

Role of SHG in the Development of Women Entrepreneurship in Baksa District of BTAD, Assam

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ABSTRACT

Assam is a growing economy which needs to be kept vibrant through using the resources (i.e. both human and natural) available within the state. Economic development of any country more or less depends on individual development. Hence to improve the economic scenario, an initiative through forming Self Help Groups has been seen as a booming upsurge amongst the common people. The formation of Self Help Group is a process of creating source of earnings among the poor through different types of group activities. SHG encourages group entrepreneurship among women folk of our society. The district of Baksa is basically a rural based district within the state of Assam where majority of people live in rural areas and most of them are financially weak. The present study has been conducted in the select blocks of Baksa district to analyse the functions of Self Help Group. The major impetus of SHG through various activities may be considered as a tool for entrepreneurship development. The state is lagging behind in creating income generating sources for the women folk, which need to be realized among the people so that they come forward for utilizing valuable and vast resources through SHG activities.

Keywords: Self Help Groups, Economic Development, Group Entrepreneurship.

INTRODUCTION:

The rural women anywhere in the country by nature are of seclusive character. They have their own habit of living, food and dresses and more particularly a choice of their habitat. The rural women of Assam are not significantly different from the rural women of the rest of India. However there has been very high esteem in Assamese society for women and the same is manifested with commonly practised heritage of Assamese society viz. the absence of dowry system. As most of the rural inhabitants are agriculturist the services associated with production of crops is a natural skill endowed to every women of village origin. Traditionally, the rural women didn't have surplus hours during their daily working time. They mostly remain busy with the preparation of food for the family as the process was through collection of firewood and unfriendly kitchen facilities within the household. However with the passing of days, modern kitchen facilities and easy transportation has reduced their woes and today many rural women have lot of surplus hours to spare for other occupational and non-occupational activities. The circumstances of the pre modernisation period led them to confine their activities under compulsive factors which were thrust upon them by tina factors.

The development of women folk is utmost important in this era of modern economy. A country cannot march forward without active involvement of women. The economic wellbeing of the people in general and the women folk in particular can be said to be the economic barometer of prosperity and development of a certain region. In common parlance entrepreneurship is a process where people made their own identity through establishing business venture. One can hope to become economically self-sufficient by following the path of entrepreneurship. No country in the world can become developed one, without the optimum development of its people. It is not possible to solve the problem of unemployment and other social problems without the

empowerment of each individuals of our society. A country like India where population has surpassed 1210193422, and the female constitute 586469174 in number (According 2011 census of India) is required to generate numbers of opportunities to cater to the needs of her massive population to a meaningful settlement for the purpose of nations building. Entrepreneurship can be proved to be that weapon. Entrepreneurship is a distinct factor of production which accelerates the economic development of an economy. Entrepreneurship provide a wide range of significant contributions to the economic development of a certain country by different way such as capital formation , creation of immediate employment, promotion of balanced regional development, effective mobilisation of capital and skill, induction of backward and forward linkages etc. The overall role of entrepreneurship in economic development of a country can best be regarded as being put “*An economy is the effect for which entrepreneurship is the cause*”. As there is numerous scope of discussion about entrepreneurship as a trouble shooter against economic woes of a society, so it should cover all segments of a society. Jean Baptiste Say, the famous French economist defined the term entrepreneur in a meaningful manner, according to him “An entrepreneur is the agent who unites all the factors of production and who finds the value of the products the re-establishment of the entire capital he employs, and the value of wages, the interest and the rent he pays as well as the profits belonging to himself. He may or may not supply capital but he must have judgement, perseverance and knowledge of the world of business. He must possess the art of superintendence and administration” (Mohanty, S.K, 2011). Women being important essence of human infrastructure there is a necessity for all round development of women in an economy. Women cover almost half of the total population of our nation. So without the development of women folk it is quiet impossible to hope for a developed nation. If women are not contributing actively towards the economy then it means that half of our human resources are unutilised or underutilised. As development is a continuous phenomenon empowerment of women in all sectors like educational, economic, social and political is necessary for a meaningful nation building process. “Women entry into business is a recent phenomenon. It is traced out as an extension of their kitchen activities to three Ps, i.e. pickles, powder (spices) and papad manufacturing. With growing awareness and spread of education over the years, women have started engrossing to modern activities like engineering, electronics and energy popularly known as 3Es. In handloom and handicraft women entrepreneurs are doing exceedingly well and excelling more than their male counterparts” (Khanka, S.S (2005). For women, starting and operating a business involves considerable risk and difficulties because in the Indian social environment women are always considered as subordinate to men.

Self-Help Group refers to self-governed, peer controlled, informal group of people with same socio-economic background and having a desire to collectively perform common purposes. Here poor people voluntarily come together to save whatever amount they can save conveniently out of their earnings, to mutually agree to contribute to a common fund and to lend to the members for meeting their productive and emergent needs. Initially SHGs were intended to bring people together particularly the economically backward sections and to undertake activities of mutual interest. Members of SHG don't have the risk bearing capacity and hardly can they offer anything as guarantee against loans from the formal financing authority. However thrift, credit and income generating activities emerged as the major activities of the SHGs (Gnanadhas E. & Mahalekshmi M., 2011). SHG is a unique programme for promotion of empowerment of rural folk mainly for upgrading the marginalized fraction. These types of institutions are very powerful in rural areas where women are economically under privileged. A SHG is a small, voluntarily formed, economically homogenous and significant group of poor rural women who mutually agree to contribute to a common fund from which money is agreed to be lent out to its members according to their group decisions for implementations of projects. A typical rural women's SHG helps in building capacity of prospective entrepreneurs. These SHGs aim to include women as members with no educational, entrepreneurial and industrial background, to become self reliant through instilling self confidence, so that they can develop their own decision making capacity and can solve problems on their own. SHGs provide a platform to the poor people where they can learn about collectively mobilizing and managing money and other matters (Charantimath, M.P.2016).In rural areas of our country SHG's are promoting women entrepreneurship through various means. Since Government understands the importance of SHGs for rural development they also initiated number of schemes through flagship schemes like Swarnajyoti Gram Swarojgar Yojana, National Rural Livelihood Mission, Deendayal Antodaya Yojana etc. A SHG follows certain procedure for its proper functioning like regular meeting either weekly or fortnightly for generation of awareness among members, generally the members mutually decide their project and after deciding the project some members of the group attend training, during this initial stage of formation regular attendance of each member is very important. The group decides weekly or fortnightly contribution of each member which is generally used to be a meager amount and it is mandatory for all members to contribute unless

a fine is imposed on the failing members. In each SHG there is a provision of one group leader and generally the women who initiate the whole process become leader of the group because in SHG experience is more important than expertise. From the experience of SHG form of micro enterprises it is observed that slowly and steadily women of rural India joining hands with majority section to contribute economically for the countries growth as India's 80% SHGs are developed by women. SHG is promoting group entrepreneurship among the people at grassroots level. Group entrepreneurship is providing an opportunity to the people to learn basic management system, values and record keeping technique which ultimately help the society as a whole. The main role playing by SHG is that they are transforming the individual activities into group activities.

Different initiatives for the development of SHGs are undertaken by Banks and other social organisations, among the initiatives SHG Bank Linkage Programme by NABARD is highly successful. SHG Bank linkage programme was undertaken for economic progress and financial inclusion. "A proven policy initially undertaken for increasing the outreach of banking services among the poor has transformed to a programme for promotion of livelihoods and poverty alleviation. All the major parameters viz. the number of SHGs with savings bank accounts, amount of credit disbursed during the year, the bank loans outstanding as well as the quantum of savings outstanding had shown positive growth during the period of 2014 to 2017. The year 2016-17 has proved particularly positive for the growth of SHGs as savings of SHGs increase to INR14283.42 crore as compared to INR9264.33 crore of 2014-15."(NABARD, Status of Micro Finance in India,2016-17)

OBJECTIVE OF THE STUDY:

- 1.To study the role of socio economic institutions in promoting women entrepreneurship.
- 2.To study the extent of women participation in micro enterprises and its economic implications within the study area.

RESEARCH METHODOLOGY:

In order to meet the objectives of the study, data have been collected both from primary and secondary sources. To bring authenticity to the study a well-planned questionnaire cum schedule has been designed and served for data collection from the populous on random basis. Formal and informal interviews were also taken as an important tool to interact with Government officials and other targeted respondents from self help groups. Secondary data from government website, relevant books and journals were considered for the purpose of the study. The SHGs which are registered with respective block offices are considered for the purpose of the study and only those SHG which have completed at least three years of continuous services are considered.

AREA OF THE STUDY:

The study on "Role of SHG in the Development of Women Entrepreneurship in Baksa District of BTAD, Assam" is considered to analyse the functioning of SHGs. BTAD is an autonomous area formed under the sixth schedule of our constitution in the year 2003 and BTAD stands for Bodoland Territorial Areas District. This particular study mainly covers the various villages of Goreswar development block and Jalah development block. Different self-help groups constituted by women are visited during field visit. Only Self-help group based women entrepreneurs were considered during the course of the study. The BTAD area is a unique geographical area comprising of both tribal and non-tribal population while the tribal population is predominantly composed of Bodo population, the non-tribal population covers wide varieties of communities like the Assamese Hindus, Koch Rajbangsi's, Adivasis, Bengali Hindus etc. The BTAD is a rural area where majority of people lives in rural areas and they have their own customs and norms. The BTAD is still not developed due to various socio political reasons. The BTAD area covers 35% of Assam's total geographical area.

Sample Size:

In Baksa district there are altogether 7 development blocks and these blocks come under the ambit of National Rural Livelihood Mission and thus they are termed as intensive blocks. In Baksa district total 3577 SHG are registered and 38886 numbers of women have enrolled themselves as member in these SHGs. For the purpose of the study only two blocks have been considered by applying lottery method and the selected blocks are the Goreswar and the Jalah development block. From each selected blocks 30 numbers of SHGs are selected randomly considering each SHG to have completed 3 years of continuous services. Moreover from each SHG two members are considered for their opinion for the purpose of the survey.

LITERATURE REVIEW:

Choudhury & Mohan (2001) conducted a study on SHGs in promoting micro enterprises through micro-credit interventions and the efficiency of Self Help Promoting Institution (SHPI). In his study he analysed the core issue of poverty reduction and efficacy of SHG route for promotion of micro enterprises. The main objectives of the study were to understand and analyse the operating systems in SHGs, to look at the effectiveness of SHGs in identifying the micro enterprises and to suggest appropriate policy for effective performance of SHGs.

Baruah and Borkakati (1998) in their study “Women entrepreneurship in the North East India” reported that constant endeavour to bring in hidden talents of North East region are worth mentioning. But the women entrepreneurship needs special attention. Because, very few trained women entrepreneurs start their business. The monitoring and follow up should be done constantly to overcome the problems faced by entrepreneurs.

Kalita, J.C. (2006) stated that Entrepreneurship Development is concerned with the qualitative development of an individual that it is the key to the progress and prosperity of a community and also of a region. While entrepreneurs acting as an agent in the development process; the economic development creates a favorable environment and encourages more number of potential persons to join in the entrepreneurship. The small and micro enterprise has a specific advantage of low investment with high scope for employment generation. The unemployment situation in India as well in the North Eastern region has become a problem that deserves immediate attention of the researchers. Employment opportunities in public and private sector is limited hence creation of entrepreneurs in small and medium enterprises to enhance employment opportunities through entrepreneurship development process may be considered as one of the way to overcome the problem if unemployment situation.

Carter and Cannon (1992) in their work on “women as entrepreneurs” conducted in Great Britain found that women consider their age and domestic condition play an important role before starting an enterprise. Women more prefer service and retail based business activities over other business opportunities. Regardless of their educational and career background, all had experienced problems in starting and running enterprises. Problems were mainly operational which affect all entrepreneurs at starting stage.

A critical analysis of development of women entrepreneurship:

Both men and women are equally important for the progressive and sustainable development of a nation. As women constitute almost half of our total population so it is necessary that they should actively contribute towards country's economy. Traditionally Indian women are reluctant to take up economic activity as our society norms were not supporting such activity. With changes of time, the norms are also changing. Now in this era of modern economy each and every people are considered as human resource and so it is their duty to contribute towards the economy of the nation. Slowly and steadily women are coming out of their homes and exploring their potentialities. With majority of our population still living in villages, Indian villages are endowed with enormous opportunities; be it agricultural, handloom, handicraft, livestock's and the list is endless. Proper vision and guidance can accelerate the growth of our rural areas and this can actively contribute towards the nation building process. In the context of bringing women to economic activities, socio economic organisations are playing a pivotal role.

A numbers of socio economic institutions are operating for promotion of entrepreneurship among all folks of people. Government agencies are playing an active role in the 21st century and also institutions like NGOs, social welfare organizations at local levels are also important for progressive nation building. In India various institutions are established for promotion of entrepreneurship, mainly for micro, small and medium sector enterprises notable institutions among these are the Khadi and Village Industries Commission, National Small Industries Corporation, National Science and Technology Entrepreneurship Development, SIDBI, NABARD, HUDCO; etc, are operating at national level and institutions like DICs, State Finance Corporation, SIRD, SIDC etc are operating at state level. In Assam institutions like NEDFi, RGVN, DRDA, DICs, Block Development Offices and different nationalized banks are promoting entrepreneurship. Apart from these government organizations, institutions like BRAWFED, a local organization operating mainly in BTAD area of Assam, is very active in promotion of entrepreneurship in the study area through providing encouragement, trade fair, market linkage, training etc to local entrepreneurs. In this regard it is worth mentioning that SHGs are performing the task of forming group among marginalized rural folk to show the path of progress by arranging projects, providing finance and the much needed support like developing idea, translating the idea into reality. It can be said that SHGs are promoting group entrepreneurship among rural people more particularly among the women folk of the society. SHGs are that kinds of social institutions which is designed especially to uplift the poor folk of village by providing a platform to work for individual development involving in a group which

ultimately lead to the development of society at large. The SHGs always undertake activities which are synergetic in nature and supportive from the point of environmentally matching local opportunities and resources. In the study area variety of SHGs are operating, some of which are very enthusiastic and contributing strongly towards the nation building process by involving the rural women in variety of fields and from the observation it is clear that entrepreneurship through micro enterprises not only include micro industrial units, it also includes agriculture, industry and agro based industry. In the areas like BTAD where both tribal and non tribal peoples are living, SHGs can make an impact in other career building aspects through consultancy as girls from these areas prefer nursing as one of their career option very strongly, with the progress of better communication and transportation they like to spread their activities in to city areas as vegetable vending is one of their preferred areas.

As a distinct form of micro enterprises SHGs are encouraging group entrepreneurship among the women folk of our society. In this particular study participation of women in the process of SHG formation considered to observe whether these unique process resulting in advancement of women or not. In the study area it is observed that since the development of SHG concept women are coming out of their houses and are developing various skills through this unique system group entrepreneurship is developing. During the field survey total 60 SHGs and two members from each group i.e. 120 members are surveyed. To check women participation and their economic involvement in the SHGs following parameters are fixed-

- i) Change of mindset : Perception towards entrepreneurship as a career
- ii) Sources of fund
- iii) Utilisation of fund
- iv) Profitability
- v) Training and consultancy services for SHG
- vi) Continuity of existence and reactivation of the micro enterprises
- vii) Quality of life(home living more comfortable than search for urban job)

i) Change of mindset : Perception towards entrepreneurship as a career:

During the field survey it was revealed by the respondent that they are finding it interesting to be involved with the SHG through which they are learning various aspects and more interestingly some of their daily activities such as weaving, goatery, poultry, piggerly etc. which can be transformed to meaningful economic exercises. These are their routine activity, just before getting involved with the SHGs, they are not able to gain much and only through their involvement with SHGs they understood that these activities can also contribute to become economically self reliant. In the field survey it is found that 65.33% women viewed it positively that the involvement with SHG is a meaningful career option for them.

Name of the Block	No. of SHG visited	Total no. of members visited	Responded positively with percentage	Responded negatively with percentage
Goreswar Development Block	30	60	42 (70%)	18 (30%)
Jalah Development Block	30	60	38 (63.33%)	22 (36.67%)

Source: Field Survey

ii) Sources of fund:

Generally every self help group after registration receive a fund called revolving fund of Rs10,000/ from the government as start up capital and this fund is treated as onetime grant. Depending upon the performance of the SHG the government under various schemes provides subsidised loan/grant through commercial banks for development of SHG. Except the one time grant and other loan scheme the Animal Husbandry and Veterinary Department of Assam provided a grant of Rs 75000 to five SHGs of Goreswar block for their achievement in the field.

iii) Utilisation of fund:

SHG develops group entrepreneurship and the fund generated by them both from their own sources or government grants are used for different income generating activities. SHGs are engaged in different economic activities depending upon the local resources and demand of the market. Generally SHGs engaged in agricultural, food processing, pickle making, bee keeping, weaving, eri and muga rearing etc.

iv) Profitability:

The SHG during the survey revealed that there is no exact data about their profitability and exact picture is unavailable due to various factors like non observance of proper accounts, lack of maintenance of funds in isolation, getting business and domestic funds mixed together. Generally whatever they earn in excess of their investment, a small portion is retained by the SHG and rest of the money is distributed among their member after adjusting loan or any unpaid amount due by any member. SHGs also revealed that when they earn a meagre amount as profit, they don't distribute that amount rather they prefer to reinvest that amount. Various SHGs used to take loan from commercial banks and in this survey it is seen that out of the SHGs visited only 9 i.e.15% of the SHGs had bank loan above 2lacs and they have successfully paid the loan amount.

v) Training and consultancy services for SHG:

The Government and various other socio economic institutions including banks usually organise training for the SHG. Various organisations promoting entrepreneurship also provide consultancy services towards the development of SHGs. Training relating to project preparation, maintenance of accounts, marketing, product development etc. are provided. Both in Goreswar and Jalah development block SHGs are receiving training and in maximum cases few selected members of certain SHGs in a particular area attend the training programme and after completion of training they disburse the knowledge to the other fellow members. Here only those programme which were organised for a minimum one day period by any institutions to educate SHGs for better functioning are considered as training and consultancy.

Name of the Block	No. of SHG visited	No. of SHGs received training & consultancy services with percentage	No. of SHGs not received training & consultancy services with percentage
Goreswar Development Block	30	16 (53.33%)	14 (46.67%)
Jalah Developmet Block	30	13 (43.33%)	17(56.67%)

Source: Field Survey

vi) Continuity of existence and reactivation of the micro enterprises:

SHG is not a perpetual entity. Some SHGs are very much active during a certain period of time. As per the revelation made by the members due to lack of profit, coordination among members, problem of capital and more importantly due to various family problems women are forced to stop their economic activities. Thus SHGs again need to reactivate their processes after a brief period of inactivity and dormancy.

vii) Quality of life(home living more comfortable than search for urban job):

Women during the field survey revealed that by being involved with the SHG they gained knowledge in various fields such as office functioning, group work, local resource base etc. Women SHG members have positively viewed their involvement with SHGs and more importantly the area of the study is rural village area where women viewed that working from home is better than staying outside.

Name of the Block	No. of SHG visited	Total no. of members visited	Responded positively with percentage	Responded negatively with percentage
Goreswar Development Block	30	60	42 (70%)	18 (30%)
Jalah Development Block	30	60	37 (61.67%)	23 (38.3%)

Source: Field Survey

FINDINGS AND SUGGESTIONS:

Women entrepreneurship through SHG in the rural areas of our country is very much helpful for strengthening women folk of our society and by being associated with SHGs women are gaining various traits. The SHGs encouraging group entrepreneurship among the women and more particularly among those who are living in a marginalised society and are not well educated. In this particular study it is found that women through their involvement with SHGs are becoming aware of various activities and they have started to believe that even a daily task can also be transformed to an economic activity. During the course of the study it is also realised that SHG infusing a positive mindset among the women and they are more confident in their activities. They have

also developed some positive traits like team work, communicative skills, office work, conducting meeting and maintenance of accounts. Apart from this positivity some negative aspects also observed during the course of the study. It is observed that some women are joining SHG only to get government financial assistance and they are using the money only for their domestic purposes. A good number of SHGs remain inactive during certain course of period and they get activated only when they come to know that government is launching financial scheme for betterment of SHGs. As per the revelation made by SHG members some government functionaries are not supporting the SHG with the required expertise. To make women entrepreneurship through SHG more successful consultancy and training need to be improved as the rural women lack in expertise. The SHG members also revealed that a section of government schemes became known to them only through functionaries who usually make them aware of the opportunities with an eye of sharing small part of the monetary receipt. SHGs need to concentrate on urban market and they need to develop their own channel of distribution. They can develop their own distribution system if more SHGs combine together and in this regard it is worth mentioning that a new concept called federation is being developed where a number of SHGs will come together under one cluster. SHGs are unique form of micro enterprises and if proper care taken by the government authorities it can change the face of rural economy.

CONCLUSION:

Rural women are not so aware and literate to handle all the legal and other formalities involving in loan taking and establishing an Industrial unit. They also lack confidence in their ability to run the enterprises. The state and its subsidiary organisations must provide meaningful aid towards boosting the morale of women folk with holistic approach which not merely discharging their official duty. It appears that one women SHG group could be more effective for educating other groups of women in the near vicinity, for acceptability and convergence among groups is more convenient than official organisation. The SHGs need capacity building and training in functional areas such as maintenance of finance, accounts, marketing, production and managerial skills. The only urgent need is to create a favourable atmosphere to increase self employment for women and over all developments of the country. Thus, there are bright prospects for rural women entrepreneurship in India.

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