SOCIO-ECONOMIC CONDITIONS OF MSMEs IN YSR KADAPA DISTRICT AND CHITTOOR DISTRICT OF ANDHRA PRADESH

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Abstract

The Micro, Small and Medium Entrepreneurs, by and large, represent a stage in economic transition from traditional to modern technology. The variation in the transitional nature of this process is reflected in the diversity of Small-Scale Industries. Most Small-Scale Industries use simple skills and machinery. As well as playing an important role in the country's economic development, small enterprises, because of their unique economic and organizational characteristics, play a social and political role in local employment creation, balanced resource utilization, income generation and in helping to promote change in a gradual and peaceful manner.

Introduction

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As well as playing an important role in the country's economic development, small enterprises, because of their unique economic and organizational characteristics, play a social and political role in local employment creation, balanced resource utilization, income generation and in helping to promote change in a gradual and peaceful manner.

Socio-economic factors affecting small-scale industrial entrepreneurs came to the forefront during the industrial revolution, with nations of entrepreneurial importance gaining favour by the mid-twentieth century. During the 1960's, the behaviour of the individual came to be highlighted as a major factor contributing to small-scale industrial entrepreneurship. Thus, the supply of small-scale Entrepreneurs came to be recognized as critical to development of small-scale industries.

Objective

To study the Socio-Economic Condition of MSMEs in YSR Kadapa district and Chittoor district of Andhra Pradesh.

Data Sources

The study is based on primary data. Primary data was collected through sample survey. The specific questionnaire designed for the purpose of canvassed through personal interview and the information given by the respondents was thus recorded.

Sample Design

The number of micro, small and medium enterprises registered with the district industrial centres in two districts (DIC) in 2016 was 1049 and 1627, out of which 266 industrial units were drawn by following the stratified sampling technique. All the micro, small and medium enterprises are primarily

stratified on the basic of the nature of their products. From each of the stratum, 10 per cent of the enterprises were randomly selected, thus taking the total number of sample units to

266 enterprises. Industry-Wise distribution of select sample MSME units as per their line of activity in YSR Kadapa district and Chittoor district is presented in table 1

Industry- Wise distribution of select sample MSME units as per their line of activity in YSRKadapa district and Chittoor district

SI No	Name of Industry	Total no; of units inYSRKadapa district	Total no of Selected Sample Respondents	Total no; of units in Chittoor district	Total no; of Selected Sample Respondents
1	Agro-based	110	11	210	21
2	Forest-based	31	03	131	13
3	Textile-based	60	06	190	19
4	Mineral-based	291	29	240	24
5	Engineering-based	40	04	241	24
6	Animal Husbandry	31	03	40	04
7	Chemical Based & Chemical Products	30	03	50	5
8	Engineering (other than steel & iron)	42	04	101	10
9	Paper and Printing	21	02	50	05
10	Electrical-Based	90	09	60	06
11	Rubber and Plastics-based	110	11	80	08
12	Basic Metal and alloys-based	20	02	11	01
13	Machinery & equipment other than transport equipment-based	11	01	11	01
14	Repair and Service	41	04	61	06
15	Cement bricks and pipes-based	50	05	70	07
16	Non–metal products and parts except Machinery & equipment	41	04	61	06
17	Miscellaneous	30	03	20	02
	Total	**1049**	**104**	**1627**	**162**

Source: Field survey * the figures in brackets donate the percentage to total

Table 1shows the industry-wise distribution of select sample MSME units as per their line of activity. Among total population (1049 units in YSR Kadapa district, 1627 units in Chittoor district) 10, per cent (104 units in YSR Kadapa district, 162 units in Chittoor district) are selected as sample size.Among 104 sample MSME units in YSR Kadapa district majority or 291 (29 per cent) are engaged in mineral based industry followed by110 (11 per cent) that are agro-based, 110 (11 per cent) that are engaged in rubber and plastic based activities,90 (09 per cent), are engaged in electrical-based manufacture 60 (06 per cent) that are engaged in textile based,50 (05 per cent) are engaged in cement bricks and pipes-based manufacture 42 (04 per cent) that are engaged in engineering (other than steel & iron), 41 (04 per cent) that are engaged in repairs and services, 41 (04 per

cent) that are engaged in non-metal products and parts except machinery and equipment,40 (04 per cent) that are engaged in engineering based, 31 (03 per cent) are engaged in animal husbandry, 31 (03 per cent) that are engaged in making forest-based products30 (03 per cent) that are engaged in chemical based & chemical products,30 (03 per cent) that are engaged in making miscellaneous products 21 (02 per cent), are engaged in paper and printing, 20 (02 per cent) that are engaged in basic metal and alloys-based manufacture and 11 (1 per cent) that are engaged in machinery & equipment other than transport equipment based.

In Chittoor district among 162 sample MSME units, the majority or 241 (24 per cent) units are engaged in engineering based industry followed by 240 (24 per cent) units that are engaged in mineral based, 210 (21 per

cent) units that are engaged in agro based, 190 (19 per cent) units that are engaged in textile based, 131 (13 per cent) units that are engaged in forest based, 101 (10 per cent) units that are engaged in engineering (other than steel & iron), 80 (08 per cent) units that are engaged in making rubber and plastic-based products 70 (07 per cent) that are engaged in cement bricks and pipe based, 61 (06 per cent) repair and services, 61 (06 per cent) are engaged non-metal products and parts except machinery and equipment, 60 (6 per cent) that are engaged in chemical based, 50 (05 per cent) units are engaged in chemical based and chemical products, 50 (05 per cent) that are engaged in

paper and printing, 40 (04 per cent) that are engaged in animal husbandry, 11 (01 per cent) units that are engaged in machinery and 11 units (01 per cent) that are engaged in basic metal and alloys based industry.

Entrepreneur's Age Group of the Select Sample MSMES

Age is one of the important factors for selecting units, age of the entrepreneur and the group of industry with which they are associated. Industry-wise distribution of select sample MSME units as per their age group in YSR Kadapa district and Chittoor district is presented in table 2.

S No	Name of Industry	YSR Kadapa district				Total Number of Units	Chittoor district				Total Number of Units
		Age Group					Age Group				
		Up to 25	25-35	35-50	50 above		Up to 25	25-35	35-50	50 above	
1	Agro-based	02 (18.18)	05 (45.46)	02 (18.18)	02 (18.18)	11 (100)	06 (28.58)	12 (57.14)	02 (9.52)	01 (4.76)	21 (100)
2	Forest-based	01 (33.33)	01 (33.33)	01 (33.34)	0.00	3 (100)	04 (30.76)	05 (38.46)	03 (23.07)	01 (7.31s)	13 (100)
3	Textile-based	01 (16.66)	02 (33.34)	02 (33.33)	01 (16.67)	6 (100)	07 (36.85)	10 (52.63)	01 (5.26)	01 (5.26)	19 (100)
4	Mineral-based	12 (41.37)	14 (48.27)	02 (6.89)	01 (3.13)	29 (100)	10 (41.67)	12 (50.00)	01 (4.16)	01 (4.17)	24 (100)
5	Engineering-based	01 (25.00)	02 (50.00)	01 (25.00)	0.00	4 (100)	8 (33.34)	14 (58.34)	01 (4.16)	01 (4.16)	24 (100)
6	Animal Husbandry	01 (33.33)	01 (33.33)	01 (33.34)	0.00	3 (100)	01 (25.00)	01 (25.00)	01 (25.00)	01 (25.00)	4 (100)
7	Chemical based & Chemical products	01 (33.33)	02 (66.67)	0.00	0.00	3 (100)	01 (20.00)	03 (60.00)	01 (20.00)	0.00	5 (100)
8	Engineering (other than steel and Iron)	01 (25.00)	01 (25.00)	01 (25.00)	01 (25.00)	4 (100)	03 (30.00)	05 (50.00)	02 (20.00)		10 (100)
9	Paper and Printing	01 (50.00)	01 (50.00)	0.00	0.00	2 (100)	03 (60.00)	02 (40.00)	0.00	0.00	5 (100)
10	Electrical-based	03 (33.33)	05 (55.56)	01 (11.11)	0.00	9 (100)	02 (33.33)	04 (66.67)	0.00	0.00	6 (100)
11	Rubber and Plastic-based	04 (36.36)	05 (45.46)	02 (18.18)	0.00	11 (100)	02 (25.00)	04 (50.00)	02 (25.00)	0.00	8 (100)
12	Basic Metal and alloys-based	01 (50.00)	01 (50.00)	0.00	0.00	2 (100)	01 (100.00)	0.00	0.00	0.00	1 (100)
13	Machinery & equipment	01 (100.00)	0.00	0.00	0.00	1 (100)	01 (100)	0.00	0.00	0.00	1 (100)
14	Repair and services	01 (25.00)	02 (50.00)	01 (25.00)	0.00	4 (100)	02 (33.33)	03 (50.0)	01 (16.67)	0.00	6 (100)
15	Cement Bricks and Pipes-based	02 (40.00)	03 (60.00)	0.00	0.00	5 (100)	02 (28.58)	03 (42.86)	01 (14.28)	01 (14.28)	7 (100)
16	Non-metal products	01 (25.00)	01 (25.00)	01 (25.00)	01 (25.00)	4 (100)	02 (33.33)	02 (33.34)	01 (16.66)	01 (16.67)	6 (100)
17	Miscellaneous	01 (33.33)	01 (33.33)	01 (33.34)	0.00	3 (100)	01 (50.00)	01 (50.00)	0.00	0.00	02 (100)
	Total	**35 (33.65)**	**47 (45.19)**	**16 (15.38)**	**06 (5.78)**	**104 (100)**	**56 (34.57)**	**81 (50.00)**	**17 (10.49)**	**08 (4.94)**	**162 (100)**

Table 2 shows the industry wise distribution of select sample MSME units as per their age group in YSR Kadapa district and Chittoor district. Among 104 sample units in YSR Kadapa district, majority 47 (45.19 per cent) of the sample units were in the age group of 25-35 years, followed by 35 (33.65 per cent) units in the age group of up to 25 years,

16 (15.38 per cent) units that were in the age group of 35-50 years and 06 (5.78 per cent) units that were in the age group of above 50 years. Among 162 sample MSME units in Chittoor district, majority or 81 (50.00 per cent) units were in the age group of 25-35 years followed by 56 (34.57 per cent) units that were in the age group of up to 25 years, 17

(10.49 per cent) units that were in 25-35 years and 08 (4.94 per cent) units that were in above 50 years age group.

Entrepreneur's Educational Background of Select Sample MSMES

Formal education has always been considered an important asset for an individual in building his occupational career in a bureaucratic set up. Formal education not only helps in the acquisition of required skills for a job but also makes him aware of different occupational opportunities. Education is the best source of developing man's resourcefulness. Therefore, in a developing economy, the education is always looked upon as a means to improve one's socio-economic status in society. Industry-wise distribution of sample MSME entrepreneurs as per their educational background in YSR Kadapa district and Chittoor district is shown in table 3.

Table 3 shows the industry wise distribution of sample MSME entrepreneurs as per their educational background in YSR Kadapa district and Chittoor district. Among 104 sample industries in YSR Kadapa district,

highest number or 32 (30.76 per cent) entrepreneurs are having secondary education followed by primary education 20 (19.24 per cent) members, 16 (15.38 per cent) members having degree qualification and 15 (14.43 per cent) members who are illiterates, 11 (10.57 per cent) members were having P.G qualification and 10 (9.62 per cent) members are having technical education. Among 162 samples MSME units in Chittoor district the highest number or 70 (43.21 per cent) entrepreneurs studied up to secondary education level followed by primary education 27 (16.67 per cent), degree 23 (14.19 per cent), illiterates 18 (11.12 per cent), technical qualification 16 (9.87 per cent) and P.G 08 (4.94 per cent) persons.

Caste Of The Entrepreneurs Of Select Sample Msmes

Caste of the entrepreneurs is also an important indicator. The industry-wise distribution of select sample MSME entrepreneurs as per their caste in YSR Kadapa district and Chittoor district is presented in table 4.

S No	Name of Industry	YSR Kadapa district				Total Number of Units	Chittoor district				Total Number of Units
		Name of Caste					Name of Caste				
		O.C	B.C	S.C	S.T		O.C	B.C	S.C	S.T	
1	Agro-based	04 (36.38)	03 (27.27)	02 (18.18)	02 (18.18)	**11 (100)**	14 (66.67)	05 (23.81)	02 (9.52)	0.00	**21 (100)**
2	Forest-based	01 (33.33)	01 (33.33)	01 (33.33)	0.00	**3 (100)**	08 (61.54)	04 (30.77)	01 (7.69)	0.00	**13 (100)**
3	Textile-based	03 (50.00)	02 (33.33)	01 (16.67)	0.00	**6 (100)**	10 (52.63)	05 (26.31)	04 (21.5)	0.00	**19 (100)**
4	Mineral-based	14 (48.27)	9 (31.03)	4 (13.79)	02 (6.64)	**29 (100)**	11 (45.84)	10 (41.66)	03 (12.5)	0.00	**24 (100)**
5	Engineering-based	02 (50.00)	01 (25.00)	01 (25.00)	0.00	**4 (100)**	14 (58.33)	08 (33.33)	02 (08.33)	0.00	**24 (100)**
6	Animal Husbandry	01 (33.33)	01 (33.33)	01 (33.34)	0.00	**3 (100)**	01 (25.00)	01 (25.00)	01 (25.00)	01 (25.00)	**4 (100)**
7	Chemical based & Chemical products	01 (33.33)	0.00	01 (33.33)	01 (33.34)	**3 (100)**	02 (40.00)	02 (40.00)	01 (20.00)	0.00	**5 (100)**
8	Engineering	01 (25.00)	01 (25.00)	01 (25.00)	01 (25.00)	**4 (100)**	05 (50.00)	04 (40.00)	01 (10.00)	0.00	**10 (100)**
9	Paper and Printing	01 (50.00)	01 (50.00)	0.00	0.00	**2 (100)**	01 (20.00)	02 (40.00)	01 (20.00)	01 (20.00)	**5 (100)**
10	Electrical-based	04 (44.45)	03 (33.33)	02 (22.22)	0.00	**9 (100)**	02 (33.33)	01 (16.67)	03 (50.00)	0.00	**6 (100)**
11	Rubber and Plastic-based	03 (27.28)	03 (27.27)	03 (27.27)	02 (18.18)	**11 (100)**	04 (50.00)	03 (37.5)	01 (12.5)	0.00	**8 (100)**
12	Basic Metal and alloys-based	01 (50.00)	01 (50.00)	0.00	0.00	**2 (100)**	01 (100.00)	0.00	0.00	0.00	**1 (100)**
13	Machinery & equipment	01 (100.00)	0.00	0.00	0.00	**1 (100)**	01 (100.00)	0.00	0.00	0.00	**1 (100)**
14	Repair and services	01 (25.00)	01 (25.00)	01 (25.00)	01 (25.00)	**4 (100)**	02 (33.33)	02 (33.33)	01 (16.66)	01 (16.67)	**6 (100)**
15	Cement Bricks and Pipes-based	03 (60.00)	01 (20.00)	01 (20.00)	0.00	**5 (100)**	03 (42.86)	02 (28.57)	02 (28.57)	0.00	**7 (100)**
16	Non-metal	02	01	0.00	01	**4**	02	01	02	01	**6**

	products	(50.00)	(25.00)		(25.00)	**(100)**	(33.33)	(16.67)	(33.33)	(16.67)	**(100)**
17	Miscellaneous	01 (33.33)	01 (33.33)	01 (33.34)	0.00	**3 (100)**	01 (50.00)	01 (50.00)	0.00	0.00	**02 (100)**
	Total	**44 (42.31)**	**30 (28.85)**	**21 (20.19)**	**09 (8.65)**	**104 (100)**	**82 (50.62)**	**51 (31.48)**	**25 (15.43)**	**04 (2.47)**	**162 (100)**

Table 4 analyses the industry wise distribution of sample MSME entrepreneurs as per their caste in YSR Kadapa district and Chittoor district. Among 104 sample industrial units owned by the entrepreneurs, majority of 44 (42.31 per cent) members belong to OC Category followed by 30 (28.85 per cent) who belong to BC, 21 (20.19 per cent) who belong to SC, and 09 (8.65 per cent) who belong to ST category. Whereas in Chittoor district, among 162 sample MSME enterprises majority or 82 (50.62 per cent) entrepreneurs belong to OC category followed by 51 (31.48 per cent) who belong to BC, 25 (15.43 per cent) who belong to SC, and 04 (2.47 per cent) who belong to ST. When we compare YSR Kadapa district and Chittoor district, SC and ST entrepreneurs are more in YSR Kadapa district.

Nativity of the Select Sample MSME Entrepreneurs

Geographical origin of the entrepreneurs is one of the important indicators, with which they are associated. To observe whether this indicator is found to be true in the present study, data have been analysed accordingly. Industry-wise distribution of select sample MSME entrepreneurs as per their nativity in YSR Kadapa district and Chittoor district is presented in table 5.

S No	Name of Industry	YSR Kadapa Nativity		Total Number of Units	Chittoor district Nativity		Total Number of Units
		Local	Non-Local		Local	Non-Local	
1	Agro-based	08 (72.72)	03 (27.28)	**11 (100)**	14 (66.67)	07 (33.33)	**21 (100)**
2	Forest-based	02 (66.67)	01 (33.33)	**3 (100)**	09 (69.23)	04 (30.76)	**13 (100)**
3	Textile-based	04 (66.67)	02 (33.33)	**6 (100)**	12 (63.15)	07 (36.85)	**19 (100)**
4	Mineral-based	16 (55.17)	13 (44.82)	**29 (100)**	16 (66.67)	08 (33.33)	**24 (100)**
5	Engineering-based	02 (50.00)	02 (50.00)	**4 (100)**	14 (58.33)	10 (41.67)	**24 (100)**
6	Animal Husbandry	02 (66.67)	01 (33.33)	**3 (100)**	02 (50.00)	02 (50.00)	**04 (100)**
7	Chemical based & Chemical products	02 (66.67)	01 (33.33)	**3 (100)**	03 (60.00)	02 (40.00)	**05 (100)**
8	Engineering (other than steel and Iron)	03 (75.00)	01 (25.00)	**4 (100)**	06 (60.00)	04 (40.00)	**10 (100)**
9	Paper and Printing	01 (50.00)	01 (50.00)	**2 (100)**	03 (60.00)	02 (40.00)	**05 (100)**
10	Electrical-based	06 (66.67)	03 (33.33)	**9 (100)**	04 (66.67)	02 (33.33)	**06 (100)**
11	Rubber and Plastic-based	06 (54.55)	05 (45.45)	**11 (100)**	06 (75.00)	02 (25.00)	**08 (100)**
12	Basic Metal and alloys-based	02 (100.00)	0.00	**2 (100)**	01 (100.00)	0.00	**01 (100)**
13	Machinery & equipment other than transport Equipment-based	01 (100.00)	0.00	**1 (100)**	01 (100.00)	0.00	**01 (100)**
14	Repair and services	03 (75.00)	01 (25.00)	**4 (100)**	04 (66.67)	02 (33.33)	**06 (100)**
15	Cement Bricks and Pipes-based	03 (60.00)	02 (40.00)	**5 (100)**	04 (57.14)	03 (42.86)	**07 (100)**
16	Non-metal products and parts except Machinery & equipment	03 (75.00)	01 (25.00)	**4 (100)**	04 (66.67)	02 (33.33)	**06 (100)**
17	Miscellaneous	02 (66.67)	01 (33.33)	**3 (100)**	01 (50.00)	01 (50.00)	**02 (100)**
	Total	**66 (53.46)**	**38 (36.55)**	**104 (100)**	**104 (64.20)**	**58 (35.80)**	**162 (100)**

Table 5 depicts the industry-wise distribution of select sample MSME respondent entrepreneurs of select industrial units as per their nativity. Among 104 sample MSME respondent entrepreneurs of select industrial units in YSR Kadapa district, majority of 66

(63.46 per cent) entrepreneurs belong to local area and 38 (36.55 per cent) belong to non-local category. Among 162 sample MSME entrepreneurs of select industrial units in Chittoor district, majority or 104 (64.20 per cent) entrepreneurs belong to local category, 58 (35.80 per cent) entrepreneurs belong to non-local category. One can observe that there were nearly same per cent of local entrepreneurs in both the districts.

Occupation of the Select sample MSME Entrepreneurs

The success of entrepreneurs depends largely upon their occupation before they turned entrepreneurs. Entrepreneurship, which has to be development-oriented in any country, naturally, is based to a large extent on the tradition and culture of the country itself. The industry-wise distribution of select sample MSME entrepreneurs as per their forefathers occupation in YSR Kadapa district and Chittoor district is shown in table 6.

Table 6 show the industry wise distribution of select sample MSME entrepreneurs as per their forefather's occupation in YSR Kadapa district and Chittoor district. Among 104 sample entrepreneurs in term of their forefather's occupation of select industrial units in YSR Kadapa district, majority or 32 (30.77 per cent) are having an agriculture background followed by 24 (23.80 per cent) were belongs to business background, 21 (20.19 per cent) belongs to service sector background, 16 (15.38 per cent) were belongs to industrial sector back ground and 11 (10.58 per cent) having other background. Among 162 sample MSME entrepreneurs forefathers occupation, majority or 67 (64.42 per cent) had agriculture background followed by 39 (37.5 per cent) with business background, 27 (25.96 per cent) with service, 18 (17.31 per cent) were occupied industrial and 11 (10.58 per cent) were occupied other sector. When we compare both district entrepreneurs' forefathers, in Chittoor district majority were occupied agriculture than Kadapa district.

Conclusion

To conclude that the MSME sector plays a unique role in the socio-economic development of any country. MSMEs have been recognised as the catalysts for the socio-economic transformers by governments and economy literary experts. Therefore, in the growth strategy, the development of MSME sector is a vital element for almost all economies around the world and is of particular importance for all inclusive growth of Indian economy. The MSMEs have an important role in driving the future prosperity and growth of India and in positively impacting the lives of millions of people. Accomplishing the critical factor calls for the improvement in the MSME's ability to access financing and ability to adopt new technologies. The socio-economic condition of MSMEs sector in YSR Kadapa district and Chittoor district was studied namely age group, entrepreneurs educational back ground, caste, nativity, and occupation of the entrepreneurs. Majority of the entrepreneurs belongs to 25-35 years, completed secondary education, OC category dominates for establishing entrepreneurs and agriculture background also occupies predominant position for establishing the entrepreneurs in both YSR kadapa and Chittoor districts.