lack of access to better technologies and lack of credit. Opportunity to work for this section of our society may be created either through wage employment or through self-employment. The cost of creating a sustainable wage employment is very high and it does not assist in creating major economic assets for the wage earner. On the contrary, self-employment supported by credit has more potential for improving the asset base of the poor women in the long run (Dhar, 2005).

T.V. Janaki (2014) asserts that there is definitely a positive impact of micro credit on women empowerment. Yet, the benefit of monetary support alone is nominal and limited. The real enhancement in the quality of life comes through personality development, inner transformation which in turn depends on the choice of loan utilization. Therefore, micro finance models have to be adjusted in such a way that entrepreneurial activity is promoted. It is, therefore, suggested that women should be encouraged towards enterprise creation.
6.3.4 In what way Micro Finance Institutions (MFIs) can redesign their financial products to meet the requirements of micro entrepreneurs?

Meyer (2002), state that MFIs are experimenting with more flexible products designed to retain existing clients and attract new ones, especially in markets where competition among MFIs is becoming most intense. Many MFIs are reporting high dropout rates and repeat borrowers do not demand the larger loan sizes assumed in many MFI market projections. Also there are potential clients who refuse to join programmes even though the products offered were supposedly designed for them. This has led MFIs to re-evaluate their business plans and pay closer attention to product flexibility (Meyer, 2002).

Hamp & Laureti (2011), shows that there are ways the microfinance industry can offer flexible financial products that also encourage financial discipline. These products cover wide range of microsavings, microcredit and micro insurance products. Flexibility serves to facilitate money management for low-income clients, whereas commitments accompanied with appropriate enforcement mechanisms serve to encourage financial discipline. Flexibility may require information-intensive lending technologies, raising the MFIs’ costs of screening and monitoring clients, and have a limited outreach. Flexibility is important for the poor because it helps them to manage money, e.g. smoothing consumption, coping with emergencies and taking advantage of business opportunities. The poor micro entrepreneur (microfinance client) need flexible products that allow transactions adapted to her cash-flow. Such products help the poor micro entrepreneur to smooth consumption, when income is irregular and unpredictable, and to cover unexpected expenditures (Hamp & Laureti, 2011). According to Hamp & Laureti (2011), there are two potential trade-offs when balancing flexibility and discipline, mainly for the credit market. First, flexibility may result in higher costs for enforcing loan contracts, especially for acquiring information on clients to evaluate their preferences, repayment capacity, etc. Considering that, in developing country contexts, the unit of analysis is commonly the entire household, rather than an individual, gathering such information may be a major problem for
MFIs. Second, MFIs tend to offer flexibility to privileged clients, e.g. households with diversified cash flow, households with large savings and good credit history, household with collateral and households that already have access to informal finance channels. This will tend to exclude poorer, more vulnerable households that may benefit most from access to credit. Thus, the exact mix of flexibility features and enforcement mechanisms that works best will have to be determined by the characteristics of the target clientele (Hamp & Laureti, 2011).

6.3.5 The role of skill training and its influence on the decision to start business/enterprise

Adjei, Arun, & Hossain (2009), cite work by Ellis (2000) and Moser (2006) and assert that human capital refers to the labour available to the households in terms of education, skills and health status. It is the chief asset possessed by the poor and can be increased by investment in education and training, as well as skills acquired through pursuing one or more occupations. Education has been identified as the most important tool in providing people with the basic knowledge, skills and competencies to improve their quality of life at all levels of development (Adjei, Arun, & Hossain, 2009).

Ekpe, Mat, & Razak (2010), mention that literature supports the fact that majority of micro-finance institutions’ clients do not have specialized skills, and so cannot make good use of micro-finance factors hence they need training. Skill training and tertiary education have positive effect on enterprise performance. Many women lack this, especially in developing countries, whereas the exploitation of entrepreneurial opportunity depends on the entrepreneur’s level of education, skills or knowledge acquired through work experience, social network and credit hence the need for training as a micro-finance factor especially in developing economies is highlighted by Ekpe, Mat, & Razak, (2010).

Locally based training programmes and symbolic community events are likely to be important – particularly if they focus on network building, micro-enterprise planning and development (especially marketing), opportunities for differentiation and
diversification of products, skills apprenticeship, and the ability to access and use finance (Roy & Wheeler, 2006).

6.3.6 Relative effectiveness of different categories of SHPIs (Government, NGOs, MFIs, etc.) in developing micro entrepreneurial activity among its SHG/JLG members in Mumbai

According to Caudill, Gropper, & Hartarska (2009), microfinance institutions (MFIs) play a key role in many developing countries in providing credit to non-creditworthy individuals. One of the important characteristics of operations of MFIs is use of subsidies from various sources to support their activities. MFIs operations need to be understood in this context. Caudill, Gropper, & Hartarska (2009), have analysed whether MFIs are becoming more cost effective over time, particularly if any improvements can reduce or eliminate the need for subsidies. There appears to be considerable heterogeneity in the microfinance industry in terms of institution size, sustainability and clientele served. There are differences in operating environments, subsidies and organisational form. Empirical finding of Caudill, Gropper, & Hartarska (2009), suggest that MFIs offering deposits and those receiving lower subsidies operate more cost effectively over time as compared to other institutions.

We are trying to examine relative effectiveness of various institutions in promoting micro entrepreneurial activity among their clients in Mumbai. This is an attempt to understand the working and relative efficacy of various institutions in promoting micro entrepreneurial activity in Mumbai. Our empirical estimates show that MFIs such as Vandana Foundation are observed to be relatively more effective in developing micro entrepreneurship among JLG members in Mumbai when compared with SHG members promoted by MCGM. These results are statistically significant. Membership of the JLG promoted by Vandana Foundation has emerged as the statistically significant predictor determining the Activity Status Choice- “Active” over “Passive”. Vandana Foundation JLG members are most likely to choose “Active” category over “Passive”.

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The results for Suryoday (other MFI) are statistically insignificant for “Active” category with “Passive” as the base category. Empirical estimates are not statistically significant to conclude that being a member of Suryoday does not increase the chance of being a micro entrepreneur/self employed. But membership of JLG promoted by Suryoday Microfinance Pvt. Ltd. is statistically significant for category “Latent” over “Passive” (significance level 0.1). Suryoday clients are less likely to choose category “Latent” over “Passive” when compared with BMC group members.

Most of the NGO-CH members are more likely not to choose “Active” over “Passive” category. Results for other NGO clients are statistically insignificant.

From the above mentioned results we can conclude that MFIs having commercial approach to livelihood promotion with JLG lending policy are relatively better off in promoting micro entrepreneurial activity among its clients in Mumbai. NGOs, Government Organisations and other SHPIs are relatively less successful in encouraging micro entrepreneurial activity among its members in Mumbai.

6.3.7 Different approaches to microfinance facilitating micro entrepreneurship development / self employment generation among the SHG members in Mumbai

Jayo, Pozzebon, & Diniz (2009), points out that the debate over the two approaches (viz. minimalist vs. integrated) had been a source of much discussion in the academic literature on microcredit. The main point of argument was whether microcredit suppliers need to focus on delivering financial services only, or whether they should also provide complementary, non financial services to their clientele. These non financial services could include educational programmes, community based development programmes, business and capability enhancing training and so on (Jayo, Pozzebon, & Diniz, 2009). The minimalist approach (also known as finance oriented) considers the access by low income individuals to credit as the only piece missing for income generation and therefore, perceives the provision of micro credit loans as a development strategy by itself. On the other hand the integrated (or development-
oriented) approach emphasises the importance of providing not only credit but a range of development oriented services to the poor in order to attack the structural causes of poverty (Jayo, Pozzebon, & Diniz, 2009).

According to Sabharwal (2000), current debates within the field of micro-finance continue to draw on the development discourse of the neo-liberal and empowerment ideologies and the minimalist and integrated approaches that they respectively promote. It is instructive to examine these approaches in greater detail from the perspective of development practice and the manner in which they impact upon poverty reduction and women’s empowerment (Sabharwal, 2000). Debate and discussion are presently focused around the appropriateness of the two approaches as the key tool for poverty reduction and empowerment. One of the overriding concerns of the minimalist approach is the financial sustainability of the MFPs (Micro-finance Programmes) or institution. In fact, to increase their chances of financial sustainability, NGOs streamline their activities and lower their social intermediation costs by seriously cutting back complementary services. Such an approach has resulted in the dilution of participatory, empowerment and institution building objectives, with MFPs being converted into efficient credit delivery mechanisms (Sabharwal, 2000).

In contrast to the minimalist approach, the integrated approach, referred to as the ‘credit-plus approach’ is grounded within the empowerment framework and attempts to deal with the structural causes of poverty through micro-finance delivery. It is a comprehensive approach aimed at providing a long-term integrated support package, in which loans are combined with social mobilisation, participation, training and education, so as to maximise the income, opportunities and empowerment impacts (Sabharwal, 2000).
6.3.8 Will the minimalist approach to microfinance work as good in the urban areas as it may have done in the rural areas?

Kumar & Mukhopadhyay (2013), mention that in India, the Self-Help Group Model (SHG) model has been adopted by NABARD to promote microfinance primarily in rural areas. However, there has been little research or programmes that address the needs of the growing urban poor in India. In other parts of the world, microfinance programs have been successful in targeting the needs of the urban poor. For instance, Latin America has been successful in implementing urban microfinance programs. Central America developed its own indigenous methods for microfinance. Learning from these others contexts, microfinance institutions and other agencies in India must also begin to address the needs of the urban poor. To this end, an in depth understanding of the financial behaviour of the urban and rural poor is essential to serve them better. We need to take into account the heterogeneity in activity and needs of the urban poor vis-à-vis the rural poor to offer them customized financial products (Kumar & Mukhopadhyay, 2013).

According to Kumar & Mukhopadhyay (2013), the transient nature and lack of homogeneity in the urban population makes it difficult for the urban poor to access microfinance institutions such as the SHGs, which function on the principles of peer pressure and social collateral. On the other hand, urban migrants in India are able to smooth their income and consumption better than the rural poor. The former seem to have more options for borrowing, for instance, given their greater access to social contacts. Kumar & Mukhopadhyay (2013), in the context of Tamil Nadu show that the rural and the urban poor are not homogeneous in nature. Their livelihood activities, access to basic services like health care, education and financial services are different. Consequently their financial behaviour and needs also differ. Since the nature of activities of the urban and the rural poor varies greatly, the credit needs of these populations are also fairly diverse. A single customized loan product with pre-determined repayment schedules cannot meet such diverse needs. Hence these two heterogeneous groups of poor must be served with different financial product-mix which is commensurate with their needs (Kumar & Mukhopadhyay, 2013).
6.4 Contribution to the field of research study

The promise of microfinance is that it spurs entrepreneurship and empowers borrowers to help themselves (Khavul, 2010). Our research has focused on how microfinance delivers on this promise. The important contributions of this research study to the field of research can be summarised under following headings.

- **Discrete choice modelling framework**

The literature on the self-employment decisions of women is relatively underdeveloped, and there is limited quantitative analysis that considers the true choice set for women in deciding whether to become self employed or that adequately accounts for the heterogeneity of the women making these choices (Patrick, Stephens, & Weinstein, 2016). Thus, Patrick, Stephens, & Weinstein (2016), have explored these motivations in their analysis. Self-employment is an alternative to not working as well as wage and salary employment, but the latter is the choice generally modelled in a labour market choice framework. Thus, they may choose self employment as an alternative to not working—or they may choose between not working, being self-employed, or wage and salaried employment (Patrick, Stephens, & Weinstein, 2016).

Our study thus contributes to the literature by modelling the occupational choice as binary choice between self employment and not self employment (chapter 3). Restricting the choice set to a binary one—and not accounting for all the possible choices is thus especially likely to impact our ability to understand the self-employment decisions of SHG/JLG members. Given the difficulties in measuring true entrepreneurship, we have tried to analyse self employment decision by the SHG/JLG members, assuming it as a very basic form of entrepreneurship.
Perceived Entrepreneurial Constraints: as determinants of activity status choice

Perception about the entrepreneurial constraints and personal attributes of the SHG/JLG members have been analysed as important determinants of activity status choice by the members. The most important determinants have been self confidence to effectively manage and implement business activity and the perceived importance of formal education and training in developing entrepreneurial attitude in them. Similarly professional status of spouse and parents also played important role in influencing this decision to choose activity status by the respondents. Thus our study takes into account the influence of perception about the various entrepreneurial constraints experienced by the SHG/JLG clients while choosing one’s occupation or activity status.

Multinomial Logistic Regression Model Framework

Using basic logistic regression model framework for the pilot study we have examined the determinants of the occupational status choice (binary choice of self employment vs. non self employment) by the SHG members. At the next level we have used the multinomial logistic regression model framework to analyse the pattern of activity status choice by the SHG/JLG members (chapter 4). This is a logical extension of the basic logistic model framework to examine the activity status choice by the SHG/JLG members, where the choice involves more than two categories.

Micro Entrepreneurial potentials of Microfinance Clients in Mumbai (urban setting)

Recognizing self-employment/Business as one of the multiple activity status choices, we have used multinomial logit model and primary survey data sets to study SHG/JLG members’ activity status choices in the context of urban area particularly in the context of Mumbai. Our study contributes to the existing literature on microfinance, which primarily focuses on rural areas. Our study examines micro
entrepreneurship development potentials of microfinance institutions and their clients in Mumbai.

❖ Comparison between various SHPIs

Our research findings highlight that MFI category of SHPI (especially Vandana Foundation) has been more successful in promoting micro entrepreneurial activity in Mumbai relative to government agencies (such as MCGM). We have tried to analyse the working of the SHPIs operating in Mumbai and the differences in their approaches while conducting microfinance business.

6.5 Scope for future work

We would like to point out work by Patrick, Stephens, & Weinstein (2016) and conclude that if some members are choosing between not working and self employment (rather than between salary employment and self- employment), then efforts to help them become self-employed will still create a job and generate earnings for someone who would have otherwise been unemployed or out of the labour force altogether. This can contribute to wealth creation and economic growth. Further research is needed to more thoroughly analyze not just the choice of self employment but also the self-employment outcomes of SHG/JLG members (Patrick, Stephens, & Weinstein, 2016). Future research can examine the final outcome of this choice and its overall impact on labour force participation by the SHG/JLG members (i.e. - active vs. inactive) and change in the composition of labour force (i.e. labour force status viz. entrepreneur vs. non entrepreneur).

Individual’s attitude towards risk taking is one of the important determinants of occupational choice behaviour. There is a scope for future research to explore the ways and means to capture risk aversion attitude of the microfinance clients. This will help in designing and offering different microfinance products to the clients depending on their risk preferences. It will also enable policy makers to effectively
target the appropriate category of clients to promote micro entrepreneurship development.

One should also study in detail the role of commercial banks (public sector, private sector and co-operative banks) and various political parties operating in Mumbai as SHPI in developing micro entrepreneurship and sustainable livelihood options for the urban poor.

6.6 Limitations

There is a problem of availability of consolidated data on personal attributes of the clients of SHG/JLG and on their perception about the entrepreneurial constraints. Thus primary survey has been conducted to collect information on this. A serious limitation of the study is that only those SHG/JLG clients were taken into account during field survey that fall under Self Help Promoting Institutions (SHPIs) purview operating in Mumbai, which have formally agreed to give access to their field areas. This may not factor in activity status choice behaviour of many clients of some large MFIs, NGOs and other institutions active in Mumbai. Some of the institutions were unresponsive to the repeated requests made to them for accessing information on clients and their field areas.

6.7 Policy Implications and Recommendations

Montgomery & Weiss (2005), assert that Asia has much to learn from Latin America in terms of developing vibrant commercially oriented MFI sector. They further state that MFIs in Latin America have often been seen as a vehicle for the development of the micro-enterprise sector rather than as a tool for the removal of core poverty, which was its initial focus in much of Asia.

As Micro-Finance continues to evolve as a development strategy, it will be successful only if it is able to strike the right balance between the two frameworks- development and finance -that underlie its practice (Senanayake & Premaratne, 2006).
According to Hermes & Lensink (2007), the empirical literature on the outreach in terms of the number (breadth) of microfinance, and socio-economic level (depth) of clients who are served by microfinance institutions is vast. It is unclear whether microfinance contributes to a reduction in poverty or is the most efficient method to reduce poverty without additional measures in areas such as education, health and infrastructure (Hermes & Lensink, 2007).

Sinha, Parida, & Baurah (2012) highlight the fact that women tend to improve their situation, which is linked to their desire for their families’ welfare, even when they get a minimal push through a programme. If the attitude of society at large (which includes institutions) towards women improves with regard to providing training and women-centric infrastructures, such as improved rural water supply and public day care units for children, it would enable women to reduce the time spent in collecting water and allow them to go out of their homes for financially productive work. Then the benefits of SHGs would most likely increase substantially.

**SHG Approach & Financial Inclusion**

The study by Mallikarjuna (2004) shows that SHGs are still in a state of flux and their sustainable development depends on a number of factors, which are both internal and external to the group. SHG as a system has infused certain synergy among its members to move up in the socio-economic ladders from passive onlooker into an active partner/stakeholder in the development process. Today, SHGs in India have become a potential tool for the empowerment of women, social solidarity and socio-economic betterment of the poor in their own setting.

Sangwan (2008), highlights the important feature of the innovative credit channel, the Self Help Group (SHG) approach. This approach was introduced to link poor people with bank credit. The distinguishing feature of this approach as compared to other sponsored credit schemes is the process of learning and management of own money by the poor before availing bank loan. Moreover, the SHG approach (without the subsidy element in it) is sustainable on its own strength. A number of studies have found that SHG approach reduces the transaction cost for banks and loan availing cost.
of borrowers. In financing SHGs, the requirement of collateral by banks has been replaced by peer group pressure. Hence by waiving the requirement of collateral, this approach has enabled social and economic inclusion of women (Sangwan, 2008). The empirical results of the study by Sangwan (2008) substantiate that the person having low income and less geographical access to bank e.g., agricultural labourers, marginal and small farmers, migrant labourers, tribal and women may be excluded from the financial inclusion. In this context his study suggests that SHGs can play significant role in achieving the financial inclusion especially for women and low-income families.

Fouillet & Augsburg (2007), mentions that in a context where democracy remains mainly formal and inaccessible to the poorest, the collective approach (which is at the core of Indian microfinance through the Self-help-group concept) undeniably represents a tool for democratic practices and therefore for grass roots development, especially for women (Fouillet & Augsburg, 2007).

❖ Developing Entrepreneurial Competencies

According to Kochadai (2012), entrepreneurial competencies are considered a higher level characteristic encompassing personality traits, skills and knowledge, and therefore can be seen as the total ability of the entrepreneur to perform a job role successfully. Twenty five major areas of entrepreneurial competencies are identified by Kochadai (2012), which include: concern for high quality, self confidence, locus of control, dealing with failures, tolerance for ambiguity, self esteem, performance, initiative, identifying and acting on opportunity, persistence, assertiveness, need for achievement, need for autonomy / power, risk-taking, drive and energy, innovation, creativity, information seeking, systematic planning, problem solving, persuasion, goal setting & perseverance, communication ability, technical knowledge and social skills. The role of an entrepreneur’s competency is a critical factor in achieving excellence in performance to ensure a sustainable growth and success of a venture amidst a competitive business environment (Kochadai, 2012). Kochadai (2012), cite the work by Muzychenko and Sae (2004) and differentiate between innate and acquired aspects of competencies of an individual. The former involve traits, attitudes,
self image and social roles and are sometimes referred to as “internalised elements” and the latter involve components acquired at work or through theoretical or practical learning (i.e., skills, knowledge, and experience), and they are often referred to as “externalised elements”. The internalised aspects of competencies are difficult to change, whereas the externalised elements can be acquired through proper training and education programmes and need to be practised (Kochadai, 2012).

According to Dermol (2010), entrepreneurial competences are closely linked with behaviour and performance and are considered to be a predictor of entrepreneurial intentions. Therefore policy focus has to be on ways and means to develop or improve the entrepreneurial competences. Strategies to promote entrepreneurial learning and to improve entrepreneurial competences and intentions of microfinance clients, would lead to the development of entrepreneurial activity among the microfinance clients in Mumbai. This will also improve the quality of their entrepreneurial and enterprising activities.

Following the empirical analysis by Liñán (2008), we would state that one needs to better understand the mechanisms through which motivational perceptions are formed, which in turn determine activity status choice by the SHG/JLG member of the various institutions in Mumbai. According to Liñán (2008), perceived entrepreneurial skills explain a substantial fraction of the variance in these motivational perceptions. It is confirmed that perceived valuation and skills do have significant effects over entrepreneurial intention and the variable determining it, education initiatives should take this into consideration. Therefore, the inclusion of specific contents in the education /skills training programmes designed to encourage entrepreneurship among SHG/JLG members would be an obvious policy action to be taken. There is a strong case, therefore, for developing skills such as opportunity recognition, creativity, problem solving, leadership and communication, innovation, marketing and networking. These skills are needed for successful entrepreneurship (Liñán, 2008).
Table 6.1 Reported businesses /income generating activities during the primary survey by the SHG/JLG members

- Agarbatti, Perfume, Candles, Phenol, liquid soap making Business
- Anganwadi Khau making business- Mid Day Meal/Snacks to school children
- Beautician- beauty parlour/ Mehandi Art business
- Belt/ Chappal/ leather products business
- Bentex / Imitation Jewellery/ cosmetics business
- Boli Bhishi business (money lending)
- Catering Service/ Tiffin Service/ Puri Bhaji/ Puran Poli/ Poli Bhaji Kendra business
- Collecting Garbage/ scrap material/ old Paper/ plastic material
- Electrical Switches business
- Estate Agent
- Florist - supplying fresh flowers, garlands, decoration etc.
- Flour Mill operator
- Giant wheel operator near the Park
- Herbal Life Agency
- Ironing clothes
- Jute/ cloth bag business
- Keys making
- Kirana Shop/ General Stores
- LIC Policy Agent
- Marriage Bureau Business
- Mixer Grinder/ Pressure Cooker Repairing shop
- Mobile Repairing Shop
- Pigmy Agent
- Post Office Agent
- Selling candy/ biscuits
- Selling Chinese Bhel/ Frankie/ Sandwiches / Dabeli/ Vada Pav/ Pakoda/ Kheema- Pav/ Kabab/ Pav Bhaji/ Pani Puri/ Idli/ Idli batter/ Malai
- Selling Diwali Snacks/ other Farsan/ Til Laddu/ Various Flours/ Pickles/ foodgrains
- Selling fish/ dried fish/ fruits/ dried fruits/ sprouts/ vegetables/ onions/ potatoes/ garlic/ coconuts
- Selling Saris/ ready made Shirts/ Caps/ Petticoats/ dress materials/ ladies under garments/ Sanitary Napkins
- Selling Sports Net/ Plastic articles/ Wood/ wooden articles/ decoration articles
- Selling Stationery products- files, folders etc.
- Selling water in the locality from the well
- Spray Painting
- Tailoring, stitching Nine Yard Sari, knitting, embroidery, Jari work business
- Telephone Booth Operator
- Toy making business
- Taking Tuitions
- Twinkle Insurance Policy Business

Source - Primary Survey Data