

From Savings to Start Ups: Assessing the Contribution of SHGs to Rural Women Entrepreneurship in Assam

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Abstract-- Women entrepreneurship has emerged as a significant instrument for achieving inclusive growth, poverty reduction, and gender equality in India. In Assam, where a substantial proportion of the female population resides in rural areas, Self-Help Groups (SHGs) have become important platforms for promoting entrepreneurship among women. Through access to microfinance, skill development, collective decision-making, and market linkages, SHGs have enabled many rural women to engage in income-generating activities such as weaving, food processing, livestock rearing, organic farming, and handicrafts. Despite these achievements, several challenges continue to hinder the growth of women-led enterprises, including limited access to credit, inadequate infrastructure, market constraints, low digital literacy, and prevailing socio-cultural barriers. This paper examines the role of SHGs in promoting women entrepreneurship in rural Assam and evaluates their contribution to economic empowerment and social transformation. The study is based on secondary sources, including government reports, journal articles, policy documents, and existing literature. The findings suggest that SHGs have significantly enhanced women's participation in entrepreneurial activities and strengthened their socio-economic position. However, greater institutional support, digital inclusion, capacity-building programmes, and market integration are necessary to ensure sustainable entrepreneurial growth among rural women in Assam.

Keywords-- Women Entrepreneurship, Self-Help Groups, Rural Development, Economic Empowerment, Assam, Digital Inclusion.

I. INTRODUCTION

The position of the women in the society is one of the most important issues which draw the attention of the people all over the world. Whenever we think about any activities other than housekeeping, it is been the man whose picture comes in our mind first. Only few name of woman comes in our mind against the thousands names of man. In Assam, women's participation is significant only in agriculture, nursing and teaching. Women's contribution in other economic activities is very pitiable. The success story of Kanaklata Mohila Cooperative Urban Bank, Jorhat is a bright example of women entrepreneurship in Assam (Economic Survey, Assam 2001-02). These types of stories are there but rare.

As per 2011 census, more than 86% of total women populations of Assam are residing in rural area. The contribution of such huge chunk of women population in entrepreneurial activity is nearly invisible.

Women Entrepreneurship is not so popular and common in the developing nation like of India and more specifically the agrarian state of Assam. Rural women can create wonders in all economic activities like agriculture, poultry farming, cattle farming, piggery, duckery, hatchery, weaving etc. Still the growth of entrepreneurship among the women in rural areas is not satisfactory, many even could not start their venture. This poor figure of rural women entrepreneurship has immensely influence me to carry out this study.

II. REVIEW OF LITERATURE

Poonam Sinha (2000) in her article "Women Entrepreneurship in the North East of India" mentioned that strong need of support be given by the organization working for promotion of entrepreneurship in particular. Socio-economically, women entrepreneurship can go a long way in speeding up industrialization of rural areas and small towns.

Devi (2006) critically examined and analyzed the problems faced by women entrepreneurs in North Eastern Region and suggested different remedial measures in promoting women entrepreneurship. To undertake the study, 20 women entrepreneurs each from Kamrup district of Assam and Imphal district of Manipur were randomly selected. Problems of customs, managerial problems, problems of production, marketing and finance and problems of government assistance were identified by her as the main problems of women entrepreneurs in her study. She suggested attention of government and the financial institutions for solution of these problems.

Susma Srivastava in her book entitled Women Empowerment (2008), demonstrates the strategies and initiatives to empower women to overcome discriminations, achieve full equality, well being and participation in decision making that determine their lives and the future of the society.

R. Das, R N. Barman & P. K. Baruah in their study entitled 'Performance of SHGs in Sonitpur District of Assam' (1999) found that the idea of Self-Help Groups flourished in the nineties at a time when formation of the non-government organizations became a trend with the objective of improving the socio-economic conditions of both the urban and the rural poor. The study correlates the growth of SHGs and NGOs in the field of decentralized participatory development.

Awasthi P.K. Deepak and Vimla Sahu (2001) conducted a study on 'the impact of SHGs on the economic status of women in Madhya Pradesh'. They observed that most of the women were engaged in productive activities like papad making, mushroom cultivation, nursery etc. They concluded that SHGs help its members in improving their skills like leadership, literacy, health and hygiene, yet their members lagged behind due to insufficient loan, lack of motivation, inadequate infrastructure facilities etc.

Sri Diganta Kumar Das and Sri Dipul Boruah have studied 'the role of Micro Finance and Self Help Groups for the socio-economic development of poor people in Lakhimpur and Dhemaji district of Assam'. The results revealed that after joining Self Help Groups the economic condition of women have not only increased but also improved their living standard by involving in various economic activities independently and it is also found that Self Help Groups have been playing a crucial role in socio-economic development and made them aware about their savings and credit function with the help of Rural Financial Institutions.

Above mentioned review of literatures reveals that research on the rural women entrepreneurship through Self Help Groups are scarce, there are only a few in-depth studies.

III. OBJECTIVE OF THE STUDY

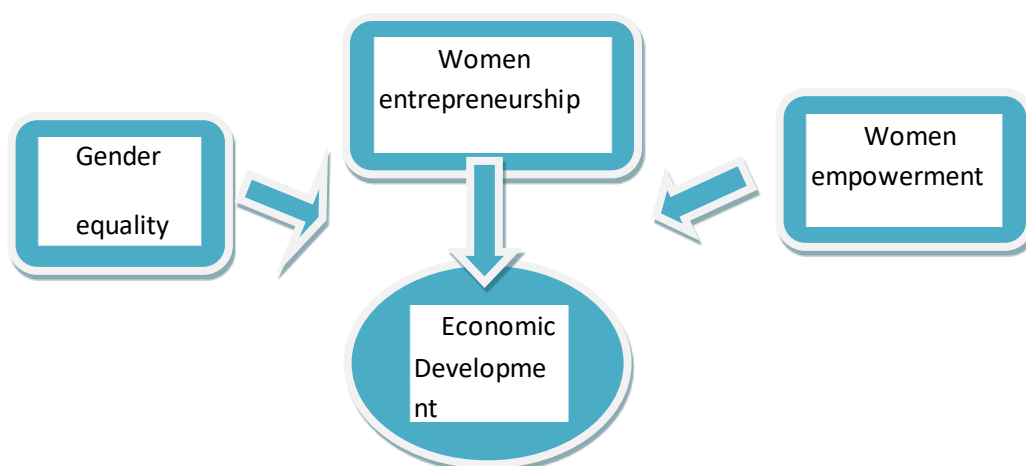
- To study the factors responsible for the slow growth of Women entrepreneurial activity.
- To study the prospects of SHGs on development of Women entrepreneurship and Society.
- To refer a few future criteria or recommended actions to be taken for development of women entrepreneurship.

IV. METHODOLOGY

For the present paper I have used descriptive. Data's are collected from primary sources like interview and field survey and secondary sources like books, journals, news papers, and websites.

V. SIGNIFICANCE OF THE STUDY

Women entrepreneurship has great importance in the overall economic development of a country especially from the necessity of involvement of women in economic activities. It is also important for the enhancement of the competitiveness of economy. To understand the role of SHGs in promoting women entrepreneurs, their assistance in starting of a business and motivating women to be self dependent, this study will be proved useful and beneficial. This study can also be used in developing strategies that can be used in motivating women entrepreneurs in the rural areas of Assam. All these activities will ultimately help in the economic growth and development of Assam. The multi-dimensional role played by women entrepreneur is shown in the following figure-



VI. CONCEPTUAL BACKGROUND

- *SHG*: The concept of self-help groups gained significance, especially after 1976 when Prof. Mohammed Yunus of Bangladesh began experimenting with micro-credit and women SHGs. The strategy made a quiet revolution in Bangladesh in poverty eradication by empowering the poor women. SHGs are small informal associations created for the purpose of enabling members to reap economic benefit out of mutual help, solidarity, and joint responsibility. India has adopted the Bangladesh's model in a modified form. To alleviate poverty and to empower women, micro-finance as self-help groups has emerged as a powerful instrument in new economy and thus the movement of SHGs has spread out in India.

In 1991-92 NABARD started promoting self-help groups on a large scale and it was the real take-off point for the 'SHG movement'. In 1993, the Reserve Bank of India also allowed SHGs to open saving accounts in banks. Establishing informal self-help groups (SHGs) of poorest of the rural poor with up to 20 members as local financial intermediaries are need to mobilizing their own savings, transforming these into loans to members, and financing their growth in the initial stage through both savings mobilization and retained earnings. SHGs have two phases; the first phase of the SHGs, from 1987 to 1992, when NABARD focused on supporting NGO initiatives to promote SHGs and on analyzing their potential and performance & the second phase, from 1992 onwards - the SHG-Bank linkage program.

- *Entrepreneurship*: The magical term 'entrepreneurship' possesses a dominant energy in it to gear the development of any country. Entrepreneurship plays a crucial role in the creation of capital as well as in the acceleration of socio-cum political economic benefits. Entrepreneurship leads to industrialization and empowerment of a nation. However, the practice of entrepreneurship is not very common in the developing (and underdeveloped) nations like India, and more specifically agro-based state like Assam. Most importantly, the constituent of almost half of the population of India (and in specification, Assam), i.e. the women are very averter of entrepreneurship. Census - 2011's data reflects that rural Assam constitutes 85.92% of State's population, among which female are 48.88%. In contrast to the urban women staff, rural women are dominantly engaged in agricultural activities as family/or hired labour.

There exists incredible opportunities of enhancing entrepreneurial practice among rural women which will definitely lead the economy of Assam to an industrialized one, along with enhancing women empowerment.

VII. WOMEN ENTREPRENEURS OF NORTH EAST

Abokali Jimomi is the founder of Organic Nagaland, which came into existence in the year 2011. The main objective of this organization is empowering local growers and training the local Naga women and men with the latest technologies of agriculture. It has been revolutionized the Nagaland agriculture, owing all this to the constant efforts of Abokali. Archita Ray is the first lone women entrepreneur of the private hatchery of Tripura (1997). In Amtali district of Tripura, she has been running this business for the past 20 years. As poultry products were earlier imported from Kolkata, she saw it as an opportunity. Currently, with her innovation, Tripura has its own hatchery. Over the 45 years, her business has grown successfully, and now, she has monthly production of approximately three lakh chicks. Hasina Kharbhih, a social entrepreneur, is the founder and chairperson of impulse NGO (1987) network in Meghalaya. For two decades in this sector, Hasina and her NGO fight against human trafficking in India, South East Asia. With many prestigious awards, she has been recognized, and some of those awards are: "Japan Socialist Activist – an Award," GND Global Development Award, and so on for her relentless contributions in combating human trafficking. Janessaline Mary Pyngrope, designer cum entrepreneur from Meghalaya was honoured with the "Vasundhara North East Women Entrepreneur of the year." She started her business in 2011 when she launched the first fashion house of Meghalaya. Since then, her fashion house has been creating designs and that is a blend of modern outlook in traditional style. Leena Saikia is the founder of the food production company called "Frontal Agritech Private Limited." The main produce of this company is Bhoot Jalakia (King/ Naga Chilli), among the spiciest chillis in the world (ranked as No.2). With 99% of the produce being exported to 22 countries around the world. Lakhimi Baruah is the founder of a cooperative bank for women called Konoklota Mahila Urban Cooperative Bank (KMUCB) in the year 1998. This bank has female employees and has reached out to many women in the Northeast. KMUCB has helped women to manage their finances effectively. From the Barpothar area of Golaghat district of Assam, Ms. Rakhi Saikia, is an ambitious entrepreneur who owns a 99-hectare organic tea plantation in that area. Her continuous efforts and various experiments successfully produced Yellow tea, a native to China in India.

She is creating a revolution in the tea industry. Sanjukta Dutta, an engineer turned designer, from Nagaon district of Assam has successfully made Assam's traditional dress 'Mekhela Chadar' earn national and 46 international acclaim. In 2012, she started her weaving unit. Since then, her weaving unit has earned name and fame all over the world. No, looking back!

VIII. RESULT AND DISCUSSION

Women entrepreneurship is a revolutionary concept. It provides many good to the woman, the family and the society as a whole. The very first advantage of the women entrepreneurship is economic independence. Economic independence has very positive correlation with women empowerment. This economic independence will provide them with pride and confidence to take part in decision-making process. The process of entrepreneurship will help women to learn many things about the management.

The benefits of the women entrepreneurship are very much important in the development of the society as a whole. However, such activities in the state of Assam are very negligible. Whatever woman entrepreneurs are available in Assam, mostly are urban based. The situations in rural areas are very pathetic. As per 2011 census, more than 86% of total women population of Assam is residing in rural area. The contribution of such huge chunk of women population in entrepreneurial activity is nearly invisible. Such scenario is however very detrimental in the growth of the state and at the same time against the spirit of inclusive growth.

The growth of rural entrepreneurship among women in rural areas is not satisfactory. Women in rural areas suffer with many problems that create hurdles in their entrepreneurial activities. Many even could not start their venture. Failure rate is also very high in rural areas. The problems of women entrepreneurship in rural areas of Assam can be discussed at three different levels viz. Individual problems, Social problems and Structural problems.

- *Motivation:* Motivation is very important element of entrepreneurial activities. It is the only motivation which keeps an individual to work harder. Women rural entrepreneurs lack motivation.
- *Technical knowhow:* Many rural women entrepreneur suffers from technical problem. They do not possess marketing techniques too.
- *Awareness:* The women in rural areas are not much aware about the availability of opportunities for the development of entrepreneurship like financial assistance, training assistance and many more.

- *Inferior complexity:* The women entrepreneurs in rural areas are very stereotyped about their capability. They think they are inferior to man folk.

IX. SOCIAL PROBLEMS

- *Social Taboos:* While carrying out entrepreneurial activities, a woman has to undertake journeys, have to meet many men or women, and have to spend times outside home. Such acts are still been considered as taboos in Assamese society and especially in rural Assam.
- *Male dominance:* Assamese society is still patriarchal society. The women are still highly dependent on their male counterpart regarding decision-making. Many a times their decisions are overturned or suppressed. It is very difficult for them to move an inch without the permission of male member of the family. Prevalence of such situation is very high in rural Assam.
- *Social norms:* Social norms are also creating problems for the rural women of Assam in their entrepreneurial venture. Social norms like, what the majority of women are doing you can do that. Women are busy in tailoring job, so a woman can start a tailoring business. However, to start a new business that is not a social norm is a hard nut to crack.
- *Family support:* The most important aspect for entrepreneurial activities is family support. Family supports provide them a base, a motivation to start their business. However, many a time family does not support such plans by the women. There may be many reasons as stated above for lack of support by the family. The lack of family support is causing hindrances in the growth of women entrepreneurship in rural areas of Assam.
- *Structural Problems:* Structural problems refer here to the problems that are related to actions from the governments. Government is the sole authority to prepare and implement the policies regarding different sphere of the state. Unless and until government does not initiate and implement the policies effectively for the development of women entrepreneurship in rural Assam, the growth of such activities won't be achieve in reality. Some of the structural problems may be discussed as follows:
- *Government attraction:* Women entrepreneurship development in rural areas was not an attractive area of for policy making for the government of Assam. Very lately, the state government started to give importance to it.

However, it is not sufficient to develop women entrepreneurs in rural areas through making policy only.

- *Institution:* The institutions available for providing training and development are inadequate. The available institutions are urban centric in nature. Their concentration in rural areas is not appreciable. The lack of specialized institution in rural areas is also adding the problems.
- *Communication:* The governments have also prepared many financial schemes and are funding different institutions for training and development of entrepreneurs. However, such information is not widely available with the women in rural Assam. Unavailability of proper information is prohibiting rural women to start and to grow in entrepreneurial activities.
- *Infrastructure:* Lack of scientific godowns, warehouses, cold storage, road communication, electricity problems, irrigation problem, etc., is creating obstacles in the growth of entrepreneurial activities.

X. PROSPECTS

Though there is lots many problems that are creating hurdles for the women entrepreneurship in rural Assam, the prospects of growth cannot be underestimated. The government of India and the banks and financial institutions are playing an important role for the development of women entrepreneur. The prospect for the development of women entrepreneurs is possible, when the government, social and financial institution collectively takes initiative. The central governments have introduced several schemes for facilitating the women for setting up their business. Government of India has entrusted the responsibility for the development of micro, small and medium enterprise to Ministry of MSME. Ministry of MSME has and Government of Assam takes many schemes for development of women entrepreneurship. Some schemes are named as under:

- Trade Related Entrepreneurship Assistance and Development (TREAD) Scheme for women.
- The National Credit Fund for Women (NCFW).
- Women Enterprise Development Scheme (WEDS), Scheme for North East Handloom and Handicrafts (SNEHH).
- Assam Industrial Policy of Assam and Assam IT policy.
- Industrial Estate for Women Entrepreneurs.
- Udyog-Jyoti Scheme.

- Mukhyamantri Karmajyoti Achani.
- Multi Disciplinary Skill Development Programme.
- Angel Fund

XI. CONCLUSION

The women in the rural areas are subject to lots of restrictions in Assam. They are not regarded as economic powerhouse; rather they are treated as dependent part of the society. The women of rural areas face different types of problems in the path of entrepreneurial growth. But, at the same time their also exist opportunity for them in terms like assistances from different institutions in each sphere of entrepreneurial activity. However, the opportunity is not adequate. The numbers of women entrepreneurs from rural areas is very negligible. To increase the numbers of rural women entrepreneurs, there requires a coordinated action from different stockholders of the society. The society has to change its stereotyped mindset over women. The state governments have to take lead role in the development of women entrepreneurship in whole of Assam. Than only, the possibility of increase in entrepreneurial activity by rural women can be achieved.

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