



## Women Entrepreneurship and Rural Development: A case study of Desangpani Development Block, Sivasagar

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### **Abstract:**

*Rural Development is related to the various dimensions of rural life, such as –the growth of agriculture and allied activities, rural industrialization, education, health, public works, poverty alleviation, rural employment generation programme on the one hand and on the other the development of poor women and children, the weaker section of the area.*

*Rural development and development of rural women are co-related to each other. That is the rural development programmes of the government provides opportunities to the women of those rural families who are living below the poverty line so that their social and economic standard could be improved.*

### **OBJECTIVE**

To assess the performance level of the women entrepreneurs in the sample area.  
To examine the future prospects of women entrepreneurs and their problems.

### **METHODOLOGY**

The present study is carried out in Desangpani Development Block of Sivasagar district selecting 20% women entrepreneurs relating to different types of economic activities. Our study is only concentrated on the period 2007-08. The data for the study was collected from District Industry and Commerce Centre and Khadi and Village Industries Commission, Sivasagar.

In our sample area of the Sivasagar district, women in the form entrepreneurial group (self help group) and entrepreneurs are exploring new avenues of economic participation. At the reference period, 773 women groups have registered the names of their units as entrepreneurs. Out of 773 women groups at Desangpani Block, 20% of which are 154 have been taken for the study.

Generally the size of women entrepreneurial group is constituted members ranging from 10 to 20 members as directed by DRDA and financial institutions with various aims and objectives. In our surveyed area, the initial resource mobilization of WEGs starts from the making a fund from contribution of the individual members of a group that are ranging from Rs.10.00 to Rs.50.00 per member. However, the individual member contribution within a group is the same.

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The WEGs have to open bank account and have to continue it so long the linkage between the group and the bank is operative or continuing. This researcher has found the necessity of opening the account as they have to open it for registration of their groups in their names.

Are for getting loan and other banking facilities.  
Are to deposit their savings/surpluses etc. into their own account.

The WEGs take up economic activities of their choice for revenue generation. This phase would include entrepreneurial development as well as skill development training of the members of the group to enable them to successfully implement the chosen activity. Such groups may continue to remain in the Micro-finance stage for a longer period of time and may require intensive training and capacity building inputs to enable them to reach the higher level of income or revenue generation.

This researcher has found that there are various types of WEGs on the basis of fund in the surveyed area.

**TABLE 1.1 REVEALS VARIOUS TYPES OF WEGS ON THE BASIS OF FUND.**

Sl. No	Fund basis	No. of WEGs	%
1	Forming corpus only	45	29%
2	Revolving fund	(79)	(51%)
3	External source	75	48%
4	Internal source	34	22%

It is found that the numbers of WEGs who have invested on various activities are 109 out of 154 WEGs in the study area. Out of 109 groups 34 WEGs are able to depend on their internal sources and the remaining WEGs i.e 75 have depended on external sources like bank loan. It is also found in the study that the number of WEGs, in the stage of forming group corpus only is 45. It is perceived from their statement that these WEGs have been formed lately and they have yet to go on process to involve in bank linkage.

Depending on external source of capital, WEGs initiate activities and get incomes in general and at this point of time the revenue generation starts from surpluses if the WEGs skillfully manage the capital. Due to scarce financial resources, the habits of austerity and futuristic orientation of the members of the group have been considered very essential. To generate their own capital, the WEGs have to be rational and thrifty.

**THE TABLE 1.2 PRESENTS THE VARIOUS AMOUNT OF CAPITAL INVESTMENT OF WEGS INCLUDING OWN SHARE OF THE MEMBERS AS PER ANNUAL RECORDS OF INVESTMENT, COSTS, SAVINGS ETC. OF THE SAMPLE WEGS.**

Sl.No	Nos. of WEGs	Bank loan sanctioned in 2006-07	Size of own share	Amount of investment	Year of estb.
1	30	20,000	2500	12,500	2006-07
2	22	25,000	3000	15,500	2005-06
3	32	55,000	6000	33,500	2003-04
4	25	1,00,000	10,000	60,000	2001-02

The table reveals that the amount of bank loan of Rs.20, 000 has been received by 30 WEGs, whose own share of capital investment per month is about Rs.210 and per year Rs.2, 500 per WEGs. The number of WEGs receiving bank loan of Rs.25, 000 is 22 and their own share to capital investment is Rs.3000 per



annum per year. Out of 154 groups in our study area, 32 WEGs are able to get bank loan of Rs.55,000 and 25 have received loan of Rs.1,00,000. The own share of capital investment of these group are Rs.6,000 and 10,000 per year respectively. The groups getting highest amount of loan (i.e Rs.1,00,000) were formed during 2001-02. The table also reveals that the women groups who have got higher amount of bank loan and higher amount of own share are found to older ones. The younger groups have received the lesser amount of bank loan.

The balanced amount of the loan sanctioned is kept in Fixed Deposit Account for repayment of loan in time. The WEGs generally invest 50% of loan sanctioned with own share on their activities and remaining 50% are kept as fixed deposit.

The researcher found some of the WEGs which have not yet taken facilities from the bank or DRDA and some others who are even not able to avail loan, revolving fund and subsidy etc. However both types of women groups are undertaking their business at the cost of their own capital resources.

A WEG usually saves a part of its earnings after parting with expenditures such as bank loan repayments, recurring expenditures etc. One of the important qualities required on the part of the entrepreneurial group is that they should have tendency to save for the future and to invest for further development. They should have a long term involvement with this goal and should not think in terms of immediate gain.

**TABLE 1.3 SHOWS UTILIZATION AND SAVING OF SURPLUS REVENUE GENERATED OF SAMPLE WEGS.**

No of WEGs having linkage with bank	No of WEGs have no linkage with bank	Amount of investment expenditure (in Rs)	Initial revenue generated from selling (in Rs)	Initial surplus (in Rs)	Deposited in bank (in Rs)	Saving with groups (in Rs)	Reinvestment
30		12,380	20,000	7,500	2,500	5,000	Surplus is wholly or partly reinvested where necessary
22	45	25,500	25,500	10,000	3,000	6,500	
32		33,500	55,500	21,000	5,000	16,000	
25		60,000	1,20,000	60,000	15,000	45,000	

For Rs 33,500 as the individual initial investment of 32 groups, found in the sample area, each group earns Rs 55,500 each as revenue and Rs 21,000 as surplus. Their deposit in bank from surplus is Rs 5,000 and is retained the group Rs 16,000 each.

Among the separate 25 WEGs, who invested capital of Rs 60,000 individually and earned Rs 1,20,000 as revenue from selling their products with surplus of Rs 60,000 each. They deposited in bank Rs 15,000 and retained in groups Rs 45,000 each.

It has found in the study that there are 45 groups shown in the table without linkage with banks. They are utilizing their own limited capital resources in the business and producing a negligible chunk of total production of the sample WEGs.

It has seen in this study that the limited number of WEGs has overcome the problems they faced and have shown good performance by earning a significant surplus. This is the result of active role of WEGs, their level of education, awareness of people of the society etc. However, as the surplus earnings of majority of WEGs is too small. So it can be stated that the development of women entrepreneurial groups in the surveyed area are fewer than expected. The problems of the WEG shaved handicapped the growth of entrepreneurial activities for themselves; so they can not smoothly run business. The assistance from the government accepted by the most of WEGs are not at right time and in right amount, which have also hampered the sample women entrepreneurs in smoothly running their activities. Since the surplus earnings of most of the WEGs are not so big that they can contribute remarkably to their families. Due to unsatisfactory or insufficient assistance of the most of the government, insignificant support of non-governmental organization, application of old method of production, the activities run by the sample WEGs are in the sphere of traditional type. The movement of women entrepreneurial development is still in a



transitional phase. They have yet to go a long way to be at par with their male counterparts. It is absolutely true that economic activities of women is the other oar of the development boat of a country, without it the oar of men will become helpless at a time. It is a fact that man alone cannot do away with the evils of poverty, unemployment and inequality.

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