

Microfinance and Rural Women Entrepreneurship

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MICROFINANCE AND RURAL WOMEN ENTREPRENEURSHIP

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PREFACE

This book takes a fresh approach to the time-honoured study of women entrepreneurship by merging the study of collaborative initiatives and visionary strategy in unpredictable, but malleable working environment. Literatures surveyed in this study validate a widely felt shortage of interesting and novel ideas in entrepreneurial mastery, and it is viewed that rural women in India typically struggle against the risk of cultural tyranny with unfair seclusion and limited financial accessibility. But, the problem caused by issues with the environment, knowledge, skills and motivation are now shifting. The wisdom of entrepreneurship in the north-eastern region of India is today no longer crowned only by educated urban women but also by rural women who are equally taking interest in it. Rural women through microfinance are fostering their share in entrepreneurial world by framing a flawless process with their like-minded colleagues and accepting different challenges and finding their ways to make their own space.

In view of the widespread availability of different Government initiatives such as “Swarnajayanti Gram Swarozgar Yojana (SGSY)” programme and its merging with certain erstwhile programmes are now helping them to discover the baseline, where to go and how to get there through different support facilities like skills and task training, marketing amenities for rural exposure and financial backing with subsidy. Although, it begins at micro level, but the formation of self-help group and microfinancing assistance creates a good business sense among the rural women. Access to microcredit is a great source to facilitate self-employment that leads to self-esteem among rural women. It lifts to lead multiplier effect in the generation of income of countless women self-help groups. It also ensures healthier society and better future of a nation. At the same time, recurrently they deal with unexpected multidimensional constraints which consist of training, marketing, financing and managerial factors.

The book has emphasized on the leadership practices followed by the WSHGs in the area of micro economic initiatives and to evaluate management performance in translating the subsidy into sustenance. Since there is supported relation between managerial factors with other facilitating factors, the study attempts to determine the operational and controlling effect of each component with business performance.

Authors

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LIST OF ACRONYMS

- DRDA:** District Rural Development Agency
- EDP:** Entrepreneurial Development Programme
- MCS:** Micro Credit Schemes
- MFI:** Microfinance Institutions
- MFO:** Microfinance Organisations
- NEs:** North-eastern States
- NGOs:** Non-governmental Organisations
- RBI:** Reserve Bank of India
- RRB:** Regional Rural Banks
- SGSY:** Swarnajayanti Gram Swarozgar Yojana
- SHGs:** Self-help Groups
- WSHGs:** Women Self-help Groups

Introduction and Design of the Study

Chapter Outline

1.1	Background of the Study
1.2	Statement of the Problem
1.3	Review of Literature
1.4	Aims and Objectives of the Study
1.5	Hypotheses
1.6	Significance of the Study
1.7	Methodology
1.8	Limitations of the Study
1.9	Chapter Scheme

1.1 Background of the Study

The astuteness of women entrepreneurship is today no longer crowned only by educated urban women but also by rural women who, albeit in small numbers, have begun to take equal interest in it. Rural women are remarkably raising their share in entrepreneurial fragment by creating a seamless process with their like-minded colleagues and finding their ways to cut the clutter in simple streamlined design. For encouraging them, government initiated to launch Swarnajayanti Gram Swarozgar Yojana (SGSY) programme with effect from 1 April 1999 by merging certain erstwhile programmes with an aim to promote group entrepreneurship for better management of activities through different support facilities like skills and task training, marketing amenities for rural exposure and financial backing with subsidy. Although the lift has

led to multiplier effect in the generation of income of countless women self-help groups, but at the same time recurrently they are confronting unexpected multidimensional constraints which consists of training, marketing, financing and managerial factors in line with previous studies in business literature (Deshpande, 1993), (Cadogan, 2002). A number of studies point out that all the factors are not in same valence and managerial factor is the highest significant one and that the benefit of any facility or resource support depends upon a policy action or any practice oriented to the transformation of the conditions of human action. More specifically, as practices oriented to or conducted in the context of struggle and conflict over the development, nature and distribution of the facilities and circumstances of human action, so the enabling factors become more actuated through reflexive managerial practices in the direction of the transformation of the structured sets of business relations within which particular business unit operate and particular activities occur.

Nonetheless, the notion of dynamic capabilities is the ultimate source of business success, but rudimentary efforts have been made to identify the dimensions of structure specific capabilities to explain how combinations of competences and resources can be regenerated and protected. To address changing environment, dynamic competences can be seen as an emerging and potentially integrative approach to exploiting internal and external facilities (Dutta, 2005), (Eisenhardt, 2000), (Luo, 2000), (Sanchez, 2004). Many theorists, like (Gartner, 1989) and (Sandberg, 1987), acknowledge that entrepreneurial style and managerial competencies underlie entrepreneurial behaviour. Thus, the entrepreneur-leader-manager's behaviour and action is the link with success, but it is directly influenced by other factors such as training, business goals and strategies, financing, marketing as well as factors such as the external environment. Due to generic problem of smallness, this type of group activity depends at the start, and often for a long time afterwards, upon the leader-manger abilities and available resources. There is an initial shortage in resources and facilities to manage and the leader has to make all the decisions and this becomes even more critical as the group activity develops. (Friedlander, 1968), and others alleged that micro units tend to treat the organisation as a closed system by concerning upon principles of internal functioning as if these were independent of the external environment. An imbalance of functional skills can lead to a failure to recognise, or tardiness in recognising, impending difficulties and the need to find early solutions or to acquire

the knowledge which would avoid such difficulties. Besides, growing and deepening incidence of poverty, notably in north-eastern region, has brought to the forefront the question of development effectiveness, both in the allocation and utilisation of scarce resources and the application of subsidy through different micro initiatives by the WSHGs.

In addition, the notion that gender is normally highly significant in terms of what people are doing and non-optional (West & Zimmerman, 2009) pose a real challenge to the researcher in assessing performance effectiveness of any business unit. As identity issues sometimes transcend normative assessments; hence, are not in favour of judging business performance according to normative standards for one's gender category to avoid the risk of being evaluated by the gender norms (Alvesson & Billing, 2009). It is better to think differently at work from one-eyed gender studies, seeing and emphasising gender everywhere or at least for organisational and professional effectiveness (Cliff, Langton, & Aldrich, 2005), inspiring the idea that at work people are sometimes assessed mainly on work performance and this may lead to non-doing of gender in business. Though the study is basically based on data collected from WSHGs, but for assessing managerial competency in business performance, it is better to postulate gender which is optional or at least constantly non-significant in business interaction. With all this view in mind, the study intends to review the utilisation practices of enabling frontline service facilities through the competency of end-users and the changing effectiveness and efforts of women SHGs under Swarnajayanti Gram Swarojgar Yojana (SGSY), to appraise their performances with respect to functioning of entrepreneurial activities in the state, and to identify the major factors that emerge so as to make sense of the bewildering complexity of action and activities relating to the group's operation and functioning through an assessment of the indirect effect of facilitating factor on managerial competency along with the direct effect on business performances.

1.2 Statement of the Problem

The rapid expansion of microcredit as part of the process of financial inclusion has pivoted on marshalling gendered narratives of social rise and participation, which act as positive and prohibitive stories about what finance can and should do, about what is right and wrong, and about where and how finance should operate. In the contemporary public imagery of microcredit or its inverse debt is contemplated and

understood as a force of empowerment of women from traditional gender identities, allowing intrinsic entrepreneurs to prosper or helping poor people to manage their difficult economic lives better – notions which grant finance the “power” to empower and develop people. No one can deny the fact that on the one side there are many positive and mobilising aspects of different empowerment sequence of events that lies in an invitation to the reader to become part of the narrative by supporting microcredit, which in turn allows money supplier to spin their own narratives about their lending activities (Black, 2013). However, there is also a more fundamental depiction below the empowerment level that is woven into the fabric of the microcredit construct: social problems are problems of finance. When protagonists preach that the poor need access to finance in order to fulfil their potential, but finance literature shows, economic and social success is increasingly determined by their success or failure at managing finance.

No one can know with any certainty whether the activities that the lender’s fund will actually create successes in far away villages or slums, except the imaginary success stories about the miraculous effects of microcredit where the poor are depicted as “portfolio managers” (Collins & Ruthven, 2009), as savvy and skilful as their wall street counterparts, and especially in need of finance. This argument is based on the affirmation from their study of 250 households that for the poor, money management is a fundamental and well-understood part of everyday life. It is a key factor in determining the level of success that poor households enjoy in improving their own lives. But the observations of these economists were not actually portfolios, in its place the budgets of poor people, because clever budgeting is not portfolio management or managing finance for regeneration of finance. These are juggling with money and debt, of matching incomes and obligations in order to sustain financially (Guerin & Magdalena, 2014). Managing money is about matching risks with rewards, realising the largest possible gain with exposure to the least possible risk (Bernstein, 1992), with an optimal allocation of funds.

Thus, the description of poverty as a problem of finance figure on: not having enough money is bad enough, but not being able to manage whatever money one has is worse. (Yunus, 2003), posited that the failure to take loan and employ it usefully revokes one’s right to better life. Superior to redistributive alternative when finance hinges on the regeneration of resources only then it can represent empowering. With the affirmative description poor people are represented as financially

rational subjects who more urgently need finance than direct poverty relief because not being able to manage whatever money one has is worse and debt is the only escape route from poverty. As the burden shifted to the borrowers, every individual borrower must act in a self-controlled manner with an ingrained discipline (Merquior, 1991). Microcredit operations, thus, impose a system of disciplinary techniques, particularly at the group level, which organise borrowers to regulate each other and themselves through a system of hierarchies and delayed gratification in the interest of generating entrepreneurial selves for development (Brigg, 2001).

The consequences of disciplining and punishing pressure of expanding microfinance is too awful to contemplate that the supplier of the finance/capital are not only interested in including poor in standardised shorter credit running cycle in small quantities at high volume but also are increasingly willing to include the (poor) client as their subjects. All financiers, regardless of their form and origin, require some level of regular and adequate cash flows from their outlays to reallocate the funds. The so-called “social collateral” of the group lending model, which at the lender-borrower interface employs neighbours and associates to perform acts of observation and discipline for the lender, often building on and employing existing social hierarchies (Wright, 2006). For any default with their repayment, sanctions against the entire group are imposed, with far-reaching consequences, such as defunct group, or withholding future credit (Rahman, 1999). Who it is often the members of the SHGs harass other borrowers, shame or threaten them in public and perform the notorious act of housebreaking as punishment (Karim, 2008), and even worse acts, such as kidnapping children (India, 2010).

But, the method of punishment or sanctions is used only when the group or individuals involved fail to discipline themselves enough in utilising and regenerating resources. As the business of microcredit is built on self-discipline, the wise way to avoid housebreaking and harassment is always to repay on time by regenerating resources through effective reallocation and utilisation. Following (Paul, 2006), microcredit should be understood as intensified and abstracted action orientation and an instruction to act. In the credit-finance contract (now money and later money) it is intensified, unique and special, because members are legally and socially obliged to honour contractually agreed debts, whereas in normal contract a person exchanging something for money is rarely legally obliged to exchange money. It is abstracted

because the debtor, unlike the wage labourer, usually decides for themselves what work to do. As there is no direct exchange of commodities, a contract of lending and borrowing endures over time because of money for money plus money: the sale of now money principal against later money of principal and interest. To discharge the contract of debt obligation, the SHGs need to perform activities, or in exceptional circumstances at least contract with others to repeat the cycle. In a microcredit relation, the objects of exchange are past labour (decision-making) power as the claims already held by the lender for future labour power for future claims granted by the group, and the interest is surplus labour power (physical or managerial) paid to the lender.

Under the layers of empowerment rhetoric: the lender transfers the onus to deliver labour power to the borrower on the premise that “give a man a home mortgage, it was held, and he will work twice as hard”. Uncertainties about a specific borrower’s future capacity to deliver, the lender’s capacity to enforce repayment and the urgency of the borrower’s need for credit are all priced as interest (Calder, 1999). Why do then people enter into microcredit link? The proximate reasons for entering into a microcredit relationship must clearly be as divergent as the people involved, who have all sorts of needs which they must or wish to fulfil in the present. People who lack money will often pay much to gain money. As (Young, 2010), found women are the key borrowers because of their lack of mobility and their adherence to socially sanctioned “women’s work”. The scenario of credit expansion in India during 2000s shows the borrowers and other economic agents reacted in different ways that were not predicted by the standard mobilising narratives. The repayment schedule raised questions without cash flows and bore little resemblance to their income and spending circumstances, responded with often very perilous coping tactics (Taylor, 2011).

Since 21st century globalisation and economic liberalisation have been stirring every facet of human life with a speed. Changes in technology, emerging market forces, diversity in the expertise needed and the cost differentials in different parts of countries have made it imperative for businesses to globalise. In the process, not only the corporate sector from urban arena, but even the entrepreneurial ventures from rural parts have been launched on global platforms. Government also extended its helping hands through different assistances and programmes under common umbrella like group approach, which acts as supporting means to initiate, run and survive the micro enterprises in

long run. Here the author viewed that self-help groups assists the women-folk to participate in organised activities apart from helping members to mobilise funds. Financial assistance and proper guidance to the groups not only brings sea of changes, thus making them powerful but also tap the hitherto unutilised powers of women for sustainable development of the society as a whole. The basic conceptual outline of key managerial, facilitating and the other potentially influential factors, provides a powerful tool for the examination of casual, differentials and factorial relationships in group setting, and thus form a better impression of the breadth of the problem. Identification, measurement and treatment outcome of different factors may provide a strong impetus to rethink conventional wisdom and to find an immediate response for a possible change in resources utilisation practices which can be seen as an extension of resource based view where the WSHGs not only are competing on their ability to activate and exploit their existing resources, they are also competing on their ability to completely renew and constantly reuse these enabling resources including human resources (Matheswaran, 2009).

At the same time, fight against poverty through entrepreneurship is regarded as a demanding issue in the north-eastern region. Present author depicts an analytical account of the rural credit in north-eastern region. The author points out that the credit-deposit ratio in almost all the states of north-east lags far behind the national ratio which is an alarming situation. Also, due to high cost of operation of banks and very high transaction cost both for borrowers and the banks it may not be feasible for the commercial banks to provide microcredit in the rural area of the region. The author also emphasised that government sponsored SGSY with subsidy element is also proving a hurdle in achieving the basic objective of SHG movement in north-east India (Gogoi, 2004). Though group approach under government initiative programme of SGSY acts as a platform for supporting rural based entrepreneurship through facilitating different amenities. But, every scrap of information clearly depicts that, there is record number of WSHGs formed in north-eastern region, however the duration of their survival rate support the notion of ineffectiveness on managerial front to exploit the available facilities wisely. Here another author viewed that it is true that a venture needs capital to survive; it is also true that a large number of business failures occur because of lack of adequate financing. Yet, having money is not the only bulwark against failure. Failure due to lack of proper financing is often an indicator of other problems like

managerial incompetence, lack of financial understanding, poor investment, poor planning, and so on (Poornima, 2009).

One of the biggest challenges the leader-managers of WSHGs face today is how to strengthen and secure more contribution from managerial than material factors because root causes of poor economic performance and micro firm failure need not every time originate from basic problem of smallness and from perpetual state of alarming resource crunch. The challenges which WSHGs encounter with poor resource base and how available facilities can reinforce competencies that can contribute differential performances in enhancing values are a pressing problem today. Present author cites that the major challenge of today is to evolve an appropriate strategy for mobilising the human resources for optimising use of the available resources through proper management skills. The study indicates that screening the “creditworthy” from the “not-so-creditworthy” borrowers, creation of productive assets and monitoring utilisation in a cost-effective manner, also repayment is a prestige issue, and pressure from the peer group has discouraged default by individuals. The amount repaid is recycled for giving fresh loan to the same or new members, and the beneficiaries develop a sense of involvement. Also, members of the group feel that the repayment made to their own group and not to any outside agency may lead to success (Panda, 2003). Investing in women’s “capabilities” and giving exposure to their “inherent managerial talent” is the surest way to hasten the social development, way to contribute to economic growth and overall development which is also supported by (Pattanaik, 2000).

Therefore, the main research question is: How do leader-managers of the WSHGs with the help of facilitating factors in the microfinance field of remote areas like north-eastern region, particularly in Tripura, operate, utilise, and avail the enabling frontline service facilities in their day-to-day economic activities in search of enhancing overall performance through group approach? Considering the significant effect of both managerial and facilitating factors like marketing, training and finance on business performance, the study intends to explore how far enabling business facilities help the rural women to enhance the value of their venture, and that very issue have led to revision and rethinking and calls for an investigation in the operational and working aspect of rural entrepreneurship through group approach for rural women in north-eastern region. Rural markets offer great opportunities to become centres for rural promotion. But, at the same time it is both enthralling and exigent. Rural markets provide virgin lands with ample opportunities, at

the same time beset with challenges and threats which need to be overcome to enjoy the cream of profits through sustainability and profitability via satisfying consumer expectations. Here the author cites that rural entrepreneurs are not able to reach market themselves and the middlemen are making huge profits. Rural entrepreneurs do not know how to synchronise their skills and what the markets want. They have problems of not being able to add value to their products by way of finishing, packing and advertising. Rural entrepreneurs have to cope with number of constraints and difficulties in various fields such as technological innovations, governmental procedures and regulations, scarcity and paucity of funds, market communications, logistic problems, etc. The author recommends, by fostering a collective mind, i.e., building the relationship dimension, and moving them forward into actual joint activity, can reach levels of collective competitive advantage which would individually not have been possible. Moreover, cluster concept involves building trust, open communication and close relationship between them. It also involves cultivating various forms of clustering activity namely sharing, collaborating and co-operating, etc. (Rajkonwar, 2004). Other author viewed that women entrepreneurs face lot of challenges in establishing and running the business enterprises starting from family ties followed by lack of technical know-how, poor mobility, fear of risk bearing, insufficient working capital, scarcity of resources, inadequate training and supporting system and the stiff competition existing in the market which creates barriers in the pathway of success of women entrepreneurs, resulting in loss of confidence in dealing with the external world. The suggestion forwarded in the study is the joint effort of both government and willingness of women for coming out those challenges. At the same time, women need to adopt the modern management concepts for improving their competitive strength and successfully overcoming those problems (Thaiyalaknayaki & Varshney, 2012).

The quality of the management will determine the success or failure of the venture. Entrepreneurial success is backed by adequate finance, marketing opportunities, training for improving skill and most importantly good managerial skill. In order to promote rural women entrepreneurship, it is required to manage the performances of the groups. Performance management plays an important role in the long-run survival. For that it is required to integrate the women into one system, build up their strategy, make them understand the group requirements, manage through the planned objective of each member of

the group as well as ensuring their required competence for better management of activities and better performances. Here the authors viewed that performance management is an integrative and holistic concept taking on the entire group or organisation. It seeks to systematically link members work outcomes with the competitive priority of the group or organisations in order to improve the competence and performance. It involves a set of processes for establishing shared understanding about what is to be achieved, and of managing and developing people and resources in a way that increases the probability that it will be achieved in both short and long-term (Kohli & Deb, 2008).

Requisite training programmes on periodical basis is necessary to nourish the managerial skill of group members. But, it will be effective only when the rural people will come forward by themselves and learn while doing so. Present author cites that what makes a Grameen worker or manager so different from others is their willingness to work, and second one is the training which is simple because it is self-taught, which pages of books never taught them. Entrepreneurs should also have a tendency to accept the challenges rather than avoiding the same in order to have the required outcome (Mohammad, 2007), (Nalini Shija, 2006). The author observed that the industrial culture and entrepreneurship development in north-eastern region is lethargic where majority of the women engaged in the unorganised sector like agriculture, handicraft, handlooms, and cottage based industries. So, for successful enterprise in rural context, entrepreneurs should possess the managerial qualities for doing work efficiently, effectively and economically. Through adequate training various management principles and techniques need to be taught for handling different management tasks successfully, applications of managerial tools in a productive way. Also, follow-up action for reviewing the acquired knowledge and making use of the same for setting goals is required. The proposition of the study is that the business performance and the factors influencing business performance are only different aspects of same thing. Then it is clear that every level of performance variation has a factor and that the performance is the result of factors adequate to its production and value enhancement. Accordingly, the research focuses on identifying and assessing the significant factors and their influential roles in managing economic activities of the WSHGs in the context of developing economy, specifically taking the case of north-eastern region in general and Tripura in particular.

1.3 Review of Literature

The boundaries of the existing literature in the field of entrepreneurship are often difficult to define and usually it is not clear how to sort and delimit existing studies into a specific domain of literature and then relate that literature to one's own study (Locke & Golden, 1997). Using established conventions for structuring fields or relying on popular labels for sorting literatures may also be counterproductive. Literature sorting is, therefore, often complicated and arbitrary irrespective of whether one is using gap spotting, neglect spotting, application spotting, or problematisation and reflexive mode as a way of constructing research questions. However, it is important to make broad references to major or typical studies and to scrutinise possible problematisation attempts in relevant work. In this section, an attempt is made to review several research articles, journals and books related to different issues on women entrepreneurship through group approach in India particular to north-eastern states. From the available literature, different concepts, ideas and thoughts on women entrepreneurship were scrutinised. With a view to create a more coherent and interconnected body of knowledge, different issues relating to participation of women in diverse entrepreneurial activities, training, credit and subsidy, marketing and other support, their management system as well as different problems they confront, are some which are relevant for this research work are presented below by extending and complementing the existing literature.

Rural Women Entrepreneurship through SHGs

Investing in women's capabilities and making them powerful through SHGs to help them achieve their choices and opportunities is the definite way to contribute to the overall development. Here the authors found that the performance of the SHGs was good in the study area. The greater percentages of women were impacted positively by being members of SHGs. Women's participation in the SHGs enabled them to discover inner strength, improve their managerial skill of business and boost up their confidence. Moreover, they are very laborious, self-confident, responsible; effective in time management and maintain a good balance between family and enterprises. The authors also suggested that members should be provided adequate training in microenterprises so that credit provided by them can be used productively (Prasanta, 2003) (Patra, 2008). Women entrepreneurs are running their enterprises efficiently in rural part of the country. Self urge

and group approach have been successful in breaking the stranglehold of moneylenders. Women have been coming forward to utilise their savings for starting several small-scale, independent income earning activities (Dogra, 2002).

Literature survey found that smaller firms gain more from learning orientations and there is a positive relationship between learning orientation and business performance. The study was conducted on manufacturing and service sector firms from the state of Punjab, India with a purposive sample of 278 key informants. Self developed, non-disguised questionnaire has been used for the study. Exploratory and confirmatory factor analysis were used to validate it. The hypotheses were tested using multi group moderation and structural equation modelling and found that learning orientation has significant positive effect on business performance (Sandeep & Farooq, 2015). Studies have shown that managers through their leadership skills create positive attitude and emotion among the group members. In a democracy, if growth and development are not perceived as sustainable, mutually beneficial to stakeholders, fair, inclusive, businesses and the market itself may face much greater questioning and challenge. The benefits of greater government interventions could be problematic given the skill, experience and other barriers to the effective implementation of public policy. In contrast, innovative, responsible and sustainable responses from business leaders could lead to less intervention, greater reliance upon market mechanisms, closer and more productive public-private collaboration as each better understands and appreciates the contribution of the other (Coulson-Thomas, 2015).

Managing performance is equally important for long-run survival of any enterprise. It supports the different group activities and norms also monitor value drivers which really makes a business profitable. Performance managing involves analysing or understanding the various factors contributing to performance either positively or negatively for a given period and managing them to enhance performance in the subsequent period. Performance management follows analysing performance then reinforcing right efforts and removing performance deficiencies for improving plans (Kohli & Deb, 2008). Performance management is a means of getting better results from the organisation, teams and individuals by understanding and managing performance within an agreed framework of planned goal, standards and competence requirements. It is a process for establishing shared understanding about what is to be achieved and an approach to managing and developing

people in a way that increases the probability that it will be achieved in shorter and longer term (Armstrong, 1999).

Here the author viewed that time demands to make changes in mindset to allow economic participation of women on an equal footing with men in society. Women need to move away to a certain extent from the traditional roles of homemakers and child-rearing to more progressive roles where their economic contribution to society is regarded as a positive light in entrepreneurship world. The author cites in the study that, an informal arrangement for credit supply to the poor through self-help groups (SHGs) is fast emerging as a promising tool for promoting income generating enterprises and women empowerment. There are a number of initiatives taken at the national level with a few institutional arrangements to support this programme for alleviation of poverty among the poor, with special focus on women (Nagayya, 2000).

Present study constitutes the various aspects of economic participation of tribal women in the four selected villages of Tripura. The study came to conclusion that women in the tribal society play a very significant role in economic activities with their participation. In fact, their involvement is as important as that of men, if not more. The rural tribal women of Tripura devote longer hours of work compared to their men, very crucial for the survival of their families. On the other hand, they suffer from all the problems associated with inaccessibility and other problems of rural life. So the author advocates a programme for the upliftment of the social group which would require a multipronged approach to make the condition of rural life better (Chakravarti, 1998).

In the literature review on working of self-help groups in Arunachal Pradesh, the author observed that a vast majority of the women in the state are interested in organising self-help groups. They have opted for different entrepreneurial activities like fish ponds, vegetables cultivation, horticulture, garment shop, petty trade, weaving, etc. and earning for their self dependency. Also, he suggested adequate financial assistance for strengthening SHGs; this would go a long way in improving status of these women (Rao, 2002). Self-help group plays a significant role to raise financial autonomy of rural women, but special emphasis needs to be put on activity cluster formation, more bank loan, more skill based training, marketing and transport facilities, etc. to uplift women entrepreneurs (Manoshi, 2009). It is necessary to encourage and promote one's talent, aptitude and managerial ability irrespective of gender bias

in order to sustain and compete in the global market scenario (Balamurugan, 2008).

A study made on Kohima District of Nagaland focuses that women are well organised, responsible, committed as well as good managers, too. They are successfully running their enterprises over male counterparts. Simultaneously, the author puts stress on adequate knowledge and training for women entrepreneurial skill in order to boost up and help them in better management of their enterprises (Jayanta, 2009). A comparative study has been done on co-operatives and self-help groups. The study covers 20 groups in one village of Midnapore district and it observes that self-help groups enhance the status of women as participants, decision-makers and beneficiaries and bring out the supremacy of women in moulding the community in right perspective and exploring women initiative in taking up entrepreneurial ventures (Bholanath, 2002).

Present study present's a penetrating analysis of growth of self-help groups and empowerment of rural women. It also analyses issues which bear on promotion of sustainable community based financial system, sustenance of group solidarity and participation; improvement of skills of the groups in accordance with the expanding range of financial services and involvement of the groups in community issues (Lalitha & Nagaranjan, 2002). Microfinance through SHGs promotes the saving habit which works for bringing the poor rural people into the mainstream of development by channelling their talent into income generating activities. Different studies points out this unassailable fact and puts before the self-help groups the possibility of creating their market for their own products, as well as ensuring a healthy competition in the existing market by enhancing the quality of their products. SHGs are playing crucial role in harmonising the society, encouraging rural women entrepreneurship and strengthening rural economy, also advocating appropriate training programme and full participation from the formal banking system to promote the same (Peter & Michael, 2006).

Here the study focuses on potentialities of microfinance in bringing women to the main stream of development. At the same time, the author also advocated that microfinance alone cannot contribute fully towards women development. It should be webbed with other developmental schemes and the focus should be on personality development and not economic aspects alone (Lyngdoh, 2008). Self-help groups can serve as an alternative instrument of financial intermediation for the poor

specially women and non-governmental organisations can certainly play a major role in their successful promotion by ensuring the presence of elements critical to the success of self-help groups (Shylendra, 1994).

The author documented the experience of microcredit programmes in empowering women and transforming gender relations. Based largely on Bangladesh experience, the paper begins by delineating the global institutional context and the forces underpinning the emergence of women as major factors in and targets of these programmes. The use of the empowerment paradigm, the “empowerment” impact of processes of loan use and outcome of loan access for women, the assumed linear relationship between microcredit access and empowerment outcomes – these are some of the issues critically reviewed in the paper. Besides, revisiting some of the issues in the light of the Indian self-help group based microfinance experience, the paper suggests other research questions worthy of examination in the Indian context (Kalpana, 2004).

The author opined that organising women in self-help groups will enhance the status of women as participants, decision-makers and beneficiaries in the democratic, economic, social and cultural spheres of life. The SHGs have inculcated a great confidence in the minds of rural women to succeed in their day-to-day life (Chandramani, 2005). SHG movement has great potential to contribute towards the social and economic independence of women. But, emphasis should be made on education, literacy and capacity building of the members in order to make it a real tool for empowerment (Deepshikha, 2009).

Rural women are running their microenterprises through group approach. It aims at providing cost-effective mechanism for financial services to the unreached rural. There is an urgent need on the part of both government and non-government organisations to initiate actively in order to make the groups sustainable for long period, which will strengthen the financial and societal independence of women and consequently help the economy to reach at new heights. Promoting women’s economic lives through self dependency is the best route to achieve overall development and for that organising them into groups is a key to achieve this aim (Dinney Mathew, 2005).

“SHG” moulds women as a responsible citizen of the country achieving social and economic status. In all stages of economic and social activities, involvement of women has added significance to them. Women led SHGs in many parts of the country have achieved success in bringing the women to the mainstream of decision-making. The SHGs

have become a source of inspiration for women welfare. SHG is also a viable organised set-up to disburse microcredit to the rural women and encourage them to enter into entrepreneurial activities. The women lead self-help groups in villages of Purushottampur block of Ganjam District of Orissa state have successfully demonstrated how to mobilise and manage thrift, appraise credit needs, maintain linkage with the banks and enforce financial self-discipline (Sarangi, 2003).

Entrepreneurship development among women can be considered as a possible approach to economic and social empowerment of women. In this regard women groups are targeted, as group approach is considered as a vital tool for economic empowerment. Moreover, if a woman is economically empowered it becomes much easier for her to become socially empowered. A woman as an entrepreneur is economically more powerful than as a mere worker because ownership not only confers control over assets and liabilities but also gives her the freedom to take decisions. This will also uplift her status significantly. Through entrepreneurship development a woman will not only generate income for her but also will generate employment for other women in the locality. This will have multiplier effect in the generation of income and poverty alleviation (Chattopadhyay, 2005).

Here the author made a study on one of the blocks of the islands of Sunderbans, where a handful of women set-up a society in 1981. New vistas opened for these women entrepreneurs. This brought rural development as well as rural and urban economic equilibrium with women participation. The society was flourishing with increasing number of members and operating in different blocks of the district. The author also viewed that this society is in hope for the future and its replication in other places is also needed to empower women, particularly of economically weaker sections (Moitra, 2001). The study observed that self-help groups in villages of Sarasawan and Sadhauli kadim blocks (Saharanpur district of Uttar Pradesh) have been successful in breaking the stranglehold of moneylenders. Moreover, in many of these SHGs organised by Disha voluntary organisation, where some women have been coming forward to utilise their savings for starting several small-scale, independent income earning activities. It is important for the long-term success of self-help groups that loans should be returned promptly. Disha has received several awards for its self-help groups and the prompt recovery of loans (Bharat, 2002).

The author cites that in the state of Kerala, the government has been implementing various anti poverty programmes. The major objective of these programmes is to generate additional employment, create productive assets and impart technical and entrepreneurial skills and raise the income level of the poor in the rural system, where the very existence of SHGs is highly relevant to make the people of below poverty line hopeful and self-reliant. SHGs enable them to increase their income, improve their standard of living and status in society. They also recommended that arrangements should be made by the financial institutions for adequate financial assistance to the SHGs strictly on the basis of their actual performance without any discrimination of caste, politics, etc. which will act as a catalyst for bringing this section of the society to the mainstream and ultimately, the nation can reap the advantages of socialism (Hari Kumar, 2006).

Andhra Pradesh government has been vigorously pursuing the microfinance agenda for empowering poor women. DRDA, Warangal has made very conscious efforts to thoroughly internalise this new paradigm of development. As a result, organisation of women into SHGs had really taken the shape of a movement in the district. Indeed, it is a conscious path chosen by women to shape their own destiny. It is also believed that promotion of non farm related microenterprises is an integral part of planned strategy for securing balanced development of economy of the poor women (Chiranjeevulu, 2003).

Microfinance is a useful tool in building the capacity of the poor in management of sustainable self-employment opportunities, besides providing other financial services like savings, housing consumption credit, insurance cover, etc. It covers entire range of financial and non-financial services, including skill upgradation and entrepreneurship development, rendered to the poor for enabling them to overcome poverty. The author cites that the national policy on microfinance should emphasise on encouraging initiatives and participation of different types of institutions in microfinance, bringing the microfinance activities, irrespective of the type of institutions involved, within the regulation and supervision by competent authorities, creating policy environment for closer linkages of the microfinance sector with the formal channels, so that rural poor can take up suitable economic activities and support their livelihood (Sarkar, 2001).

Microcredit has been defined by the Microcredit Summit, 1997, as a programme that provides credit for self-employment and other

financial business services including saving and technical assistance to the very poor. Microcredit is based on the premises that skills among the poor largely remain unutilised. It is definitely not the lack of skills which make them poor. Unleashing the energy and creativity in each human being is the answer to it. The study identifies fifteen models for microcredit from national and international perspectives. The Grameen bank model was the first official microcredit system in and has been replicated all over the world. SHGs are the most effective microlenders in India. Majority of the MFIs in India, however, follow joint liability groups (JLGs) and individual's model. In recent times, the business correspondence model has emerged as one of the most important channels for lending in remote India. The best success story, however, is Bandhan Financial Service, which very recently got banking license for its outstanding contribution in microcredit sector (Sana, 2015).

SHGs have undoubtedly begun to make a significant contribution in poverty alleviation and empowerment of poor, especially women in rural areas of the country. Women are the vital infrastructure and their empowerment would hasten the pace of social development. Investing in women's capabilities and empowering them to achieve their choices and opportunities is the definite way to contribute to the economic growth and the overall development. The empowerment of rural women leads to benefit not only to individual women and women groups but also to the families and the community as a whole. The study found that the performance of the SHGs was good in the study area. The greater percentage of women were impacted positively by being members of SHGs. Women's participation in the SHGs enabled them to discover inner strength, gain self-confidence, social, economical, political and psychological empowerment and capacity building in Tirunelveli district (Subramanian, 2010).

The contributors experienced that women are gaining better access to and control over economic resources through microfinance which, in turn, has led to far reaching sociocultural and political changes at the level of the individual, family, community and the marketplace (Carr, Martha, & Renana, 1996). Here the book's authors explore the participation to promote the enterprises of low-income women in the third world, which go further than providing financial assistances. The studies look critically as to why the sub sector was chosen, who are the main actors, what are the important issues and main concerns for action, and points of leverage. The case studies also document the exciting series of actions which sub sector analysis can lead to from

technological innovation, better supply of inputs to organising women to take legal action (Chen & Martha, 1996). Present paper comments another dimension in building women strength where the author has brought to focus the active linkage between the SHGs and the Panchayati Raj institution and pointed towards the process by which the movement of SHGs can reinforce the Panchayats by moving beyond credit and economic activities. The ultimate aim of SHGs is lifting the rural women from poverty and promoting sustainable development with gender equity (Lalitha, 2004).

This book constitutes perhaps the first theoretical and analytical clarification of grass roots women's movements in India utilising a synthesis of social movements' theory, development theory and theories of the state. The author has successfully combined a comparative theoretical perspective with a rich ethnographic account where the voice of rural women and activities are clearly heard (Purushothaman, 1998). The paper presents the effectiveness of self-help groups with linkage programme and awareness among the rural folk about the significance of women empowerment and rural credit. The study throws light on self-help groups which spread their reach by serving a larger section with some amount of credit but financial dependence of credit system through self-help group movement still remains a far cry. The main purpose of the study is to analyse the structure, functions and composition of women development corporation. Their role as a catalyst in promoting the cause of women in various developmental spheres of activities and integrating women development projects needs to be further strengthened (Dwarakanath, 2002).

Present study found that, Grameen bank and the Bangladesh Rural Advancement Committee (BRAC), have two programmes that provide credit to poor rural women in Bangladesh. The programmes were found to have significant effects on eight different dimensions of women's empowerment namely women's mobility, their ability to make purchases and major household decisions, their ownership of productive assets, their legal and political awareness and participation in public campaigns and protest, freedom from domination within the family (Hashemi, Schudler, & Riley, 1996).

The study has analysed the participation of women on economic front, income from different entrepreneurial activities, participation of women on social front, impact of group on literacy, housing facilities, consumption and food security, and also the factors influencing

women's involvement. The study concludes that informal groups of rural poor with active intervention of non-governmental organisations are adequately supported by training and financial assistance ensured, and also significantly improved women's participation both from economic and social aspects. Women can also act as changing agents in the multiple communities (Puhazhendhiv & Jeyaraman, 1999). Another study measures the qualitative changes that the "group approach" has brought about in the lives of SHG women in tribal areas selected from the three districts of Andhra Pradesh. The twin objectives of the study focuses on improved status and quality of life of poor women and children in the rural areas and involvement of community in planning and implementation of development programmes (Vasudeva & Rao, 2004).

Here the present study measures the empowerment level of members of women self-help groups formed in slum areas of Tirupathi. The study has found out the positive changes in the self-confidence level of women, health consciousness of the women, participation of women in house management before and after participation in the self-help groups, and also tries to find out the change in the interaction styles of women with development departments officials before and after participation in the self-help groups (Rani, Devi, & Surendra, 2002). This paper deals with regional variations in the performance of women development programmes in terms of self-help groups on the basis of chosen indicators. The analysis relates to the construction of index of performance based on indicators like number of self-help groups per 10,000 female populations, per capita bank credit and per capita credit linkage (Sundar & Asokhan, 2004).

Here the author's try to find out women's participation and involvement in the group activities, which leads to their individual development. Their economic autonomy through savings and economic activities is also considered in this study (Thare, Karuppiah, & Geetha, 2004). Present paper attempts to describe the process of women's empowerment and finds out the levels of awareness creation, decision-making, self and group empowerment among women from self-help groups formed under comprehensive community development programme implemented in five slum areas of Chennai. Present research study clearly brings out the fact that the organisation of the poor into groups has resulted in the development processes and programmes becoming more sustainable in the long run. Emancipation of poor is an essential prerequisite for development progress of a nation. The self-help groups is a viable

organised strategy to set up to disburse microcredit to rural poor for the purpose of making them enterprising people and promoting them to enter into entrepreneurship activities (Vijayanti, 2000).

Challenges Before Rural Women Entrepreneurs

Apart from the above, there are some literature reviews done on the challenges of rural women which they are facing during different phases of entrepreneurship. Different reviews on literatures given emphasise on problems of women entrepreneurs especially credit problems, their better, convenient and flexible options and more importantly the possibility of microfinance as an important source of credit facility for women entrepreneurs. Credit is big obstacle in the root of development of women entrepreneurs; although microfinance is better, convenient and flexible sources and collateral free for entrepreneurs and it has also proved that microfinance is just one tool among others to address the multiple causes of poverty, unemployment and social exclusion. However, the nature of entrepreneurial activity opted by women in rural context, their problems and prospects need to be addressed for the promotion of microenterprise through microcredit.

SHGs of rural areas are confronting numerous troubles which affects their performances, so special attention needs to be drawn on capacity building, nurturing, training, appropriate managerial and technical skills of them, to make them more competent, self-reliant which could be instrumental to both entrepreneurship and sustainable rural development (Mohinder, 2003). Another study conducted in Tirunelveli District, highlighted that self-help groups have made a lasting impact on the lives of the poor, particularly women. However, they have to confront with numerous challenges which need to be rectified by joint co-operation of government and NGOs. The study highlighted the factors which could be attributed as hindering the growth of women entrepreneurs in rural areas and recommended more awareness and spreading of information about SHGs among rural women, cluster formation and active initiatives on the part of government and NGOs to make rural women entrepreneurs more competent (Rajeswar, 2000) (Palani, 2008).

Present study throws light as well as brings out some important issues of implementation of SGSY in different districts of Uttar Pradesh. It reveals that due to rigid banking rules and regulations poor persons are suffering. Therefore, there should be flexibility of banking rules so that poor people are benefited. The bank should be strengthened with adequate manpower also. It is also suggested that steps should be taken on

a war footing to reach the desired success level (Chatterjee, 2003). Different studies also observed that a large number of poor, especially women continue to depend on the local moneylenders for financial requirements and often become easy targets of exploitation. If proper supportive environment enabled them, then they could make them developed.

Agricultural credit has become a constant source of anxiety for the financing institutions and a large chunk of banks fund remains unloaded. The basic cause includes weather conditions, drought and floods as well as the sociopolitical involvement in which rural credit institutions function. The author said that in view of the growing need of credit for diversified developmental and productive activities in rural areas and in planning the future of reorganised societies, the aim should be to transform them into a single contact point in the village, for all types of credit, they should also have the capacity to serve other rural producers such as artisans, craftsmen and agricultural labourers in respect of their economic activities (Sivaloganathan, 2004).

Here the author presents an analytical account of the rural credit in north-eastern region. The study points out that the credit-deposit ratio in almost all the states of north-east lags far behind the national ratio which is an alarming situation. Also, due to high cost of operation of banks and very high transaction cost both for borrowers and the banks, it may not be feasible for the commercial banks to provide microcredit in the rural area of the region. The study emphasised that government sponsored SGSY with subsidy element is also proving a hurdle in achieving the basic objective of SHG movement in north-east India (Gogoi, 2004). The paper throws light on the future challenges to be met with and predicts that the overall prospects of creating a new group of resilient rural women achieving the national target of eradication of poverty and creating the active Bumiputra Commercial and Industrial Community (BCIC) in the rural areas is attainable (Nordin, 1999).

The author cites that the major challenges before the nation today is to evolve an appropriate strategy for mobilising the human resources for optimising use of the available financial resources. The study indicates that microcredit supports to overcome the constraints faced by formal lending agencies to a considerable extent and achieve better targeting the poor, screening the creditworthy from the not-so-creditworthy borrowers, creation of productive assets and monitoring utilisation in a cost-effective manner. The self-help groups, availing microfinance have

shown an excellent record of loan repayment. As the amount repaid is recycled for giving fresh loan to the same or new members, the beneficiaries develop a sense of involvement. Members of the group feel that the repayment is made to their own group and not to any outside agency. This has timely repayment which is a prestige issue and pressure from the peer group has discouraged default by individuals (Panda, 2003).

Present study point out three things, i.e., microfinance helps rural poor in overcoming their economic problems, it empowers the vulnerable sections of the society, especially the women, and it can be instrumental in ensuring better human development. However, the author also viewed that microfinance is supposed to be more harmful for the poorest of the poor in case of the activity failure resulting in number of defaulters of microfinance project, so it is suggested that agencies enforcing microfinance projects should constantly watch the repayment of loans and have to develop a proper monitoring system. Also, it is necessary for microfinancing agencies to identify few core activities for the section of the society, which may bring desired results (Naithani, 2001). There is a growing need of credit for diversified developmental and productive activities in rural areas, and in planning the future of reorganised societies, the aim should be to transform them into a single contact point in the village. For all types of credit, they should also have the capacity to serve other rural producers such as artisans, craftsmen and agricultural labourers in respect of their economic activities, which is also supported by (Sivaloganathan, 2004).

The author cites that SHGs in many ways have gone beyond the means of delivering the financial services as a channel and turned out to be a focal point for purveying various services to the poor. The programme, over a period, has become common vehicle in the development progress, but the present study also highlighted that lending to self-helps groups has created the fear of NPAs among the banks. The regional rural banks have failed to achieve their recovery performance during the year, March 2011 and 2010. Because of low rate of interest of lending to SHGs, profitability of the bank is adversely affected; at the same time transaction cost also goes up (Devpal, 2012).

Present study focuses on rural India which encompasses three-fourth of country's population is suffering from the curse of poverty. Ministry of Rural Development, with all its resources is engaged in relieving the poor from the curse of poverty, especially under the

programmes of Swarnajayanti Gram Swarojgar Yojana (SGSY) and Jawahar Gram Samridhi Yojana (JGSY). Under SGSY financial assistance is given to establish microenterprises by the rural poor, who work on co-operative group, i.e., self-help group. JGSY introduced with objective to create demand driven community village infrastructure including durable asset at the village level to enable the rural poor to increase the opportunity for sustained employment. Despite its best efforts it couldn't achieve much success in this field. The author viewed that there are many reasons for this partial failure. However, not using modern techniques for monitoring and control of various poverty alleviation programmes run by ministry is one of the major reasons. Also suggested that if modern methods of accounting and budgeting are applied in true sense, there may be better control over these programmes and they may give the desired results. By applying modern techniques evolved in the field of budgeting and accountancy, the Ministry of Rural Development may certainly reach its goal and convert its dream into reality (Satendra, 2001).

North-eastern region is blessed with abounded natural resources. If these are properly exploited; it can tremendously boost its economy, although the region is not industrially sound. Entrepreneurial development in Manipur, Nagaland and Tripura is still plagued with infrastructural constraints. However, the study found that slow progress of industrialisation, lack of information, required skill and managerial expertise act as a hindrance for the entrepreneurial development of the region. So to enter and succeed in this competitive global market, they should be alert about available opportunities and facilities offered subsequently in different periods of time. They also need to comprise management principles and techniques and apply the same in productive ways (Chanamban & Shija, 2006).

Literature review revealed that there are many studies conducted on entrepreneurship development through self-help groups and the challenges faced with special emphasis on women under government and non-government programmes, within and outside India and in north-eastern states. But, no empirical research has been found which focuses on identifying and assessing the significant factors and their influential roles in managing entrepreneurial activities of the WSHGs in the context of developing economy specifically taking the case of north-eastern region and Tripura in particular. The study also measures the indirect effects of facilitating factors on managerial competency along with the direct effects on business performances. Hence, the study expected that

it would reach at findings and will serve as a pioneering one in promoting the managerial skill of rural women entrepreneurs with available facilities for better performance. The findings of the study are significant for practitioners as well as researchers. Practicing people engaged in micro or small firms struggling to survive through microfinance assistance can gain insight. The study contributes to the future researchers on how the scales developed in the study, and also empirical evidence for the mentioned relationships among the variables.

1.4 Aims and Objectives of the Study

The present study is intended to examine the leadership practices followed by the WSHGs in the area of microeconomic initiatives and to evaluate management performance in translating the subsidy into sustenance. Since there is supported relation between managerial factors with other facilitating factors, the study attempts to determine the operational and controlling effect of each component with business performance. The following are the main objectives of the present study:

1. To study the operating practices followed by WSHGs under the Swarnajayanti Gram Swarozgar Yojana (SGSY) in linkage to the grass roots entrepreneurship in utilising sponsored forefront support facilities among the rural women in north-eastern region of India.
2. To explore the performance of the sample WSHGs with respect to functioning of entrepreneurial activities and to observe their effect on operational efficiency and on the growth of the WSHGs in the north-eastern states in general and Tripura in particular.
3. To identify the major factors that emerge so as to make sense of the bewildering complexity of action and activities relating to the group's operations and functioning, and to explore the key predictor of the group performance.
4. To measure the indirect effects of facilitating factors on managerial competency along with the direct effects on business performances.

1.5 Hypotheses

In line with the objectives and conceptual framework, it is very likely that growth factors are identifiable and greater reliance and practices on these seemingly identified variables are influencing their income generating activities, and thus enhancing their performance. This proposition is to be tested with the following hypotheses:

- H01:** There are no significant differences in average performance scores between the WSHGs; those who are the recipients of enabling frontline service facilities and those who overlooked and untapped such facilities in the course of operating their group activities in the rural area.
- HA1:** The average performance scores are significantly different between the WSHGs; those who are the recipients of enabling frontline service facilities and those who overlooked and untapped such facilities in the course of operating their group activities in the rural area.
- H02:** The performance supporting factors are not identifiable and there are no influential factors which have significant association with the performance rate.
- HA2:** The performance supporting factors are identifiable and there are influential factors which have significant association with the performance rate.
- H03:** A higher level of management factor is not significantly related to a greater business performance of WSHGs and that the effect of facilitating factor is not mediated by managerial factor.
- HA3:** A higher level of management factor is significantly related to a greater business performance of WSHGs and that the effect of facilitating factor is mediated by managerial factor.

1.6 Significance of the Study

The present study has greater significance in terms of investigating rural women entrepreneurship development at grass root level through self-help group under SGSY scheme in north-eastern states with special emphasis to state Tripura, where rural people especially women are more oppressed, comprises limited access towards different available benefits. The study intends to focus on prevailing grass roots entrepreneurial initiative among rural women in north-eastern region in

general, and evaluate the performance of the women groups with respect to functioning and working of various economic activities undertaken in Tripura in particular. Apart from exploiting identified opportunities through resource acquisition, what is both implicit and explicit in this study is a fundamental quality of micro-entrepreneurship: variation. One of the challenges that the study addresses is how and why “difference” is created as part of the entrepreneurial process. As the emphasis is on differences than the quality of newness, so the creation of difference makes the phenomenon very difficult to both conceptualise and study. As a rule every researcher looks for commonalities that are generalisable across the various phenomena(s) he encounters. When studying groups the tendency is to focus on the means or averages in various characteristics of the group. That is, the research question often becomes: on what basis are the members of this group similar, and therefore how or why entrepreneurs, or entrepreneurial environments different from others? The mean of the group is applied as a representation of this convergence to find similarity within the group and a comparative difference to the other group. But, instances are there when the differences in the entrepreneurs get washed away in looking for the averages in the group particularly when the case is inherently unique. The generalisability of uniqueness is one of the challenges underlying entrepreneurship scholarship. To address this conundrum, this study intends to recognise differences in a phenomenon that is about variation, and then offers insights into how that variation might be generalisable.

The study focuses on the core leadership or managerial factor simultaneously with the external facilitating factors, such as training, financing, and marketing, etc. because looking only at the external support part in isolation, may miss the mark to give a complete picture and will only be a partial solution to the research problem. This issue is new and has not been researched so far. Therefore, the study compares the conceptual and empirical findings relating to managerial competencies, problems and the challenges which rural women are confronting while operating their entrepreneurial activities. The results of the research will serve as a useful guide to entrepreneurship scholarship for both emerging scholars in the entrepreneurship field, for planners, implementing authorities, as well as imminent researchers who are in the forefront of theory, methods and practice for initiating useful actions in terms of budding rural women entrepreneurship in future and for well-established researchers who want a comprehensive and in-depth exploration of current critical issues in the micro-entrepreneurship field.

1.7 Methodology

The present study intends to analyse the development of entrepreneurship among rural women through self-help groups under SGSY. The study is confined with wide-ranging focus on north-eastern states in general and for thorough analysis unit-wise study of WSHGs operating in Tripura, which is believed to be equitably representative to relevant size and working practices with other north-eastern states. The study used multiple sources of evidence and data converging on the same issues, sources including both primary and secondary data. Published and unpublished works on the subjects, journals, articles, books, records prepared by DRDAs, annual reports of Ministry of Rural Development are the main sources of data. Period undertaken for the study is 2005-06 to 2011-12. In addition, primary data has also been collected from 300 WSHGs through field survey from the state Tripura, which is more than 1 per cent of total size of population, i.e., 21,501 women groups as per Rural Development Department, government of Tripura Report 2011. The criteria used for selecting respondents' groups were those having more than 50 per cent women members who have completed their grading exercises and availing bank linkage facility. As per SGSY guideline, grading of the group should enable the DRDAs to establish linkage for the good groups with the banks for financial assistance, where Tripura Gramin Bank (TGB) has been selected purposively as it is one of the leading banks for group lending in rural areas. Using systematic purposive sampling method, 100 samples each has been collected from West and Dhalai districts, 60 and 40 samples from South and North districts mainly due to inconvenience in accessibility. Data has been acquired by questionnaire, personal interviews and discussions with leaders and one of the members of a group in two periods of time made, to draw correct interpretations. This research basically focuses both on the descriptive and explanatory practical study. The methodology followed in this study includes the different tools and techniques of statistics. To assess the entrepreneurial performance among rural women SHGs, different statistical tools like Average, Variance Analysis, Mann-Whitney U-Test, Reliability and Consistency test through inter item correlation analysis, Factor analysis, Predictive Causal Path Model of Mediation Analysis have been used. In addition, tables, graphs, charts and figures are also used, wherever necessitated.

1.8 Limitations of the Study

The present study has certain limitations that range from the highly procedural problems of indexing and sampling, to the more general problems of distinguishing different support availing categories, to the even more basic issues revolving around the rules of interpretation and the criteria for admissible explanation. In spite of best efforts, many practical constraints cannot be evaded and accept the possibility of certain degree of error. The study is based on primary data which is collected through questionnaire using purposive sampling where the respondents have not always exhibited their confidence while responding to the relevant questions.

1.9 Chapter Scheme

The present research work has been broadly organised into six chapters as follows:

The first chapter deals with statement of the problem, review of literatures, aims and objectives, hypotheses, significance, data and methodology and limitations of the enquiry. It, therefore, serves as an introduction of the study and pigeonholed how the study has been designed into different chapters and sections.

The second chapter gives a conceptual framework, policies and programmes of government and other institutes for women entrepreneurship development in India. This chapter also investigates the operating practices followed by WSHGs under the Swarnajayanti Gram Swarozgar Yojana (SGSY) in linkage to grass roots entrepreneurship in utilising sponsored forefront support facilities among rural women in north-eastern region of India.

The third chapter is dedicated to operationalise the facts and figures with reliability and consistency test and then explore the performance of sample WSHGs with respect to functioning of entrepreneurial activities in north-eastern state Tripura.

The fourth chapter measures the performance of the groups through savings to income and loan repayment capability and identifies the major factors those that emerge so as to make sense of the bewildering complexity of action and activities relating to the group's operations and functioning.

The fifth chapter measures the indirect effects of facilitating factors on managerial competency along with the direct effects on business performances.

The final chapter presents the findings, answers the research questions and draws conclusion with ameliorative measures with the hope that the analytical framework, the empirical analysis and discussion will inspire future researchers to redefine, challenge and go beyond the conclusions of the study.

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