



A STUDY ON THE ROLE OF SELF-HELP GROUP-BANK LINKAGE PROGRAMME IN PROMOTING WOMEN'S ENTREPRENEURSHIP IN MORIGAON DISTRICT, ASSAM

Nargis Haque

Research Scholar, Dept of Business Administration University of Science and Technology, Meghalaya. Ri-Bhoi, Meghalaya

Dr. Nurujjaman Laskar

Associate Professor, Dept of Business Administration University of Science and Technology, Meghalaya. Ri-Bhoi, Meghalaya

ABSTRACT

Women's entrepreneurship plays an important role in strengthening household income, self-help groups (SHGs) have become a crucial institutional mechanism for advancing women's financial inclusion and entrepreneurial endeavours. The Self-Help Group-Bank Linkage Program (SHG-BLP) provides SHG members with access to institutional credit and banking services that support the establishment and development of small-scale enterprises. This study focuses on the role of the SHG-Bank Linkage Program in promoting and developing women's entrepreneurship in Assam's Morigaon district. Moreover, it examines women SHG members and their access to bank credit, financial services, and other forms of institutional support received through the SHG-bank linkage system. It further evaluates whether such financial linkages contribute to the development of women's entrepreneurial activities. Primary data were collected from selected women SHG members through a structured questionnaire, while secondary information was obtained from relevant institutional and government sources. Appropriate statistical techniques are utilized for data analysis. This study aims to highlight the effectiveness of SHG-Bank linkage in strengthening women's entrepreneurial participation and identify the major constraints affecting women entrepreneurs in the study area.

KEYWORDS : Women Entrepreneurship, SHG-Bank Linkage Program, Microfinance**INTRODUCTION**

Women's entrepreneurship is increasingly identified as a significant factor in promoting economic growth, reducing poverty, and enhancing socio-economic empowerment, particularly in rural area. It helps to boost the household income, foster financial independence, and increase women's involvement in decision-making processes. However, rural women frequently encounter obstacles such as limited access to formal credit, a lack of collaterals, inadequate financial literacy, weak entrepreneurial capabilities, restricted market access, and insufficient institutional back. P

Microfinance and Self-Help Groups (SHGs) have emerged as indispensable instrument for overcoming these challenges. Based on the research available, it has been identified that participation in SHGs can enhance both the economic and social empowerment of women (Danger & Liu, 2013), though simply having access to credit may not necessarily guarantee successful entrepreneurship without proper control over loans, productive assets, and business decisions (Garikipati, 2008).

The Self-Help Group-Bank Linkage Program (SHG-BLP) connects rural women with formal financial institutions by facilitating savings, credit and income-generating opportunities. As per NABARD report, dated 31 March 2024, there were 144.22 lakh savings-linked SHGs in India, of which 120.44 lakh were exclusively women's groups. Against this background, the present study examines the role of SHG-BLP in enhancing women's access to credit and financial services and in promoting women's entrepreneurship in Morigaon district, Assam.

Objectives of the Study

1. To examine the role of the Self-Help Group-Bank Linkage Programme in improving women's access to credit and financial services in Morigaon district of Assam.
2. To study the contribution of the Self-Help Group-Bank Linkage Programme towards promoting and developing women's entrepreneurship in Morigaon district.

Review of Literature

Based on the literature available, Self-Help Groups (SHGs) and women's entrepreneurship suggest that access to institutional finance can contribute significantly to women's economic participation and empowerment. Swain and Wallentin (2009), in "Does Microfinance Empower Women? Evidence from Self-Help Groups in India," suggests that participation in SHGs significantly improved women's empowerment, particularly through enhanced social interaction, confidence and economic participation. Saluja, Singh and Kumar (2023), in "Barriers and Interventions on the Way to Empower Women through Financial Inclusion: A 2 Decades Systematic Review (2000-2020)," identified microfinance, Self-Help Groups (SHGs),

and access to financial services as important mechanisms for enhancing women's financial inclusion, while noting that limited financial literacy and persistent socio-cultural constraints continue to affect their effective participation. Singh (2008), in "A Critical Review of Self-Help Group-Bank Linkage Program of Micro-finance in India," found that the SHG-Bank linkage program contributes to savings, mobilization and facilitates access to formal credit for income-generating activities and micro-enterprises.

Al-Kubati & Selvaratnam, (2021), in "Empowering Women through the Self-Help Group Bank Linkage Program as a Tool for Sustainable Development: Lessons from India, suggests that SHG-Bank Linkage Program has considerably more potential for rural women empowerment and sustainable development, although challenges persisting to implementation exist.

Das and Guha (2019), in "Measuring Women's Self-help Group Sustainability: A Study of Rural Assam," indicates the organizational, managerial and financial sustainability of SHGs in Assam. Maity (2023), in "Self Help Groups, Microfinance, Financial Inclusion and Social Exclusion: Insight from Assam," published in Helicon, suggests SHG-Bank linkage program significantly helps in improving the financial inclusion and reducing the social exclusion existing in central Assam.

Data Analysis

The demographic profile of the 222 respondents, collected through structured questionnaire, reveals that the majority are middle-aged women, with 82% belonging to the age group of 35 years and above. As far as educational qualification is concerned, 51.8% have completed secondary education, while 30.1% have studied below the 10th standard. Nearly 98% of the respondents are married, and 93.7% are self-employed, suggesting a considerable preference for self-employment and independent income-generating activities. Respondents occupational pattern is primarily concentrated in agri-horticulture, livestock rearing, and agriculture, with poultry and duck farming being the dominant livestock activities. Regarding monthly income, 69.4% earn between ₹5,000 and ₹9,999, indicating that the respondents largely belong to lower-income economic groups

Variables Identified for the Study

Based on the Review of Literature and to meet the objectives, variables have been identified. Following are the variable and respective statements.

Variable Related to Microfinance

Dependent Variable	Statement
Access to Credit	Common application Form (AC1)
(AC)	Credit Worthiness (AC2)

	Bank Sakhi Identification (AC3)
Financial Literacy (FL)	Community Based Recovery (FL1)
	Interest Intervention (FL2)
	Regular review and Liasoning (FL3)

Technical Knowledge (TK)	Awareness on women Entrepreneurship (TK1)
	Identifying market (TK2)
	Help in Women Entrepreneurship (TK3)
	SHG led to Women Entrepreneurship (TK4)

Descriptive Analysis

	AC (Access to Credit)			Avg	TK (Technical knowledge)				Avg	FL (Financial Literacy)			Avg
	AC1	AC2	AC3	AC	TK1	TK2	TK3	TK4	TK	FL1	FL2	FL3	FL
Mean	3.873	1.9009	2.936	2.9033	3.914	2.9909	3.995	3.9189	3.7047	2.9279	3.7477	3.7477	3.474433
Median	4	2	3	3	4	3	4	4	3.75	3	4	4	3.666667
Mode	4	2	3	3	4	3	4	4	3.75	3	4	4	3.666667
Standard Deviation	0.333	0.299	0.294	0.184	0.28	0.285	0.067	0.274	0.11	0.259	0.529	0.435	0.275

The descriptive analysis shows that Technical Knowledge (TK) has the highest mean (3.7047), followed by Financial Literacy (FL: 3.4744) and Access to Credit (AC: 2.9033). Standard deviations remain low indicating generally consistent responses, particularly for TK. This table indicates that respondent have stronger technical knowledge and financial literacy, while access to credit remains comparatively weak, hence there is a need for greater focus on credit accessibility under the SHG–Bank Linkage Programme.

Regression Analysis

Independent Variable	Dependent Variable	R	R ²	Regression Coefficient (β)	F-value	p-value
Access to Credit	Technical Knowledge	0.0645	0.0042	0.1081	0.9194	0.3387
Access to Credit	Financial Literacy	0.1201	0.0144	0.0806	3.2207	0.0741
Technical Knowledge	Financial Literacy	0.0242	0.0006	0.0097	0.1285	0.7203

The regression analysis shows positive but very weak relationships among Access to Credit, Technical Knowledge and Financial Literacy. All models have very low R² values and have statistically insignificant value at the 5% level (p > 0.05). Hence, Access to Credit and Technical Knowledge explain very little variation in the respective outcomes, suggesting that other factors may have a greater significance.

Correlation Analysis

Variables	Access to Credit (AC)	Technical Knowledge (TK)	Financial Literacy (FL)
Access to Credit (AC)	1.000	----	-----
Technical Knowledge (TK)	0.0645	1.000	
Financial Literacy (FL)	0.1201	0.0242	1.000

The correlation analysis indicates positive but very weak associations among the three variables. Access to Credit has the strongest, though weak, followed by Financial Literacy (r = 0.1201), and then Technical Knowledge (r = 0.0645). The relationship between Technical Knowledge and Financial Literacy is negligible (r = 0.0242), indicating very limited association among the three variables.

Major Findings

- Majority of the women ,82 percent are 35 years and above, 98 percent are married and 93.7 percent are self-employed mainly engaged in agriculture, agro-horticulture and livestock-based activities.
- Majority of respondents (69.4 percent) earn between ₹5,000 and ₹9,999 per month, which indicates that there is predominantly low-income economic profile.
- Access to Credit has the lowest mean (which is 2.9033), while Common Application Form (AC1) is relatively high (3.873), Credit Worthiness (AC2) has a low mean (1.9009), indicating constraints in credit access.
- Technical Knowledge has the highest mean (3.7047) and a low standard deviation (0.110), indicating favourable and consistent responses among respondents.
- Help in Women Entrepreneurship (TK3) has the highest mean (3.995), followed by SHG-led Women Entrepreneurship (TK4) which is (3.9189), reflecting positive perceptions of SHG support for entrepreneurial activities.
- Financial Literacy records overall relatively high mean (3.4744). Interest Intervention and Regular Review and Liasoning both record means of 3.7477, although Interest Intervention shows the highest variability (SD = 0.529).
- Access to Credit shows a very weak and statistically insignificant

relationship with Technical Knowledge (R = 0.0645; p = 0.3387) and a weak positive but statistically insignificant relationship with Financial Literacy (R = 0.1201; p = 0.0741).

- Technical Knowledge has an extremely weak and statistically insignificant relationship with Financial Literacy (R = 0.0242; p = 0.7203), which indicates there is a limited relationship between these two variable variables.

Policy Suggestions

- Improve Credit Access: Process should be simplified to ensure timely and adequate credit for women to start and expand their enterprises.
- Strengthen Bank Sakhi Support: Bank Sakhi support should be strengthened to assist SHG members with credit applications, documentation, digital banking and repayment.
- Linking Credit with Business: Financial assistance should be combined with entrepreneurship training, business planning, digital skills and mentoring.
- Market Linkages should be improved: SHG enterprises should be connected well with local markets, institutional buyers, fairs and appropriate digital marketing platforms.
- Activity-Specific Support: Support should be provided to Tailor credit, skills and market assistance to agriculture, horticulture, livestock, poultry and other locally relevant livelihood activities.
- Financial Literacy should be strengthened: Regular training should be provided on savings, interest, repayment, insurance, digital transactions and enterprise finance.
- Focus on Growth of Enterprise: Support should be provided to SHGs with measurable entrepreneurial outcomes, and factors like increased income, business expansion, and employment generation should be included.

CONCLUSION

The study concludes that the SHG–Bank Linkage Programme plays an important role in supporting women's entrepreneurship in Morigaon district through access to credit, technical knowledge and financial literacy. While respondent's data clearly reveals relatively strong technical knowledge and financial literacy, access to credit remains comparatively weaker. Based on the weak relationship among the variables, an integrated strategy involving timely lending, capacity building, financial literacy, market connections, and institutional support is required to strengthen sustainable women-led businesses and enhance livelihood outcomes.

REFERENCES

- Al-Kubati, N. A. A., & Selvaratnam, D. P. (2021). Empowering women through the Self-Help Group Bank Linkage Programme as a tool for sustainable development: Lessons from India. *Community Development Journal*, 58(2), 283–308.
- Das, T., & Guha, P. (2019). Measuring women's self-help group sustainability: A study of rural Assam. *International Journal of Rural Management*, 15(1), 116–136.
- Deininger, K., & Liu, Y. (2013). Economic and social impacts of an innovative self-help group model in India. *World Development*, 43, 149–163.
- Garikipati, S. (2008). The impact of lending to women on household vulnerability and women's empowerment: Evidence from India. *World Development*, 36(12), 2620–2642.
- Maity, S. (2023) Self-help groups, microfinance, financial inclusion and social exclusion: Insight from Assam. *Heliyon*, 9(6), e16477.
- National Bank for Agriculture and Rural Development. (2024). *Status of microfinance in India 2023–24*. NABARD.
- Reserve Bank of India. (2024). *Master circular on Self Help Group–Bank Linkage Programme*. RBI.
- Saluja, O. B., Singh, P., & Kumar, H. (2023). Barriers and interventions on the way to empower women through financial inclusion: A 2 decades systematic review (2000–2020). *Humanities and Social Sciences Communications*, 10, Article 148.
- Singh, N. (2008). A critical review of Self-Help Group–Bank Linkage Programme of micro-finance in India. *Paradigm*, 12(1), 50–56.
- Swain, R. B., & Wallentin, F. Y. (2009). Does microfinance empower women? Evidence from self-help groups in India. *International Review of Applied Economics*, 23(5), 541–556.