

## **A Study On Encouragement Factors Towards Micro Enterprises Development In Rural Area Of Cuddalore District**

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### **1. Introduction**

Micro enterprises are smallest trading organisation to individual and to the nation they provided employment and raise the standard of living of both employers and employees to the nation. They complement large scale modern sector enterprises they utilize agricultural and other raw materials and the economic development country veritable vehicle for the achievement of nation micro enterprises in term of employment generation at low investment cost enhancement of apprenticeship training the micro enterprises included agriculture and rural business. The financial services, and identifies ways to overcome these challenges. It analyses the different types of microfinance institution, the role that they can play in the forest sector given the characteristics of micro enterprises and forest communities, their impact rural and environment

The micro enterprises are those where economics activities are undertaken at mainly the individual (or) household level. Many rural people may not have the confidence to approach banks and other financial institution because they perceive them to be powerful institution. In communities not used to financial services, people may be afraid of gathering involved in such activities. Poorer women and men have different needs for financial services and different access to infrastructure that supports their income generation (or) business expansion schemes.

The micro enterprises in cuddalore district have not performed creditably well and they have not played expected significance role in economic growth. They equally has not influenced apprentice training so as to accelerate employment and poverty alleviation in foster in Indian economic development this situation has been of great concern to the government ,citizen, operators, practioners and organized private sector. With the realization of the potentials of the micro enterprises government as different level in cuddalore have put up a lot of support programmes to promote and

sustain their development it is believed that massive assistance, financial, technical, marketing and managerial from the government are necessary for the micro enterprises to grow. The government has stepped and efforts to promote the development of micro enterprises through increased incentive schemes including enhanced budgetary allocation for technical assistance programmes

## **2. Review of literature.**

Ramaswamy (2005) examined the major problems, faced by micro entrepreneurs, who have availed assistance from SJJS, PMRY, scheme in vadakara and kochi, kerala, data were collected through intensive interview and case studies the problem identified among micro entrepreneurs in kerala were insufficient capital lack of collateral high rate of interest delay in sanctioning of loan, absence of working capital policy poor or incomplete business plan, inability to secure physical premises and support services for enterprise to start business, inadequate understanding of members and market condition unfamiliarity with business and lack of technical know how poor financial regard and administration rigid administration procedure and formalities beneficiaries are aware of procedure and customers, untrained labour force and overly centralized leadership

SoundraPandian 2006 analysed the problems faced by the micro entrepreneurs in tamilnadu, the researcher visited many villages and investigated the 30 women groups about the functions of the women SHG. It was found that 216 SHGs were running the micro enterprises with the assistance of SGSY scheme in Madurai thirumangalam block of Madurai district. The women SHG `s mostly concentrated only on cooling powder preparation, tailoring, typewriting, milk animals rearing and fair price shops. But finance was a major problem for many micro enterprises because when they wanted to graduate to level of operation they encountered problem with regard to the meeting of their financial services needs

2.3 Beatriz Armendariz and Jonathan Morduch 2005 advocate micro finance by addressing a range of issues, including lessons from informal markets, saving and insurance, the role of women, the place of subsidies, impact measurement, and management incentives, they integrate theory with empirical data, citing studies from Asia, Africa, and Latin America and introducing ideas about a symmetric information, principal agent theory and household decision making in the context of micro finance

Desai (2007) disclosed listed five key universal practices of micro finances and conflict and post –conflict specific implication the lack of high quality operational

a result of hiring expatriate staff as well as security constraints from the conflict-specific issues three additional factors are deemed necessary for the successful operation of micro finance in post -conflict situation political stability, economic activity and demand for financial services as well as population stabilities. The other concluded that in the case of Iraq the continuing cycle of violence as perpetrated by the in sergeant and wertern alias might be hampering efforts of the MEI`s the existences of negative peaces or the absences of violence needed to long lasting for MFI'

### 3. Statement of the Problem

The performance and effectiveness of micro enterprises in cuddalore district has been perpetually low despite government institutional and policies support to enhancing the capacity of the enterprises. And prevented by structural and environmental challenges low performance has further exacerbated poverty, hunger unemployment and low standard of living of people in a country whose economics is ailing and the course of the investigation, we discovered that the problem of establishing micro enterprises ventures include the lack of capital, operating equipment, poor business environment, the scarcity of accommodation on the other hand, the inherent problem in managing small and medium business ideas, lack of efficient preservation system and poor environmental sanitation lowered the sudden growth of the enterprises in cuddalore district.

The micro enterprises owing to the to the efforts of government at all level to create employment through self reliance especially in the areas of micro enterprises if financial institution will relax the tress of obtaining loans thus making prospective entrepreneurs to willfully delve into micro enterprises.

### 4. Objective

- To assess the socio- economic and demographic profile of those who have undertaken micro enterprises in the study area.
- To analyze the employment generation and rural development through Micro-enterprises.
- To portray the encouraging factors to determine micro enterprises development in rural areas.

### 5. Hypothesis

- There is no significant difference between male and female respondents with regard to encouragement factor of the micro enterprises
- There is no significant difference between Age group respondents with regard to encouragement factor of the micro enterprises
- There is no significant difference between Educational Qualification respondents with regard to encouragement factor of the micro enterprises
- There is no significant difference between Marital Status respondents with regard to encouragement factor of the micro enterprises

## 6. Methodology, Study Area and Analytical package

For the present investigation both primary and secondary data were used. Convenience sampling method has been adopted to collect the data. The size of the sample is 100, from individual rural micro enterprises running by rural people in various select 10 villages in Cuddalore district, Tamilnadu. Apart from the agricultural and allied activities, the entrepreneurs in these villages concentrate the micro-enterprises, in order to get additional income to their family. The primary data were collected through interview schedule. The secondary data collected from journals, books, magazines, reports. The data collected were edited, coded and processed with the help of SPSS package. Some of the statistical tools like T-Test and F -Test and Chi-square test have also been employed.

## 7. Results and Discussion

### Demographic Profile of respondents

Table -1

Variables	Characteristics	No. of Respondents	Percentage
Age	21-30 years	14	13.3
	31-40 years	39	37.1
	41-50 years	43	41.0
	51 years above	9	8.6
	Total	100.0	100.0

<b>Gender</b>	Male	61.0	61.0
	Female	39.0	39.0
	Total	100.0	100.0
<b>Education qualification</b>	No education	25.7	25.7
	primary education	36.2	36.2
	Secondary education	23.8	23.8
	Graduation	11.4	11.4
	Others	2.9	2.9
	Total	100.0	100.0
<b>Marital status</b>	Married	72.4	72.4
	Unmarried	17.1	17.1
	Widow	10.5	10.5
	Total	100.0	100.0
<b>Type of family</b>	Joint family	20.0	20.0
	Nuclear family	80.0	80.0
	Total	100.0	100.0
<b>Total number of family</b>	0-2	3.8	3.8
	3-5	61.9	61.9
	5-7	25.7	25.7
	8 & above	8.6	8.6
	Total	100.0	100.0
<b>Religion</b>	Hindu	90.5	90.5
	Muslims	4.8	4.8
	Christians	4.8	4.8
	Total	100.0	100.0
<b>Community</b>	Forward	6.7	6.7
	Backward	29.5	29.5
	Most Backward	37.1	37.1
	Scheduled caste/Tribe	26.7	26.7
	Total	100.0	100.0
<b>Generation being Entrepreneur</b>	1st Generation	70.5	70.5
	2nd Generation	21.0	21.0
	3rd Generation	8.6	8.6
	Total	100.0	100.0
<b>Employed Earlier</b>	yes	9.5	9.5
	No	90.5	90.5
	Total	100.0	100.0

## Inferences

From the above table shows that 41 per cent of the respondents are above 41-50 years of age, 37.1 percent of the respondents are 31-40 years of age, 13.3 percent of the respondents are 21-30 years of age and the remaining 8.6 percent of the respondents are less than 51 years above of the age. It clearly shows that majority of the respondents are 41-50 years of age (41 per cent).

From the above table shows that 61 percent of the respondents are male and 39 percent of the respondents are female.

From the above table shows that 36.2 per cent of the respondents are primary education, 25.7 per cent of the respondents are no education, 23.8 per cent of the respondents are secondary education, 11.4 percent of the respondents are graduation and 2.9 per cent of the respondents are others

From the above table shows that 72.4 percent of the respondents are married, 17.1 per cent of the respondents are unmarried and 10.5 per cent of the respondents are widow

From the above table shows that 80 percent of the respondents are nuclear family and 20 percent of the respondents are joint family.

From the above table shows that 61.9 percent of the respondents are 3-5 members of the family, 25.7 percent of the respondents are 5-7 members of the family, 8.6 percent of the respondents are 8 and above members of the family and 3.8 percent of the respondents are 0-2 members.

From the above table shows that 95.5 percent of the respondents are Hindu family and both 4.8 percent of the respondents are Muslims and Christians family.

From the above table shows that 37.1 percent of the respondents are most backward community, 29.5 percent of the respondents are backward community, 26.7 percent of the respondents are scheduled caste /tribe community and 6.7 percent of the respondents are forward community.

From the above table shows that 70.5 percent of the respondents are first generation of entrepreneur, 21 percent of the respondents are second generation of entrepreneur and 8.6 percent of the respondents are third generation of entrepreneur.

From the above table shows that 90.5 percent of the respondents are No employed earlier of entrepreneur and 9.5 percent of the respondents are employed earlier of entrepreneur.

### Factors Analysis

Factor Analysis aims at grouping the original input variables into factors, which underlie the input variables. Each factor will account for one or more input variables. Theoretically, the total number of factors analysed is equal to the total number of input variables. But, after performing factor analysis, the total number of factors in the study can be reduced by dropping the insignificant factors based on certain criterion.

#### KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.734
Bartlett's Test of Sphericity	Approx. Chi-Square	545.474
	Df	120
Sig.		.000

**Source: Computed Data**

From the above table, it can be noted that Kaiser-Meyer-Olkin measure of sampling adequacy is 0.734 and Bartlett's test of Sphericity approximate Chi-Square value is 545.474 which are statistically significant at 5% level

#### Communalities

	Initial	Extraction
q27 .1 Training Undergone	1.000	.650
27.2 Advice of other entrepreneur	1.000	.472
27.3 Encouragement given by NGOs/ Govt. Agencies	1.000	.776
27.5 Aim to become independent	1.000	.493
27.6 Goal to gain social status	1.000	.671
27.7 Interest to earn money	1.000	.620
q28.1 Previous experience	1.000	.645
28.2 Technical skill	1.000	.449
28.3 Family business	1.000	.598
28.4 Co-operation of parents/ friends/ relatives	1.000	.394
28.5 Govt. concession / Liberal credit	1.000	.710
28.6 NGOs encouragement	1.000	.729
28.7 Availability of resources	1.000	.511
28.8 Self-confidence	1.000	.498

28.9 Constant demand	1.000	.697
28.10 Easy marketability	1.000	.510

Extraction Method: Principal Component Analysis.

The communalities in the column labeled Extraction reflect the common variance in the data structure. So, for example, it can be said that 65% of the variance associated with question 1 is common or shared variance. Another way to look at these commonalties is in terms of the Proportion of variance explained by the underlying factors. After extraction some of the factors are discarded and so some information is lost. The amount of variance in each variable that can be explained by the retained factors is represented by the communalities after extraction

### Total Variance Explained

Component	Initial Eigenvalues	Extraction Sums of Squared Loadings	Rotation Sums of Squared Loadings
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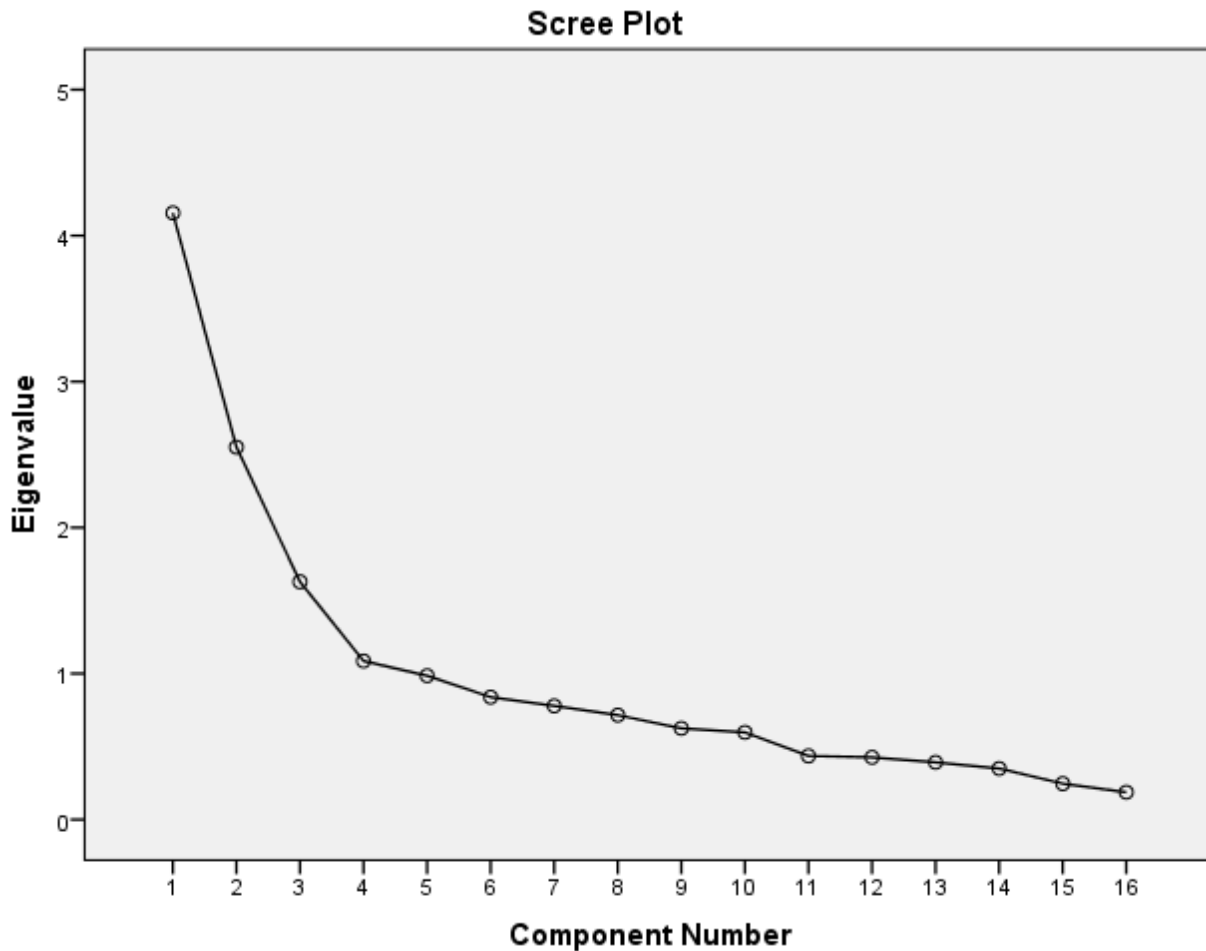


	Tota l	% of Varia nce	Cumula tive %	Tota l	% of Varian ce	Cumula tive %	Tota l	% of Varian ce	Cumul ative %
1	4.15 6	25.97 2	25.972	4.15 6	25.97 2	25.972	2.84 2	17.76 2	17.762
2	2.55 1	15.94 6	41.918	2.55 1	15.94 6	41.918	2.36 8	14.79 9	32.561
3	1.62 9	10.17 9	52.098	1.62 9	10.17 9	52.098	2.11 2	13.20 3	45.764
4	1.08 6	6.789	58.887	1.08 6	6.789	58.887	2.10 0	13.12 2	58.887
5	.985	6.158	65.045						
6	.839	5.243	70.288						
7	.779	4.868	75.156						
8	.715	4.471	79.627						
9	.625	3.904	83.531						
10	.597	3.734	87.265						
11	.436	2.726	89.991						
12	.426	2.664	92.655						
13	.392	2.451	95.106						
14	.350	2.185	97.291						
15	.246	1.537	98.828						
16	.188	1.172	100.00 0						

Extraction Method: Principal Component Analysis.

### Inferences

In the above table, it can be noted that 4 factors have been extracted on the basis of prior knowledge to describe the relationship among variables. Further, the scree plot associated with this analysis is given in exhibit 1. In the scree plot, it can be noted that a distinct break occurs at four factors. Finally, from the cumulative percentage of variance accounted for, it can be seen that four account for 58.887percent of the variance, contributed by first component is (17.762 percent) followed by second (14.799 percent), third (13.203percent), fourth (13.122 percent of total variance).



### Inference

The scree plot has two lines - the lower line shows the proportion of variance for each principal component, while the upper line shows the cumulative variance explained by the first 'N' component. The principal components are sorted in decreasing order of variance, so the most important principal component is always listed first. The last big drop occurs between the third and fourth component, so the fourth component is chosen.

### Rotated Component Matrix<sup>a</sup>

	Component			
	Encouragement factors	Achieving factors	Skilled factors	Motivational factors
<b>Encouragement factors</b>				
28.6 NGOs encouragement	.832			
27.3 Encouragement given by NGOs/ Govt. Agencies	.828			

28.5 Govt. concession / Liberal credit	.789		
<b>Achieving factors</b>			
27.6 Goal to gain social status		.779	
27.7 Interest to earn money		.768	
27.5 Aim to become independent		.666	
<b>Skilled factors</b>			
q28.1 Previous experience			.767
q27 .1 Training Undergone			.704
28.2 Technical skill			.590
28.3 Family business			.483
27.2 Advice of other entrepreneur			.479
<b>Motivational factors</b>			
28.9 Constant demand			.774
28.7 Availability of resources			.643
28.10 Easy marketability			.637
28.8 Self-confidence			.471
28.4 Co-operation of parents/ friends/ relatives			.436

Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization a. Rotation converged in 9 iterations

From the above table, it can be noted that three variables are grouped under the first factor which can be suitably named as “**Encouragement factors**”. The second factor consisting of three variables can be named as “**Achieving factors**”. The third factor which can be named as “**Skilled factors**” is formed with four variables. The last factor can be named as the fourth factor can be named as “**Motivational factors**” and this consists of five variables. This reveals that factor analysis results in four predominant factors. All the variable four factors are compounded in to the demographic profile of the respondents with the help of appropriate statistical tools

**Table -2**

**Classification of the Respondents Based on Gender and Encouragement Factors of the Micro Enterprises**

**Ho:** There is no significant difference between male and female respondents with regard to encouragement factor of the micro enterprises

**Gender wise Distribution of Respondents**

	Gender	N	Mean	Std. Deviation	t-Value	P-Value	H0 Accepted/ Rejected
a. Encouraging factors	Male	64	7.63	1.732	-5.005	0.001	Rejected
	Female	41	9.71	2.532			
	Total	105					
b. Achieving factors	Male	64	12.50	1.155	-1.544	0.126	Accepted
	Female	41	12.85	1.131			
	Total	105					
c. Skilled factors	Male	64	16.20	2.072	2.957	0.004	Rejected
	Female	41	15.05	1.746			
	Total	105					
d. Motivational factors	Male	64	18.09	1.669	-.796	0.428	Accepted
	Female	41	18.37	1.771			
	Total	105					

Table 2 (a) indicates that P value is 0.001. Since P value is less than 0.05, the null hypothesis is rejected at 5% level of significance. Hence it is concluded that there is a significant difference between male and female respondents in considering the encouraging factors as a reason for micro enterprises.

Table 2 (b) indicates that P value is 0.126. Since P value is less than 0.05, the null hypothesis is accepted at 5% level of significance. Hence it is concluded that there is a significant difference between male and female respondents in considering Achieving factors as a reason for micro enterprises.

Table 2 (c) indicates that P value is 0.004. Since P value is less than 0.05, the null hypothesis is rejected at 5% level of significance. Hence it is concluded that there is a significant difference between male and female respondents in considering the skilled factors as a reason for micro enterprises.

Table 2 (d) indicates that P value is 0.428. Since P value is less than 0.05, the null hypothesis is accepted at 5% level of significance. Hence it is concluded that there is a significant difference between male and female respondents in considering Motivational factors as a reason for micro enterprises.

**Table -3****Classification of the Respondents Based on Age group and Encouragement Factors of the Micro-Enterprises**

**H<sub>0</sub>:** There is no significant difference between Age group respondents with regard to encouragement factor of the micro enterprises

**Classification of the Respondents Based on Age Descriptives**

	Age	N	Mean	Std. Deviation	t-Value	P-Value	H <sub>0</sub> Accepted/ Rejected
a. Encouragement factors	21-30 years	14	10.00	2.660	5.822	.001	Rejected
	31-40 years	39	8.95	2.361			
	41-50 years	43	7.51	1.856			
	51 years above	9	8.22	1.716			
	Total	105	8.44	2.308			
b. Achieving factors	21-30 years	14	12.93	1.207	3.109	.030	Rejected
	31-40 years	39	12.97	.986			
	41-50 years	43	12.35	1.193			
	51 years above	9	12.11	1.167			
	Total	105	12.64	1.153			
c. Skilled factors	21-30 years	14	15.79	1.528	1.391	.250	Accepted
	31-40 years	39	16.21	1.750			
	41-50 years	43	15.30	2.325			
	51 years above	9	15.89	2.088			
	Total	105	15.75	2.023			
d. Motivational factors	21-30 years	14	18.64	1.447	1.795	.153	Accepted
	31-40 years	39	18.54	1.730			
	41-50 years	43	17.77	1.631			
	51 years above	9	18.11	2.088			
	Total	105	18.02	1.730			

Total	105	18.20	1.706		
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Table 3 (a) indicates that P value is 0.001. Since P value is less than 0.05, the null hypothesis is rejected at 5% level of significance. Hence it is concluded that there is a significant difference between Age group respondents in considering the encouraging factors as a reason for micro enterprises.

Table 3 (b) indicates that P value is 0.030. Since P value is less than 0.05, the null hypothesis is rejected at 5% level of significance. Hence it is concluded that there is a significant difference between Age group respondents in considering the Achieving factors as a reason for micro enterprises.

Table 3 (c) indicates that P value is 0.250. Since P value is less than 0.05, the null hypothesis is accepted at 5% level of significance. Hence it is concluded that there is a significant difference between Age group respondents in considering skilled factors as a reason for micro enterprises.

Table 3 (e) indicates that P value is 0.153. Since P value is less than 0.05, the null hypothesis is accepted at 5% level of significance. Hence it is concluded that there is a significant difference between Age group respondents in considering motivational factors as a reason for micro enterprises.

**Table -4**

### Classification of the Respondents Based on Educational Qualification and Encouragement Factors of the Micro- Enterprises

**Ho:** There is no significant difference between Educational Qualification respondents with regard to encouragement factor of the micro enterprises

#### Classification of the Respondents Based on Educational Qualification

Factors	Educational qualification	N	Mean	Std. Deviation	t-Value	P-Value	Ho
a. Encouragement Factors	No education	27	8.04	2.426	2.957	.024	Rejected
	primary education	38	8.00	2.193			
	Secondary education	25	8.88	2.297			
	Graduation	12	10.17	1.697			
	Others	3	7.00	1.732			
	Total	105	8.44	2.308			
b. Achieving Factors	No education	27	11.78	1.121	7.219	.000	Rejected
	primary education	38	12.89	.981			
	Secondary education	25	13.16	.987			
	Graduation	12	12.83	1.193			
	Others	3	12.00	.000			
	Total	105	12.64	1.153			
c. Skilled Factors	No education	27	14.52	1.968	4.230	.003	Rejected
	primary education	38	16.21	2.208			
	Secondary education	25	16.20	1.354			
	Graduation	12	15.75	1.765			
	Others	3	17.33	1.528			
	Total	105	15.75	2.023			
d. Motivational Factors	No education	27	17.70	1.918	1.652	.167	Accepted
	primary education	38	18.11	1.721			
	Secondary education	25	18.56	1.417			
	Graduation	12	19.00	1.651			
	Others	3	17.67	.577			
	Total	105	18.20	1.706			

Table 4 (a) Disseminates that P value is 0. 024. Since P value is less than 0.05, the null hypothesis is rejected at 5% level of significance. Hence it is concluded that there is a significant difference between educational qualification respondents in considering the encouragement factors as a reason for micro enterprises.

Table 4 (b) gives that P value is 0. 000. Since P value is less than 0.05, the null hypothesis is rejected at 5% level of significance. Hence it is concluded that there is a

significant difference between educational qualification respondents in considering the Achieving factors as a reason for micro enterprises

Table 4 (c) indicates that P value is 0. 003. Since P value is less than 0.05, the null hypothesis is rejected at 5% level of significance. Hence it is concluded that there is a significant difference between educational qualification respondents in considering the skilled factors as a reason for micro enterprises

Table 4 (d) indicates that P value is 0. 167 Since P value is less than 0.05, the null hypothesis is accepted at 5% level of significance. Hence it is concluded that there is a significant difference between Age group respondents in considering motivational factors as a reason for micro enterprises.

**Table -5**

**Classification of the Respondents Based on Marital Status and Encouragement Factors of the Micro- Enterprises**

**H<sub>0</sub>:** There is no significant difference between Marital Status respondents with regard to encouragement factor of the micro enterprises.

	Marital status	N	Mean	S.D	t - value	P- value	H <sub>0</sub> Accepted Rejected
a) Encouragement factors	Married	76	8.42	2.264	1.204	.304	Accepted
	Unmarried	18	9.00	2.701			
	Widow	11	7.64	1.804			
	Total	105	8.44	2.308			
a) Achieving factors	Married	76	12.71	1.030	1.916	.153	Accepted
	Unmarried	18	12.72	1.526			
	Widow	11	12.00	1.183			
	Total	105	12.64	1.153			
b) Skilled factors	Married	76	15.88	1.840	11.640	.000	Rejected
	Unmarried	18	16.67	1.879			
	Widow	11	13.36	1.804			
	Total	105	15.75	2.023			
d) Motivational factors	Married	76	18.28	1.710	.497	.610	Accepted
	Unmarried	18	18.17	1.886			
	Widow	11	17.73	1.421			



	Total	105	18.20	1.706			
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## Inferences

Table 5 (a) indicates that P value is 0.304. Since P value is less than 0.05, the null hypothesis is accepted at 5% level of significance. Hence it is concluded that there is a significant difference between marital status respondents in considering encouragement factors as a reason for micro enterprises.

Table 5 (b) provides that P value is 0.153. Since P value is less than 0.05, the null hypothesis is accepted at 5% level of significance. Hence it is concluded that there is a significant difference between marital status respondents in considering achieving factors as a reason for micro enterprises.

Table 5 (c) indicates that P value is 0.000. Since P value is less than 0.05, the null hypothesis is rejected at 5% level of significance. Hence it is concluded that there is a significant difference between marital status respondents in considering the skilled factors as a reason for micro enterprises.

Table 5 (d) gives that P value is 0.610. Since P value is less than 0.05, the null hypothesis is accepted at 5% level of significance. Hence it is concluded that there is a significant difference between marital status respondents in considering motivational factors as a reason for micro enterprises.

## Findings

- 41 per cent of the respondents are above 41-50 years of age, 37.1 per cent of the respondents are 31-40 years of age, 13.3 per cent of the respondents are 21-30 years of age and the remaining 8.6 per cent of the respondents are less than 51 years above of the age years.
- 61 per cent of the respondents are male and 39 per cent of the respondents are female.
- 36.2 per cent of the respondents are primary education, 25.7 per cent of the respondents are no education, 23.8 per cent of the respondents are secondary education, 11.4 per cent of the respondents are graduation and 2.9 per cent of the respondents are others.
- 72.4 per cent of the respondents are married, 17.1 per cent of the respondents are unmarried and 10.5 per cent of the respondents are widow.
- 80 per cent of the respondents are nuclear family and 20 per cent of the respondents are joint family.

- 61.9 percent of the respondents are 3-5 members of the family, 25.7 percent of the respondents are 5-7 members of the family, 8.6 percent of the respondents are 8 and above members of the family and 3.8 percent of the respondents are 0-2 members.
- 95.5 percent of the respondents are Hindu family and both 4.8 percent of the respondents are Muslims and Christians family.
- 37.1 percent of the respondents are most backward community, 29.5 percent of the respondents are backward community, 26.7 percent of the respondents are scheduled caste /tribe community and 6.7 percent of the respondents are forward community.
- 70.5 percent of the respondents are first generation of entrepreneur, 21 percent of the respondents are second generation of entrepreneur and 8.6 percent of the respondents are third generation of entrepreneur.
- 90.5 percent of the respondents are No employed earlier of entrepreneur and 9.5 percent of the respondents are employed earlier of entrepreneur.
- There is no significant difference between male and female, Age group, Educational Qualification and Marital Status respondents with regard to encouragement factor of the micro enterprises

## Conclusion

The rural micro enterprises and economic activities of the poor in the Cuddalore district, Tamilnadu and depends greatly on the empowering environment is highlighted. The local and state government can ensure or provide the owned and operated enterprises to enter into self employment activity of initial stage of the enterprises but in the long run the activity. Its suitability to group and the locality, and marketing support received may become more important to the micro enterprises.

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