

## FINANCIAL INCLUSION AND ENTREPRENEURSHIP: A STUDY OF MICRO ENTERPRISES IN AIZAWL DISTRICT, MIZORAM

**LALHUNTHARA**

ASSISTANT PROFESSOR  
DEPARTMENT OF COMMERCE  
PACHHUNGA UNIVERSITY COLLEGE  
COLLEGE VENG, AIZAWL, MIZORAM, INDIA.

---

### ABSTRACT

This paper emphasizes the need of active cooperation between banks and micro entrepreneurs for the promotion of entrepreneurship which depend mostly on private money lenders, relatives and friends to meet their credit needs. The present study is based on a sample study of 406 micro entrepreneurs covering rural and urban areas of Aizawl district, Mizoram. It was observed that the biggest problems faced by the entrepreneurs with regard to finance was reluctance by financial institutions to extent credit. It was found that only 8.4% of the entrepreneurs have access to banks for their credit needs. The rural marginal people who needs credit for production and consumption depends on costly informal loan from money lenders. The paper suggests that for reaching out the majority of the micro entrepreneurs, too much official formalities should be done away and simplification on application procedure is needed. It was also suggested that the need for better coordination and mutual trust and faith between commercial banks and the entrepreneurs.

**KEY WORDS:** Entrepreneurs, Entrepreneurship, Financial inclusion, financial problem, Micro enterprises.

---

### REFERENCES

Chanambam, Nalini Shija (2006), 'Women Entrepreneurship in North Eastern Region of India', *Vista International Publishing House*, New Delhi.

Dhameja, S.K (2004), 'Women Entrepreneurs: Opportunities, Performance and Problems', *Deep & Deep Publication*, New Delhi.

*Economic Survey: Mizoram (2013-14)*, Department of Planning and Programme Implementation, Government of Mizoram, Aizawl.

*Economic Survey: Mizoram (2014-15)*, Department of Planning and Programme Implementation, Government of Mizoram, Aizawl.

Laskar, Baharul Islam (2010), 'Industrialisation in Mizoram: Problems and Prospects', *New Central Book Agency*, Kolkata

Mali, D D (2005), 'Promoting Entrepreneurship: Lessons from India's North East', *Speed Publication*, Guwahati.

*State Level Bankers Committee Meeting for Mizoram: Agenda notes for the Quarter ended December, 2013*, New Capital Complex, Aizawl, p. 13

Murthy, BEVV (1992) 'Problems of Small Scale Industries: Case Study of Chittoor District in Andhra Pradesh', *Sedme Journal*, No. 2, June, pp. 43-66.

Murthy, DG (1998) "Institutional Finance for the Development of Small Scale Industries in Karnataka", *Finance India*, vol. xii, No. 1, March, pp. 143-145

Pathak, H.N (1991), 'Financial Management Issues in Small Scale Enterprises', *IGNOU*, New Delhi.

Ramswamy, Rama (2012), 'Financial Management Practices of Micro Handloom Enterprises: A Case Study of Thenzawl Cluster in Mizoram'. *The IUP Journal of Entrepreneurship Development*, Vol. ix, No. 1

Rao, Gangadhara (1986), 'Entrepreneurship and Growth of Enterprise in Industrial Estate', *Deep & Deep Publications*, New Delhi.

*Statistical Handbook: Mizoram (2014)*, Directorate of Economics & Statistics, Government of Mizoram, Aizawl.

*Third Census of Small Scale Industries (2001-02)*, Ministry of Small Scale Industries, Government of India, New Delhi.

Vepa, R.K (1988), 'Modern Small Industry in India: Problems and Prospects', *Sage Publication*, New Delhi.