

Role of Women-Led Self-Help Groups (Shgs), Nrlm and Green Entrepreneurship in Capital Formation and Economic Development: Special Reference to Assam

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Abstract:

The growth and development of a country is fueled by industrialization, urbanization and the growth of the service sector in the country. Traditionally, the growth of the economy was depended on the economic factors but now it need to shift economic model to the development of a sound environment and social development. The scope of development is wider in nature. It focuses on sustainable development of economy, sustainable environment growth and sound socio-cultural development. The growth of the rural area are governed by the government policies and private sector initiatives especially infrastructures, transportation, communication, SHGs, NRLM, women entrepreneurship, MSME sector, health sector, education sector etc. The role of women in sustainable and inclusive development and in the setting of the framework of entrepreneurial landscape and women led micro-enterprises are wider. They are making pillar for the green entrepreneur as they are the one who are mostly affected by the harness of the nature and also they are the one who take care nature mostly. The women of Assam are always self-employed and they try for new innovation in business, they try to foster the local identity into global market with innovative ideas and new entrepreneur thoughts and concept. The every village of Assam and every women of Assam are connected with the formulation of SHGs and the welfare of the members. It makes them self-reliant, self-sufficient and an independent empower women. This paper explores the contribution of women in SHGs, NRLM and Green Entrepreneurship especially by the women of Assam.

Keywords: green entrepreneurship, self-reliant, blocks mission management unit, ecological system, sustainable development, green entrepreneurship intention, and inclusive development.

Introduction:

India is a vast country. Most of the people live in rural and semi rural area and they suffer from poverty. But the poverty does not indicate that they do not have potential, they only need financial support and opportunities. Every human being has potential only they need a opportunity to convert it into a productive idea. The people of rural and urban area have less resources but they high level of potential to maximize their growth and development.

SHG is an association of some persons who have come from same background or interest on their willingness to pool their profit and to improve their financial conditions. The members are specially

women as they channelize their fund and financial support. It is usually consists of 10-20 members for financial linkage, support, proper utilization and spreading of economic activities. Here the team members are related with different economic activity, loan and finance activity which pool their savings. SHG are created by small groups of women which are from economically weak backgrounds. They pool their savings to lend each other and come together to tackle common problems through their support. They voluntarily come together to promote their savings habits and raise their resources for the benefit of their group members. It plays an important role for grassroots empowerment and financial inclusion. Group members are chosen president, secretary and treasurer for taking decisions regarding interest rate, loans etc. They have to maintain Books of accounts, savings registers and loan ledgers openly and every member has to know how much who has saved and borrowed. It maintained transparency between members. They meet regularly, weekly, fortnightly and every member has to contribute a small amount of money. SHGs follow NABARD's framework and principles to become eligible and good quality SHGs for bank credit. Those who are participate in SHG they gain experience of handling money, speaking in a group or negotiate with a bank officer. These build leadership skills, greater confidence and decision making power of women's. It provides a supportive space where women can discuss their various issues like dowry, early marriage, domestic violence etc. For getting government schemes and loans every member has bank linkage. SHG provide micro loans to the women entrepreneurs for sustain their businesses and also inculcate habit of using banking facilities among the members. According to a World Bank report, members in SHG are also working as bank correspondents. Financial independence increase social empowerment of women and their voices.

The ministry of rural development implanted Deendayal Antyodaya Yojna- National Rural Livelihoods Mission (DAY-NRLM) to connect them into SHGs and provide financial support and improve their financial conditions and also to improve their standard of living. In total 10.08 crore women have been mobilized into 92.30 lakhs SHGs (PIB). The mission is implemented across the country in 28 states and 6 UTs except Delhi and Chandigarh (PIB). The mission faces several problems like gender inequality, migration and literacy. Furthermore, the availability, lack of accessibility of technology, vulnerability to natural resources, health emergencies, climate change all are the hidden problems face by the mission. Under the scheme of DAY-NRLM, the ministry of rural development took necessary initiative for economical, social, and institutional improvement of rural women. The 3ie Impact Evaluation Study (2025), collected some data on a survey in 2019 and 2024 across 9 states covering about 23,000 households (PIB). This survey collected some information on per capita income, standard of living of states and women contribution in those 9 states. This study shows that households income in NRLM block increase by 9.5 percent and household consumption increased by 6-11 percent in par capita. Under initiative under DAY-NRLM is "Lakhpati didi scheme" whose major aim is to increase income of the members of SHGs and support them in making Lakhpati. This scheme helps the members of SHGs to earn their income more than 1 lakhs. The total count of Lakhpatididis reached to 3.46 crore across the country (PIB). The detail of SHGs across the country state wise is given below:

Figure 1

S.No	State/UTs	SHGs set up in the Country (state-wise)
1	Andaman And Nicobar Islands	1,343

2	Andhra Pradesh	8,27,133
3	Arunachal Pradesh	12,853
4	Assam	3,56,760
5	Bihar	13,53,025
6	Chhattisgarh	2,91,453
7	Dadra and Nagar Haveli and Daman and Diu	1,823
8	Goa	3,462
9	Gujarat	2,32,911
10	Haryana	62,921
11	Himachal Pradesh	43,344
12	Jammu And Kashmir	96,637
13	Jharkhand	3,20,838
14	Karnataka	2,97,982
15	Kerala	2,38,981
16	Ladakh	2,119
17	Lakshadweep	348
18	Madhya Pradesh	4,68,501
19	Maharashtra	6,67,562
20	Manipur	13,689
21	Meghalaya	47,946
22	Mizoram	10,083
23	Nagaland	15,333
24	Odisha	5,51,414
25	Pondicherry	4,927
26	Punjab	57,337
27	Rajasthan	3,36,928
28	Sikkim	5,895

29	Tamil Nadu	3,48,977
30	Telangana	3,93,845
31	Tripura	54,860
32	Uttar Pradesh	8,71,820
33	Uttarakhand	69,811
34	West Bengal	11,67,882
	Total	92,30,743

This information was given by the Minister of State for Rural Development DR. CHANDRA SEKHAR PEMMASANI in a written reply in Lok Sabha (Source: PIB).

From the above table it is seen that Assam, the gateway of northeast also contributed in capital formation by establishing 3, 56,760 SHGs in the state (ASRLMS.Assam.gov.in). Assam State Rural Livelihood Mission Society (ASRLMS) implemented DAY-NRLM in 2011 to enhance social and economical of the rural poor people of Assam. The ASRLMS strengthen the livelihoods of rural poor people by promoting SHGs, by providing job oriented training, skills development program and daily wages oriented private or public organization jobs to maximize their financial conditions. ASRLMS is a successful governmental scheme till date as it works for a highly contributable SHGs, financial assistance and sustainability. Block Mission Management Units (BMMUs) have been set up in 219 blocks. The phase wise circulation is given below:

Figure 2

Phase	Financial Year	Intensive Districts	Intensive Blocks	Cumulative Intensive Districts	Cumulative Intensive Districts
Phase-I	2012-13	8	44	8	44
Phase-II	2015-16	-	19	8	63
Phase-III	2016-17	6	25	14	88
Phase-IV	2017-18	10	60	24	148
Phase-V	2018-19	10	71	34	219

(Source: asrlm.assam.in)

Methodology:

Research methodology is structured rules and guidelines a researcher follow to find solution for the existing social problem. These are the principles through which the researcher obtained his result.

Through this process he finds the solution that how, from whom and from where research will be done. Types of research methodology will be quantitative, qualitative, mixed research etc. Under research methodology following points will be considered-

- a. Research design – describe the nature of the topic and the study. It may be descriptive, analytical, explanatory etc.
- b. Data collection technique- this includes how and from where data or information will be collected for the study. It may be primary data and secondary data.
- c. Method of sampling- it includes types of sampling collected or chooses from the selected population. It may be probability sampling and non-probability sampling. Probability sampling includes simple random sampling, stratified random sampling, systematic sampling etc. and non-probability sampling includes snowball sampling, quota sampling, judgment sampling, quota sampling etc.
- d. Data analysis – how will data interpret and implemented
- e. Tools and techniques etc.

Description of the Study: Assam, the gateway of North-East is diverse in culture heritage, hospitality. Environmental development, ecological protection etc. the population of the state is 33 million approximately where population of women is 16 million approximately.

Method of Data Collection: The data is collected here from pre-published journal and government sites which are relevant and authentic. In short, the source of data in this paper is secondary. The sources of secondary data are published journal, thesis, government sites, websites etc. Secondary data are those data which are collected from already published data and which is readily available. Our sources of secondary data are Google, already published journal, thesis, government sites etc.

Another type of data is primary data which is completely based on first time used data. These types of data are collected for the very first time from genuine sources like primary respondents, survey, personal interview, questioner etc. In this type of data there is a personal bias but in secondary type of data no personal biasness will affect as it already published.

Nature of the Study: The study used a qualitative approach, explorative approach supported by secondary research. Explorative research also includes the numerical data and information on the existed surveys or research information. This report provides deep report how the women actively participate in entrepreneur activities.

Literature Review:

1. Gita Sharma, Runumoni Das (2026) states how women participate in circular economy principal across diverse sectors of the economy. The paper states that the women are the main constituents for the inclusive and sustainable growth for the society which is especially diverse in ecology.
2. Dr. Sanjay mili (2021) found that SHGs have a significant role in their financial support, economic empowerment, inclusive development etc. it helps them in channelizing their funds, expand their income and easy access of credit from financial institution.
3. Sanjeev kumar ningomban and Sudeshna Bordoloi (2022) found that DAY-NRLM scheme of government made a significant change in the life of the Assam in political, social, economical and cultural areas. It was observed that women are financially empowered and believed in own self as they have probable capacity in capital formation of the state.
4. Jayant hazarika (2022) suggested that to proper utilization of the inner potential of the poor, social mobilization and the robust institution are very essential. For delivering social and economic benefits

these types of institutions are best for their social, political, legal, geographical and cultural development and sustainable growth.

5. Giribabu M (2021) suggest that Indian society is vast but in sense of social patriarchy it always pressure the women section for social norms, literature and financial leverage.
6. Ankita Chaudhary (2026) states that empowered women not only provide financial assistance and support to their family only but also provides support to the social and economical well being of the society.

Objectives of the Study:

1. To analysis and discuss the role of women in capital formation through SHGs, Green Entrepreneurship and NRLM.
2. To know the contribution of ASRLMS in women empowerment, erase social patriarchy and sustainable development through green revolution.
3. To evaluate and analysis the different mechanisms like pooling of savings, microfinance and government schemes like ASRLMS.
4. To analysis and discuss the schemes available for women and the practical uses of the provided schemes for the welfare of financial backward sector of the economy.

Findings and Suggestions:

From our study we found that women are actively participated and contributed in the economy in inclusive growth and in sustainable development through SHGs, NRLM specially ASRLMS and green entrepreneurship. The women of Assam are highly skillful but they don't get opportunity or a proper platform to show their skills or creativity. From the scheme of govt. they found a proper platform who provides them financial support, microfinance linkage, new innovative mechanism, savings channelization, capital flow etc. Through the SHGs, they are financially strong and they try to change the social patriarchy they are facing from the begging. Government plays an important role in the progress of the life of the rural women. For this purpose, government took different initiatives by government towards the growth and development of the green economy, women empowerment, inclusive growth, innovative program is significant. The rural people of Assam are mostly engaged into self-help group. The members of the group helps each other by providing micro-finance loan, invest into funds utilization schemes. Government made some schemes like Lakhpatididis scheme which improved women yearly income and help them to improve their and their family's standard of living. Assam, a state of North-East is full of diversity geographically, Social and culturally. Most of the people of Assam lives under urban area, backward area. So they did not have wider range of platform for their fund channelization. SHGs provide them a wider platform for proper and productive utilization of their funds. So for the future growth and capital formation in the state there is need of proper communication between the government and the poor people especially rural women. Government need to be work for the betterment of the social of the same class of people, try to erect social patriarchy. All these efforts from the every aspects and every parts leads to the aggregate inclusive rural growth and also contributed to the overall transformation of the state as well the country. The physical progress of SHG recently is now shown below:

NRLM : Physical Progress as on 31/08/2026

Financial Year: 2025-2026

State Name: All State

Figure 3

Sl. No.	Key Parameter Indicators	Status as on Date	Daily Change	Delta	Monthly Change	Delta
1	Number of households mobilized into SHG	38,46,866	0		0	
2	Number of SHGs promoted	1,69,694	0		0	
3	Number of village organizations promoted	4,308	704		0	
4	Number of community resource persons developed	5,513	132		0	
5	Number of SHGs provided Revolving Fund	4,39,295	788		0	
6	Number of SHGs provided Community Investment Fund	3,42,344	16,727		0	

Source: Ministry of Rural Development

Conclusion

Assam is land of diversity and culture where different ecological system is existed. Women of Assam are highly skilled and cultured. They have their own identity in eri, paat muga, handlooms, crafts, and bamboo crafts etc. which improve green Entrepreneurship among the people of Assam. The economy of the state is highly depended on natural resources specially agro-industry and natural fiber industries. . Assam is renowned for its cultural diversity, artisan's traditions and agro industry which are rich in cultural diversity, bamboo crafts, cane products and edible souvenirs etc. The women use their innovative ideas in making waste material into market accessible product like the packing of products with green products and eco-friendly products. Now day's women entrepreneurs play a key role towards economic sustainability and development. Green entrepreneurship drives capital formation of local areas of Assam through microfinance, self-self groups and other sustainability resource. It enhances the economic empowerment of women's and sustainable rural development. Green Entrepreneurship Intention (GEI) focuses on microfinance access, social capital roles and green entrepreneurship training.

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