

**SOCIAL INCLUSION OF DALIT ENTREPRENEURSHIP  
THROUGH MICROENTERPRISES DEVELOPMENT: WITH  
SPECIAL REFERENCE TO ANDHRA PRADESH.**

**BALAJI VEJJU\***

---

**Abstract:**

Micro, Small and Medium Enterprises (MSME) sector plays a prominent role in the rural development by providing employment and income generation activities to economically and socially marginalised sections. Faster growth rate may not reach the root level of society, most of socially and economically marginalised sections have been not benefiting from bumper growth rates. Most of large scale industries excluded economically and socially marginalised sections of the society, especially poor, SC, ST and women. Among the Micro, Small, Medium Enterprises (MSME), microenterprises act as a best empowerment tool for the socially marginalised sections like, schedule caste and schedule tribes. The Micro, Small and Medium Enterprises (MSME) sector having two special characteristics, first one is low capital requirement and second one is traditional way of doing business. These two special characteristic of MSME sector provides more entrepreneurial skill and employment to poor, SC, ST and women in rural area. Microenterprises have been giving solution for the problem of disguised unemployment in rural segments by providing income and employment generation. The present study is mainly examines the role of micro enterprises on social inclusion in MSME sector of Andhra Pradesh. The Present study is based on secondary data and analytical in nature, have used simple statistical tools like compound annual growth rates, average annual percentages changes to analyse role of micro enterprises on social inclusion in MSME sector of A.P.

**Key words:** MSME, Inclusive growth, Entrepreneurship, Marginalised sections, Rural development.

**JEL Classification:**E24, M13, N18, O4, R51.

**\* Research Scholar, School of Economics, University of Hyderabad**

## **1. Introduction.**

Most of economists and policy makers have treaded Micro, Small and Medium Enterprises (MSME) sector act as a backbone for the rural economy by providing income generation activities, development of rural entrepreneurship, more employment generation. Growth rate of any nation mainly depends on maximum utilisation of available resource in the nation, but very few people part of development process. Most of economically and socially marginalised sections are excluded from the growth process, marginalised sections like; Schedule Caste (SC), Schedule Tribes (ST), poor and women. Majority of the marginalised groups were not receiving the benefits of faster and bumper growth rates, that is the reason our policy makers have been focusing on the concept of “Inclusive Growth”. Economic and social exclusion in the development process mainly results from strong roots of caste system that prevails in the Indian society.

Social empowerment of society mainly achieve from economic empowerment, which may results from the financial independence. Self-employment acts as a vehicle for the economic empowerment through development of entrepreneurship among the economically and socially marginalised groups in rural segments of the society. Micro, Small and Medium Enterprises (MSME) sector, especially micro enterprises act as an empowerment tool for the socially excluded sections of society by providing employment and entrepreneurial skill in rural areas. That is the reason government of India, Government of Andhra Pradesh and Ministry of MSME have been implementing innovative policies and programmes towards MSME sector development. Government of India has been focusing on the upliftment of socially marginalised sections through policy making, like stand-up India and MUDRA loans.

### **1.1 Definition of MSME.**

The concept of “Enterprise” first time used by Miro, Small and Medium Enterprise Development (MSMED) Act, 2006 and classified enterprises into three types:

- Micro Enterprises
- Small Enterprises
- Medium Enterprises

### Manufacturing

Enterprise	Investment Limit
Micro	Less than 25 lakh.
Small	25 lakh - 5 crore.
Medium	5 crore - 10 crore.

### Service

Enterprise	Investment Limit
Micro	Less than 10 lakh.
Small	10 lakh - 2 crore.
Medium	2 crore - 5 crore.

**Source:**MSMED Act, 2006.

## 2. Review of literature.

Ashwini Deshpande and Sharma (2013), their study mainly focused on the Dalit and women entrepreneurship in the small business and empirically studies the growth rates of gender wise and caste wise entrepreneurs. Their study has found that there was much caste and gender discrimination in Micro, Small and Medium Enterprises (MSME) sector in India. The entrepreneurship of schedule caste (SC) and schedule tribes (ST) have been decreasing over the years, most of socially marginalised group's entrepreneurship very small in rural area than urban areas. SC and ST entrepreneurs were underrepresented in almost all states. Female owned enterprises were high in SC and ST category than other category (Hindi upper caste) enterprises especially. The study has found that development of Dalit entrepreneurship may provide more employment in socially excluded sections in Micro, Small and Medium Enterprise (MSME) sector. The study suggested that Dalit entrepreneurship is a better platform for socio-economic empowerment of socially marginalised sections of India.

Lakshmi Iyer (2013), the study mainly focused on caste discrimination in entrepreneurship across all the states in India and examines the two narratives of political economy. First narrative deals with growth rates of the economy in the last two decades, reveals that rapid growth rates may results in wide spread of inequalities. Rich benefits from poor, towns and cities more

benefited than villages, oppressed section benefited more from suppressed section. Second narrative deals with socially marginalised group's entrepreneurship. The study has found that representation of Schedule caste (SC) and Schedule Tribes (ST) in the ownership of Micro, Small and Medium Enterprises (MSME) sector were very negligible, but OBC entrepreneurs have made positive trends in entrepreneurship. Most of SC and ST entrepreneurs had failed in start-ups due to lack of network.

Thorat and Pual (2005), their study examines the wage gap between upper caste and socially marginalised group's (SC and ST) regular salaries of labour market in urban area. The study based on the secondary data of 30<sup>th</sup> (1983), 50<sup>th</sup> (1993-94) and 55<sup>th</sup> (1997- 00) rounds of National Sample Survey Organization (NSSO). The study has found that schedule caste (SC) and schedule tribes (ST) were paid by 15 percent lower wages than other category workers with equal qualifications. Socially marginalised groups were discriminating more in private sector compare to public sector and also found that endowment difference is more than discrimination component.

Surinder S Jodhka (2002), the study mainly focused on status of scheduled caste self-employed people in north-west India, caste act as a social capital in entrepreneurship development. The study starts with the question that what is the experience of Dalit entrepreneurs who were started their business? The study has looked into prejudice and discrimination in urban labour market of Dalits in Haryana and western Uttar Pradesh (UP). The study has revealed that caste act as a negative factor for the Dalit entrepreneurship. Most of Dalit entrepreneurs were lack of capital, but even if they had capital. They may not have social resource (social Capital). The study reveals that socially marginalised groups in Haryana more vulnerable circumstances than Uttar Pradesh. Even in such vulnerable situations entrepreneurship of socially marginalised groups has been rising.

### **3. Objective of the study.**

The present study examines the role of microenterprises on social inclusion of Dalit entrepreneurship in Micro, Small and Medium Enterprises (MSME) sector of Andhra Pradesh.

#### 4. Methodology of the study.

The present study is analytical in nature, have used simple statistical tools like compound annual growth rates, average annual percentages changes to analyse role of micro enterprises on social inclusion in Micro, Small and Medium Enterprises (MSME) sector of Andhra Pradesh. The study is based on the secondary data of Udyog Aadhar Memorandum from 1940 to October 2016, collected from directorate of Industries Government of Andhra Pradesh and different annual reports of MSME, Research papers and articles.

#### 5. Data Analysis.

The below table explains the number of other category owned Micro, Small and Medium Enterprises in Andhra Pradesh, compound annual growth rate of other category owned micro enterprises have been increasing from 0 percent during the year 1940-50 to 16.4 percent during the year 2006-16 in Andhra Pradesh. But during the year 1973-83 compound annual growth rate registered 12.5 percent, which may results from 1977 and 1980 industrial policies. Average annual percentage change of number of other category owned micro enterprises fluctuating over the years, but it has increased 26.2 percent during the year 2006-16 compare to 4 percent during the year 1940-50.

**Table 5.1: Number of other category entrepreneurs in MSMEs of Andhra Pradesh.**

Other									
Year	MICRO			SMALL			MEDIUM		
	CAGR (in %)	AAPC (in %)	% of No. of units	CAGR (in %)	AAPC (in %)	% of No. of units	CAGR (in %)	AAPC (in %)	% of No. of units
1940 to 1950	0.0	4.0	88.2	**	**	11.8	*	*	0.0
1951 to 1961	8.4	89.1	95.7	**	-10.0	4.3	*	*	0.0
1962 to 1972	7.2	49.2	81.7	7.2	40.0	16.5	**	-10.0	1.8
1973 to 1983	12.5	29.8	86.2	23.1	51.8	13.0	**	-20.0	0.8
1984 to 1994	8.9	44.3	82.5	12.2	48.9	16.5	**	-30.0	0.9
1995 to 2005	8.7	40.6	83.6	15.6	24.6	15.8	0.0	1.7	0.6
2006 to 2016	16.4	26.2	72.5	38.7	52.0	26.5	27.6	65.4	1.0

**Note:** \*No data found \*\* Insufficient data, hence unable to calculate CAGR, AAPC.

**Source:** Directorate of Industries, A.P.

Percentage share of number of other category owned micro enterprises to the total MSMEs have been decreasing to 72.5 percent during the 2006-16 from 88.2 percent during the year 1940-50 with some fluctuations in the data. In case of compound annual growth rate, average annual percentage change and percentage share to total of small enterprises have been increasing to 38.7 percent, 52 percent and 26 percent respectively during the year 2006-16. Number registered medium enterprises also increased during the 2006-16, with value of 27.6 percent of compound annual growth rate, 65.4 percent of average annual percentage change and 1 percent of percentage share to total.

If we observe the entire table the other category owned micro enterprises to total MSMEs have been falling, but share of small and medium enterprises have been increasing during the year 1940-50 to the year 2006-16 in Andhra Pradesh. Especially small and medium enterprises had registered more during the year 2006-16 because of government policies and schemes.

**Table 5.2: Number of OBC category entrepreneurs in MSMEs of Andhra Pradesh.**

OBC									
Year	MICR O			SMAL L			MEDIU M		
	CAGR (in %)	AAPC (in %)	% of No. of units	CAGR (in %)	AAPC (in %)	% of No. of units	CAGR (in %)	AAPC (in %)	% of No. of units
1940 to 1950	7.2	20.0	100.0	*	*	0.0	*	*	0.0
1951 to 1961	2.9	137.5	100.0	*	*	0.0	*	*	0.0
1962 to 1972	-2.2	44.4	100.0	*	*	0.0	*	*	0.0
1973 to 1983	10.0	75.0	99.5	**	-20.0	0.5	*	*	0.0
1984 to 1994	7.9	70.3	98.0	-6.7	28.3	1.7	**	-10.0	0.3
1995 to 2005	9.6	55.7	97.8	15.6	23.6	2.1	**	-10.0	0.1
2006 to 2016	8.0	27.4	92.8	40.8	75.0	7.0	**	66.7	0.2

**Note:** \*No data found \*\* Insufficient data, hence unable to calculate CAGR, AAPC.

**Source:** Directorate of Industries, A.P.

The above table explains the compound annual growth rate, average annual percentage change and percentage share of number of registered units of OBC in total MSMEs of Andhra Pradesh. Compound annual growth rate and average annual percentage change of OBC owned enterprises

has been increasing very slowly to 8 percent, 27.4 percent respectively during the 2006-16 from 7.2 percent and 20 percent respectively during the year 1940-50, but percentage share to total MSMEs declining slowly to 92.8 percent during the year 2006-16 from 100 percent during the year 1940-50 and this was results from increasing in number of small and medium enterprises. Compound annual growth rate and average annual percentage change of small enterprises of OBC fluctuating over the years 1973-83 to 1995-05, but during the year 2006-16 they have been increasing to 40.8 percent and 75 percent respectively and also percentage share to total MSMEs have been increasing to 7 percent . Unable to calculate the data of CAGR and AAPC of small and medium enterprises due to insufficient and lack of data for few decades but percentage share of OBC owned medium enterprises to the total MSMEs has increased slowly with 0.2 percent during the year 2006-16 in Andhra Pradesh.

**Table 5.3: Number of SC and ST category entrepreneurs in MSMEs of A.P.**

SC/ST									
Year	MICR O			SMAL L			MEDIU M		
	CAGR (in %)	AAPC (in %)	% of No. of units	CAGR (in %)	AAPC (in %)	% of No. of units	CAGR (in %)	AAPC (in %)	% of No. of units
1940 to 1950	7.2	-16.7	100.0	*	*	0.0	*	*	0.0
1951 to 1961	0.0	21.7	100.0	*	*	0.0	*	*	0.0
1962 to 1972	24.6	42.6	100.0	*	*	0.0	*	*	0.0
1973 to 1983	4.6	73.3	99.3	**	-10.0	0.7	*	*	0.0
1984 to 1994	1.7	32.7	99.5	**	-10.0	0.5	*	*	0.0
1995 to 2005	6.6	33.4	99.2	7.2	30.0	0.8	*	*	0.0
2006 to 2016	13.9	48.7	89.3	97.2	245.9	10.6	**	-3.3	0.1

**Note:** \*No data found \*\* Insufficient data, hence unable to calculate CAGR, AAPC.

**Source:** Directorate of Industries, A.P.

Above table illustrate the Schedule Caste (SC) and Schedule Tribes (ST) owned enterprises of total MSMEs in Andhra Pradesh. Compound annual growth rate of micro enterprises of SC and ST owned enterprises fluctuating during the year 1940-50 to 1995-05, but during the year 2006-16 compound annual growth rate has been increasing to 13.9 percent. In the same way average annual percentage changes was also fluctuating during the same period but during 2006-

16 it has been increasing to 48.7 percent. But in case of percentage share to total MSMEs has been decreasing to 89.3 percent during the year 2006-16 from 100 percent during the year 1940-50, this would results from increasing in number of small and medium enterprises. Even in case of SC and ST owned small enterprises also fluctuated during the year 1973-83 to 1995-05, but during the year 2006-16 compound annual growth rate, average annual percentage change and percentage share of SC and ST owned enterprises to total MSMEs have been increasing to 97.2 percent, 245.9 percent and 10.6 percent respectively. Until 2006-16 there was no SC and ST medium enterprises were established, but first enterprise was established during the year 2006-16 in Andhra Pradesh. So during the year 2006-16 percentage share of SC and ST owned Medium enterprises to total MSMEs was around 0.1 percent, this would results from government's efforts towards the development of SC and ST in MSME sector in Andhra Pradesh.

**Table 5.4: Social categories wise entrepreneurs in MSMEs of Andhra Pradesh.**

YEAR	Other			OBC		
	CAGR (in % )	AAPC (in %)	% of No. of units	CAGR (in %)	AAPC (in %)	% of No. of units
1940 to 1950	0.0	14.0	37.0	7.2	20.0	34.8
1951 to 1961	8.4	88.8	38.2	2.9	137.5	47.2
1962 to 1972	8.4	43.7	39.9	-2.2	44.4	39.6
1973 to 1983	14.2	35.1	32.8	10.0	72.7	49.2
1984 to 1994	9.8	38.7	33.1	7.7	66.7	48.9
1995 to 2005	9.8	32.2	28.9	9.7	53.8	50.9
2006 to 2016	20.6	29.8	35.2	10.0	28.3	36.4

YEAR	SC			ST		
	CAGR (in % )	AAPC (in %)	% of No. of units	CAGR (in %)	AAPC (in %)	% of No. of units
1940 to 1950	11.6	-20.0	19.6	0.0	-20.0	8.7
1951 to 1961	**	15.0	10.6	**	-20.0	4.1



<b>1962 to 1972</b>	**	81.4	16.1	**	-11.7	4.4
<b>1973 to 1983</b>	**	45.5	11.0	7.2	73.7	7.1
<b>1984 to 1994</b>	-1.5	15.6	9.6	14.9	115.3	8.4
<b>1995 to 2005</b>	9.4	28.4	12.3	3.1	59.4	7.8
<b>2006 to 2016</b>	19.6	58.7	22.5	12.9	38.0	6.0

**Note:** \*No data found \*\* Insufficient data, hence unable to calculate CAGR, AAPC.

**Source:** Directorate of Industries, A.P.

The above table illustrate the social category wise number of MSMEs during the year 1940-50 to 2006-16 in Andhra Pradesh. Compound annual growth rate and average annual percentage change of number of other categories owned MSMEs have been increasing from the year 1940-50 to the year 2006-16 in Andhra Pradesh. Compound annual growth rate have been increasing to 20.6 percent from 0 percent and average annual percentage change has been increasing to 29.8 percent from the 14 percent. But percentage share of other category owned enterprises to total MSMEs have been decreasing from 37 percent during the year 1940-50 to 35.2 percent during the year 2006-16 in Andhra Pradesh. We can observe that rate of change of compound annual growth rate and average annual percentage change of other category owned MSMEs have been increasing but percentage share of such enterprises to total MSMEs declining due to increasing the share of OBC, SC and ST enterprises in Andhra Pradesh.

In case of OBC owned enterprises, compound annual growth rate and average annual percentage change have been increasing from 1940-50 to 2006-16 in Andhra Pradesh. Compound annual growth rate has been increasing from 7.2 percent during the year 1940-50 to 10 percent during the year 2006-16 with some fluctuation in the data. Average annual percentage change has been fluctuating over the years but from 1940-50 to 2006-16 it has been increasing from 20 percent to 28.3 percent. Even percentage share of OBC owned enterprises to total enterprises have been increasing to 36.4 percent during the 2006-16 from 34.8 percent during the year 1940-50. But during the year 1995-2005 share of OBC owned enterprises was around 50.9 percent and been declining to 36.4 percent during the 2006-16, but if we compare the data from 1940-50 to 2006-16 their share has increased marginally 1.6 percent in Andhra Pradesh.

Due to insufficient and lack of data unable to calculate compound annual growth rate of SC owned enterprises for few decades, but over the years from the year 1940-50 to 206-16 compound annual growth rate and average annual percentage change have been increasing to 19.5 percent and 58.7 percent respectively during the year 2006 to 2016 in Andhra Pradesh. Percentage share of SC owned enterprises in total MSMEs increased slowly 19.6 percent to 22.5 percent during the year 1940-50 to 2006-16. Even ST owned enterprises also shows same trends in case of compound annual growth rate and average annual percentage change. But percentage share of ST owned enterprises to the total MSMEs have been decreasing from 8.7 percent during the year 1940-50 to 6 percent during the year 2006-16 in Andhra Pradesh.

We can observe from the above table that during the year 1940-50 to 2006-16 percentage share of OBC and SC have been increasing except other and ST category. During the year 2006-16 other category owned enterprises in total MSME was around 35.2 percent, share of OBC, SC and ST was around 36.4 percent, 22.5 percent and 6 percent respectively in Andhra Pradesh. In recent time government of India constantly putting efforts to empowering the marginalised sections, that's the reason share of other than other category have been improving over the years except ST category. If we see the shares of different social categories, other category owned MSMEs was around 37 percent, OBC occupied 34.8 percent, SC occupies 19 percent and ST was around 8.7 percent. Even if we add both the percentages of SC and ST their values still lower than OBC and other category from the year 1940-50 to 2006-16 but their shares in total MSME sector have been improving due to government policies in Andhra Pradesh.

**Table 5.5: Social category wise Investment of entrepreneurs in MSMEs of A.P.**

INVESTMENT									
YEAR	GEN			OBC			SC/ST		
	CAGR (in %)	AAPC (in %)	% of No. of units	CAGR (in %)	AAPC (in %)	% of No. of units	CAGR (in %)	AAPC (in %)	% of No. of units
1940 to 1950	0.0	509.0	79.1	14.9	70.3	13.6	7.2	-16.7	7.3
1951 to 1961	10.6	223.2	58.8	3.8	198.4	33.7	**	31.7	7.5
1962 to 1972	13.6	158.5	93.4	-1.5	71.5	4.9	25.9	26.4	1.8
1973 to 1983	37.9	243.3	83.7	12.8	68.8	12.7	5.0	320.5	3.5
1984 to 1994	18.1	112.1	74.4	26.0	113.8	22.8	11.2	53.1	2.8

<b>1995 to 2005</b>	16.3	27.6	70.6	17.7	26.2	24.8	4.4	52.3	4.6
<b>2006 to 2016</b>	35.3	56.5	68.4	38.6	58.9	19.4	52.8	118.5	12.3

**Note:** \*\* Insufficient data, hence unable to calculate CAGR, AAPC.

**Source:** Directorate of Industries, A.P.

Above table explains the investment of different social categories during the year 1940-50 to 2006-16 in Andhra Pradesh. Compound annual growth rate of investment of other category has increased to 35.3 percent during the year 2006-16 from 0 percent during the year 1940-50, annual average percentage change has been declining from 509 percent to 56.5 percent and percentage share of other category investment declining from 79.1 percent to 68.4 percent. In case of investment of OBC of Compound annual growth rate has been declining from 14.9 percent to 38.6 percent during the year 1940-50 to 2006-16, and average annual percentage change has declined to 58.9 percent from 70.3 percent in Andhra Pradesh. But percentage share of investment of OBC to total investment increased slowly from 13.6 percent to 19.4 percent during the same year, it has been registered high share during the year 1951-61 and finally it has fallen to 19.4 percent but if we compare with 1940-50's share it has increased marginally 5.8 percent.

During the year 1940-50 to 2006-16 Compound annual growth rate and average annual percentage change of investment of SC and ST have been increasing to 52.8 percent and 118.5 percent respectively from 7.2 percent and – 16.7 percent respectively in Andhra Pradesh. But percentage share of SC and ST investment to total investment have been increasing to 7.3 percent to 12.3 percent. From the data we can observe that investment share of other category is higher than OBC, SC and ST. Because the most of small and medium enterprises were established by other category entrepreneurs, which needs more investment compare to micro enterprises so that's the reason investment of other category has higher than the other marginalised sections, but investment of SC and ST was low compare to other and OBC.

**Table 5.6: Social categories wise employment generation of MSMEs in A.P.**

EMPLOYMENT									
YEAR	GEN			OBC			SC/ST		
	CAGR (in %)	AAPC (in %)	% of No. of units	CAGR (in %)	AAPC (in %)	% of No. of units	CAGR (in %)	AAPC (in %)	% of No. of units
1940 to 1950	**	129.0	59.3	11.6	40.0	24.7	7.2	-16.7	16.0
1951 to 1961	10.6	198.2	73.0	14.3	200.3	22.9	**	31.7	4.0
1962 to 1972	12.7	60.5	72.6	-1.5	70.3	20.2	25.9	-27.6	7.2
1973 to 1983	48.1	293.2	81.5	6.5	66.6	14.5	-3.2	126.9	4.0
1984 to 1994	14.1	67.6	50.1	22.7	191.8	45.7	14.0	45.5	4.2
1995 to 2005	15.9	30.8	55.2	11.9	38.6	36.8	1.8	24.3	8.0
2006 to 2016	32.4	46.7	61.3	20.7	38.8	26.6	34.3	100.5	12.1

**Note:** \*\* Insufficient data, hence unable to calculate CAGR, AAPC.

**Source:** Directorate of Industries, A.P.

Above table explains the employment generation of different social category wise MSMEs in Andhra Pradesh, compound annual growth rate of employment generation of other category of MSMEs have been increasing from 10.6 percent during the year 1951-61 to 32.4 percent during the year 2006-16 but there was high rate of employment during the year 1973-83 with the value of 48.1 percent this was results from 1977 and 1980 industrial policies. But in case of average annual percentage change have been declining from 129 percent during the year 1940-50 to 46.7 percent during the year 2006-16 in Andhra Pradesh. Even average annual percentage change was very high during the year 1973-83 with the value of 293 percent due to industrial policies of 1977 and 1980, but if you compare the data from 1940-50 to 2006-16 it has been falling. Over the years percentage change of employment generation of other category owned MSMEs have been increased slowly with some fluctuations in the data. During the year 1940-50 percentage share of other category owned MSMEs in total MSMEs was around 59 percent, it has increased to 61.3 percent during the year 2006-16 in Andhra Pradesh. But during the year 1973-83 employment generation of other category owned MSMEs share in total MSMEs was very high share of 81.5 percent, this was results from the 1977 and 1980 industrial policy resolutions and higher level of investment, but other category owned share in overall MSMEs have been increasing with some fluctuations in the data.

There was some fluctuation in the data but if compare the CAGR from 1940-50 to 2006-16 in Andhra Pradesh, compound annual growth rate of employment generation of OBC owned MSMEs in total MSMEs have been increasing, average annual percentage change also slowly decreasing over the years. During the year 1940-50 to 2006-16 compound annual growth rate have been increasing to 20.7 percent during the year 2006-16 from 11.6 percent during the 1940-50. But average annual percentage change has been decreasing to 38.8 percent during the year 2006-16 in Andhra Pradesh. Same trends shows in the percentage share of employment generation of OBC enterprises in total MSMEs has fallen to 26.6 percent during the year 2006-16 from 24.7 percent during the year 1940-50.

Compound annual growth rate and average annual percentage change of SC and ST employment generation have been declining from during the 1940-50 to 1995-05, but during the year 2006-16 CAGR and AAPC have increased and the same trends shows in the percentage share of SC and ST in the total MSMEs in Andhra Pradesh. There was some fluctuation in the data but if compare the CAGR from 1940-50 to 1995-05, compound annual growth rate of employment generation of SC and ST fallen to 1.8 percent during the year 1995-05 from 7.2 percent during the 1940-50. In case of average annual percentage change have been increasing slowly from -16.7 percent to 24.3 percent during the same year in Andhra Pradesh. But percentage share of employment generation of SC and ST owned MSMEs to the total MSMEs have been decreasing from 16 percent during the year 1940-50 to 8 percent during the 1995-05.

But over the years Compound annual growth rate, average annual percentage change and percentage share to total of employment generation of SC and ST owned enterprises have been increasing during the year 2006-16 in Andhra Pradesh. Compound annual growth rate have been increasing from 1.8 percent during the years 1995-05 to 34.3 percent during the year 2006-16, in the same way average annual percentage change and percentage share of SC and ST units have been increasing to 100 percent ,12.1 percent respectively during the year 2006-16 from 24.3 percent,8 percent during the year 1995-05. This trend shows a positive signal of marginalised sections in MSME sector, has resulted from MSMED act, 2006 and Government of India recent initiatives towards development of marginalised sections in the society.

## 6. Major finding of study.

Based on the performance of different variables like; number of registered enterprises, employment and investment of socially marginalised sections, the study has found that number of registered micro enterprises were high in all social categories compare to small and medium enterprises with in the different social categories, OBC and other category entrepreneurs were higher than Schedule Caste (SC) and Schedule Tribes (ST). Among the Micro, Small and Medium Enterprises, microenterprises providing better entrepreneurial opportunities to socially and economically marginalised sections. There was no SC and ST owned medium enterprise was registered till 2005 this may results from lack of capital. But during the year 2006 to 2016, Compound Annual Growth Rates and Percentage share of small and medium enterprises of all social categories have been increasing. SC and ST owned medium enterprises also registered but their share was negligible to compare with OBC and Other categories. The reveals that microenterprises have been providing more employment and entrepreneurial opportunities to socially and economically marginalised sections in Andhra Pradesh.

The study also found that investment share of other category is higher than OBC, SC and ST. Because the most of small and medium enterprises were established by other category entrepreneurs, which needs more investment compare to micro enterprises so that's the reason investment of other category has higher than the other marginalised sections, but investment of SC and ST was low compare to other and OBC. During the year 1940-50 to 2006-16 Compound annual growth rate and average annual percentage change of investment and employment of SC and ST owned enterprises have been increasing in Andhra Pradesh. This trend shows a that MSME sector, especially microenterprises have been plays prominent role on marginalised sections in MSME sector, has resulted from MSMED act, 2006 and Government of India recent initiatives towards development of marginalised sections in the society.

## Reference:

- Deshpande, A., & Sharma, S. (2013). Entrepreneurship or survival?Caste and gender of small business in India (No. 228).
- Desai, S., & Dubey, A. (2012). Caste in 21st century India: Competing narratives. Economic and political weekly, 46(11), 40.

- Iyer, L., Khanna, T., & Varshney, A. (2013). Caste and entrepreneurship in India. *Economic and Political Weekly*, 48(6), 52-60.
- Jodhka, S. S. (2002). Caste and untouchability in rural Punjab. *Economic and Political Weekly*, 1813-1823.
- Madheswaran, S., & Attewell, P. (2007). Caste discrimination in the Indian urban labour market: Evidence from the National Sample Survey. *Economic and political Weekly*, 4146-4153.
- Thorat, S. (2005). Caste, Social Exclusion and Poverty Linkages—Concept, Measurement and Empirical Evidence. Concept Paper for PACS, New Delhi, October.
- Teltumbde, A. (2013). FDI in retail and Dalit entrepreneurs. *Economic & Political Weekly*, 48(3), 11.