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Women Entrepreneurship through Self-Help Groups (SHGs)- A study of select Villages of Lakhimpur District

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Abstract

A self-help group is a small, economically homogeneous & attractive group of 10-20 rural poor people which comes together to save small amounts regularly in order to lend it, to its members for individual gainful work or to jointly undertake economic activities which may fetches some profit to the group. Self-Help Group is a method of organizing the poor people and organizing them to come together to solve their individual problems. Women Self-Help Groups are informal associations where the women come together to undertake their common pursuit for gainful activities. They are associated with various economic activities like fishery, tailoring, weaving and embroidery, processed food products, poultry farming, etc. These activities help to establish themselves as entrepreneur in the society. This Paper mainly focuses on to identify the economic activities and to evaluate the performance of selected women self-help group. For this purpose researcher have deliberately selected some SHGs of the Bihpuria Block in Lakhimpur District. The data were collected through both primary and secondary method. To make the study more authentic and reliable a field survey was undertaken to assess the ground reality in select SHGs at Bihpuria village. Secondary data have been collected from various published sources relating to the concerned subject under study. Newspaper publishing, journals, books, internet, etc. were also used as a source of the study.

Key Words: Self-help group, women entrepreneur, economic activities
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Introduction

Women in our society feels isolated for more than one reasons. However, they are always encouraged when they find themselves in group initiatives. This group when composes of members of their own sex can save them from many social blemishes which are attributed upon them. The experiment of self initiative, self support and self sustenance have been the declared tools of the modern developmental process for boosting up the economic power in self empowerment of specified groups or category of people. Women constitutes 48.92% of the Assam's total population (Total population is 3,12,05,576 and female population are 1,52,66,133 Statistical handbook Assam 2021). They are considered as the better half of the society. So, without the development of women, 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 unutilized or under-utilized. 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 contributed substantially to the economic prosperity of India. In earlier days, they were associated with the household activities only. Now-a-days, they have come out of the four walls to participate in all sorts of activities like, academics, politics, administrative, social work and so on.

Entrepreneurship is a process through which an individual hopes to become self-sustained by harnessing his/her capacity by exploring the opportunities. Entrepreneurship is a weapon to overcome all the economic hindrances. The economic progress of our country is closely linked to its capabilities to manufacture and export the quality products in a highly competitive global market. Entrepreneurship plays an important role in developing and contributing to the economy of a nation. The term entrepreneurship is a relatively newer term & concept used in economic sphere. It is defined differently by different people such as risk-bearing, innovating, creative, dynamic, thrill- seeking, etc. Entrepreneurship involves changing, revolutionizing, transforming, introducing new approaches.

Entrepreneurship is an economic activity which is undertaken by an individual or group of individuals. Entrepreneurship can be defined as the "making of a new combination of already existing materials and forces; that entrepreneurship throws up as innovations, as opposed to inventions and that no one is entrepreneur forever, only when he or she is actually doing the innovative activity" (Schumpeter Joseph, 1961).

Women entrepreneurship is the process where women organize all the factors of production, undertake risks, and provide employment to others. According to Medha Dubhashi Vinze, a woman entrepreneur is a person who is an enterprising individual with an eye for opportunities and an uncanny vision, commercial acumen, with tremendous perseverance and above all a person who is willing to take risks with the unknown because of the adventurous spirit she possesses (Medha Dubhashi Vinze, Women Entrepreneurs in India, Mittal Publication, New Delhi, 1987). Thus, Women entrepreneurship is an economic activity of those women who think of a business enterprise, initiate it, organize and combine the factors of production, operate the enterprise and undertake risks and handle economic uncertainty involved in running a business enterprise.

Self-Help Groups act as an important tool for women which help members to establish as an entrepreneur in the society. A self-help group is a small, economically homogeneous & attractive group of 10-20 rural poor people which comes together to save small amounts regularly in order to lend it, to its members for individual gainful work or to jointly undertake economic activities which may fetch some profit to the group. Self-Help Group is a method of organizing the poor people and organizing them to come together to solve their individual problems. Women Self-Help Groups are informal associations where the women come together to undertake their common pursuit for gainful activities. They are associated with various economic activities like fishery, tailoring, weaving and embroidery, processed food products, poultry farming, etc. These activities help to establish themselves as entrepreneur in the society.

Guiding Principles for Formation of SHGs

- The strong belief by the individual to bring about change through collective efforts
- Effort is built on mutual trust and mutual support.
- Every individual is equal and responsible.
- Every individual is committed to the cause of the group.
- Decision is based on the principles of consensus.
- The belief and commitment of an individual that through the group their standard of Living will improve.
- Savings is the foundation on which the collective action of the group is to be built.

Membership of SHGs

- An SHG shall have a membership of 10 to 20 persons.
- Members should reside in the same village.
- Membership should be based on affinity.
- The groups could be male or female.
- The members of the groups should preferably be from the low- income group.

Management of the SHGs

SHGs elect a member as a chairman and Secretary of the group for a period of one year. The chairman acts as the representative of the groups and chairs group meeting while the secretary maintain records. All decisions of the group must be shared consulted and agreed by every member. The group frames rules and regulations. The group must open an account with a bank. They must meet at least once a month. The record maintained by SHG - Register of Minute, Register of accounts (Cash Book/ ledger/ vouchers/ receipts etc.), admission register, attendance register. SHGs will close the annual account on the 31st march every year and the secretary will present the annual reports related to savings loans activities etc. The agenda of each group meeting shall consist of the monthly savings accounts reports and bank account report, monthly savings and other matters.

Income Generating Activities and Loan System

SHGs must save for at least 6 months before they can be linked to a bank credit or provide loans to its members. The rate of interest in lending among members from the groups fund will be decided by the group as well as the amount to be given and the rate of interest to be charged. Loans may be given to members for either productive or consumption purposes subject to the group's decision. All income - generating activities require functional skills. SHGs must promote its members to be trained in their selected activity to enhance their capability for sustainable surplus production.

Disqualification of Members from SHGs

A member being absent consecutively 3 times from SHG meetings. A member who violated the objectives, principles and management of the group and the rules and regulation set by the group and found in its written constitution.

Objectives of the Study

i. To examine the participation of women in various economic activities through formation of SHGs.
ii. To make a field level study in order to examine the economic viability of SHGs in select villages of Lakhimpur District.
iii. To identify the problems confronted by the SHGs.

Research Methodology

The study aims at examining the economic activities performed by Self Help Groups and their economic viability together with an objective to examine if there is any problem being faced by Self Help Group in the study area. The data were collected both through primary and secondary methods. To make the study authentic and reliable a field survey was undertaken to assess the ground reality of select Self Help Group in Bihpuria Block of Lakhimpur district of Assam. The researchers have undertaken direct personal interview with personnel of selected Self Help Group. Secondary data have been collected from various published sources relating to the concerned subject under study. Statistical abstracts, newspapers, journals, books, statistical handbooks, economic survey, internet, etc. were the source of secondary study.

Economic viability of any enterprise depends upon a host of criteria, among which profitability is undoubtedly the most prominent one. Continuity of existence, integration of members with perpetuity of membership, further addition of family person to SHGs membership, frequency in operational activity, diversification of activity, assets creation, fund acquisition through successful performance, repayment of liability are the other important determinants for assessment of efficacy and performance of the SHGs. Registration and submission of annual reports to concerned authority is also indicative of sound management performance.

The samples of SHGs are mainly available in three clusters. They are namely- Block Panchayet level, Town Committee level and District Headquarter level. While Block Panchayet level SHGs can be wholly covered for our purpose, the town committee level SHGs are also being taken within the population of the study; Since, these towns are small semi-urban centers which are not very well developed, where the existence of SHGs are very scanty. However, no sample has been drawn from the district level as it is considered expedient only to include Block level and town committee level SHGs as they are fully rural based organization. Bihpuria Block has been constituted in four Panchayet level, namely-Badoti panchayet, Pub-Dikrong panchayet, Bahgorah panchayet and Bihpuria Gaon panchayet. 143 SHGs are officially registered under Badoti, 225 are registered under Pub-Dikrong, 194 are registered under Bahgorah and 207 are under Bihpuria Gaon Panchayet. Therefore, 769 SHGs are registered under Bihpuria Block Development Office (Block Development Office, Bihpuria). On the otherhand 65 SHGs are registered in Town Committee level (Bihpuria Town Committee). Researchers for their own convenience selected 25 registered SHG from Bihpuria Gaon Panchayot and 15 SHG from town committee level. Therefore, total sample of the study is forty.

Table 1: Block wise SHG in Bihpuria Development block

Name of Block	**No of SHG**
Badoti panchayet	143
Pub-Dikrong panchayet	225
Bahgorah panchayet	194
Bihpuria Gaon panchayet	207
Total	769

Source- Field Survey Block Development Office, Bihpuria

In actual visit however, many registered SHGs were found to be physically nonexistent. Interestingly, a few groups are seen to be active in economic pursuit without least concerned about formal registration. For paucity of time, information was sometimes gathered through telephonic conversation with the member/functionary of SHGs.

Results and Discussion

Total population of Lakhimpur District is 10,42,137 and out of which 5,12,463 is female population i.e.,49.17%. Rural population of Lakhimpur District is 9,50,804 (*Statistical handbook Assam 2021)*. It comprises of two Sub-Division, namely – North Lakhimpur and Dhakuakhana. The major activities carried out by women SHGs in Lakhimpur District are- fishery, tailoring, weaving and embroidery, textile and handloom, processed food products, poultry farming, interest earning by lending, handicraft, etc.

The women SHGs members are seen to be engaged in basic Textile and Handloom activities namely- traditional designed Gamusa, Mekhela- Chadar, handmade handkerchief, Muffler,etc. They are also associated in processed food product like bason, pickles, kharoli, bamboo-shoot, laru, pitha,etc. The study observed that women SHGs member of tribal communities prepared rice-beer for commercial purpose. Assamese traditional handmade fan which is used in during summer season, Jakoi and khaloi which are used as fishing equipment in villages of Assam have also made by the women SHG members. The researchers have also found that some of the SHGs organized an Annanda Mela/ Food festival during the occasion of Bihu and Puja festivals, such Melas are very common in Bihu festivals. In this research study, it has been observed by the Researchers that some of the members of the SHGs in collaboration with selected interested NGOs had organized "training camp/workshop" for the benefit of the members. In this workshop, the members were being taught how to make doll, ambush, pickles, fruit jam and juice, etc. On the basis of that, they always make an arrangement of Handloom and Handicraft exhibition during the time of Durga puja festivals.

The study observed that among the total sample SHGs, many of them are frequently engaged in their all operational objectives. The members of the SHGs have taken order of making gamusa, mekhela- Chador, pickles etc. on special occasion like marriage. Some of the SHGs also provide fish on special occasion. They also provide lend money to the outsiders at five rupees in an average in a month, this type of activities bring some profit to the SHGs. The profit is distributed among the members of the SHGs on annual basis; in the month of April. Majority of the sample SHGs have utilized the loan amount or financial assistance received from bank or Government in a productive purpose like in fishery, poultry farming, piggery farming or many other economic activities. Some of the SHGs distribute the loan amount or grant among the members, which is considered as a non-productive and non-professionalism objective. In this study, Researchers have found that some of the SHGs have taken loan from bank for their initial operation whereas some of SHGs contribute by themselves on monthly basis while starting their operational activities. Majority of the member of SHGs contributed some amount in a monthly basis and keep it in to the bank. After contributing more than 6 months they have to start lending money for their own member in initial stage and after 2 years they lend money to the outsiders. In this research study the researchers reveal that the SHGs have yet not received the adequate amount of loan provided by bank, it is very difficult for the SHGs to take initiative in any activity without sufficient fund. In this research study, researchers found that 15% of the sample SHGs group had been included further membership for their own family. The researchers also found that 17.5% (7) SHGs have not been engaged for any operational activities and 20% (8) SHGs were found to be occasionally associated their operational activities. Rest of them i.e.,25 SHGs (62.55%) have been actively associated their operational activities.

NABARD has been playing the role of propagator and facilitator with the help of different Commercial banks and NGOs providing conducive policy environment, training and capacity building besides extending financial support for the healthy growth of the SHGs linkage programme over the years. Training is provided by SIRD (State Institute of Rural Development) to select SHGs in textiles and handloom, weaving & embroidery, processed food product, etc. in collaboration with different NGOs. Government of India (Ministry of Rural Development) in collaboration with state Government have taken different inspiring steps for SHGs under the scheme of NRLM (National Rural Livelihood Mission) which replaced the IRDP (Integrated Rural Development Programme) and SGSY (Swarnajayanti Grameen Swarojgar Yojana), programmes.

After amalgamation of the scheme like IRDP and SGSY etc. schemes into a new vision proggamme; namely, NRLM which has now been adopted as the main instrument for bringing about economic empowerment to the rural folk. The training for entrepreneurship of micro-enterprises has been provided by SIRD and accredited NGOs, IIE (Indian Institute of Entrepreneurship) and also by NIDC of India and the MSME (Micro Small Medium Enterprise)-DI (Development Institute). The survey result revealed that the SHGs became beneficiary of loans under NRLM and those which acted with well throughout plans have been proved to be successful. The SHGs which acted under appropriate plan have become successful in returning loans with good profit for the member. However, in cases where there were shortfalls in providing loans by the bank to the SHGs against their estimated investment, the loan amount failed to meet the actual requirement and the members shared the amount for their private uses making it difficult to return in time. Reason being the loan amount couldn't fulfill their requirement for specific purpose for which it was intended. In course of the study, it was experienced that a few members of some SHGs who have desired to return their part of share, however, found it difficult for the reason that refund of loans demands whole some amount from all members and comprehensive return of the loan amount. In such a situation a default in payment of loan becomes a forthcoming eventuality in which honest loaners are also converted into defaulter.

Conclusion

As it has been experienced that SHGs often fail their objectives. Wherever financial assistance sought is not adequately supplied by the financing agency. A few SHGs lack spirit of professionalism as their outlook and attitude towards credit assistance received from Government is fought with lack of clarity and vision. It has also been experienced that a few SHGs operational achievement is satisfactory at the first instance while integration of the group is fragile for subsequent incentives owing to either difference among members or lack of co- ordination among the group or diversion of interest for other subsidiary occupation.

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