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**Functioning of Micro-credit
Scheme under Rashtriya Mahila
Kosh (RMK) in North Eastern
States (Assam, Manipur and
Nagaland) of India**

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2012**

RESEARCH PROJECT REPORT

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Mahila Kosh (RMK) in North Eastern States (Assam,
Manipur and Nagaland) of India**

FUNDED BY
Planning Commission

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Project Director

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ABBREVIATION

CIG	Common Interest Groups
CWEI	Composite Women Empowerment Index
DRDA	District Rural Development Agency
E EI	Economic Empowerment Index
GSDP	Gross State Domestic Product
ICAR	Indian Council of Agricultural Research
IGA	Income generating activity
IMO	Intermediary Organizations
JLG	Joint Liability Group
KVK	Krishi Vigyan Kendra
MFDEF	Micro Finance Development and Equity Fund
MFDF	Micro Finance Development Fund
MFI	Microfinance Institution
NABARD	National Bank for Agriculture and Rural Development
NGO	Non Governmental Organization
NE	North Eastern
OBC	Other Backward Caste
PEI	Personal Empowerment Index
PACS	Primary Agricultural Cooperative Society
PCEI	Psychological Empowerment Index
RMK	Rashtriya Mahila Kosh
SHG	Self Help Group
SHPI	Self Help Promoting and Implementing Agency
SIDBI	Small Industries Development Bank of India
SEI	Social Empowerment Index
SGSY	Swarna Jayanti Gram Swarajgar Yojana
ST	Schedule Tribe

EXECUTIVE SUMMARY

INTRODUCTION

The financial innovation of Micro-credit, hitherto present in many countries including India in different forms, popularized by Dr. Yunus, is considered to be a ray of hope for the people who do not have securities to pledge. In broader sense, two different modules of microfinance systems function in India. The first module recognizes microfinance as down marketing of credit to the informal sector or those clients who are not considered as creditworthy for loan by the formal financial system of the country. The second module is a community based participatory approach which emphasize on forming small groups for solving common problems and mainly covers the marginalized people of the society. These groups are known by various names, viz., Self Help Groups (SHGs), Joint Liability Groups (JLGs), Common Interest Groups (CIGs), Solidarity Groups, etc.

According to Planning Commission, SHG is a self-governed, peer controlled, small and informal association of the poor, usually from socio-economically homogeneous families who are organized around savings and credit activities. The SHGs are not only sources of small loans with easy repayment schedule, which enforce the non-default, but inculcate thrift also. The group members invest the loans in variety of enterprises; such as agriculture, horticulture, dairy, handicrafts etc either together or individually. The Self Help Promoting Agencies (SHPIs) arrange training facility for the members to improve entrepreneur skills and skills relevant to specific small enterprises which ultimately help in easy dissemination of improved technologies. Participation in the groups also boosts the self confidence of the members, hence, these groups not only uplifts economically but also leads to overall development of the members, especially of women.

Women Empowerment

The concept of empowerment received much attention after the International Women Conference in 1985 at Nairobi. Empowerment of women is an important process through which women are enabled to realize their full identity and power in all spheres of life. It is the process by which women take control and ownership of their lives through expansion of their choices. Empowerment is the process of increasing the capacity of individuals or groups to make strategic life choices in a context where this has been denied earlier and to transform those choices into desired actions and outcomes. Freedom of choice and action enables them

to control better the courses of their lives and the decisions, which affect them. In essence, empowerment speaks to self-determined change.

Microfinance in India and North Eastern States

In India, despite all the efforts, the growth of microfinance through SHGs is not even in all the regions of India. The poor socio-economic status and the dismal scenario of banking system in the North Eastern (NE) states breed the appropriate ground for growth of microfinance programme in the region but only five per cent of the total SHGs of India are concentrated in NE states of India. Per SHG saving is also found to be the minimum in the region. Loaning performance of SHGs has improved over the years in the NE region but still lagging behind in comparison to other parts of India. Hence, against this back ground, a study on “Functioning of micro-credit scheme under RMK in North Eastern states of India” was taken with following specific objectives:

Specific objectives

1. To study the functioning of micro-credit scheme of RMK in NE States of India.
2. To investigate the saving, loaning, repayment performance of micro-credit scheme of RMK at individual and group level.
3. To analyse the impact of the micro-credit scheme on women empowerment.
4. To identify and prioritize the constraints as perceived by the participants of micro-credit scheme of RMK and suggest suitable policy initiatives.

METHODOLOGY

Data: Onetime primary data were collected from SHG members and NGO personnel through survey method using pre-tested schedules during 2011-12. Secondary data for the complete life period of the SHGs (formation to period of data collection) were gathered from the registers and records maintained by the SHG members and NGO personnel. Data were collected at two levels, viz., SHG level and individual (member of SHG) level on various socio-economic aspects (profile of members), credit, savings and income generation activities were collected. At SHG level, information were collected on details of functioning of SHGs in terms of number of meetings organized, extent of women participation, amount of revolving fund mobilized, and details of the activities involved.

Sampling Plan: Three states from the North Eastern States namely Assam, Manipur and Nagaland were selected purposively for the present study as only these three states among the eight NE states have sufficient number of SHGs under the micro-credit scheme of RMK in

the region. Nagaon and Jorhat from Assam and Imphal West and Bishnupur from Manipur and Dimapur district from Nagaland were selected. Twenty SHGs from each of the districts were selected randomly; hence, a sample of 100 SHGs was drawn from the three states of NE region. The president/secretary of the group and randomly five group members from each SHG were selected. Thus, a sample of 600 group members was selected from the NE States.

Saving performance (*i.e.* information on frequency, amount of savings, gap in savings, the reasons for gap in saving), loaning performance (the magnitude of loan, number of repeat loans, loan utilization pattern, loan diversion, sufficiency of loan amount *etc.*) and repayment performance (repayment rate, reasons for default *etc.*) were studied to judge the performance of SHGs. The gap in savings was worked out by deducting the actual savings from planned savings of the SHGs. Planned savings is calculated by multiplying the per month monthly contribution with age of the SHGs (in months) and number of group members with the adjustment for change in number of members and monthly contribution and any failure in depositing monthly contribution. Discussions were held on different aspects of loan from RMK with nine NGOs. To analyze the impact of micro-credit scheme under RMK five empowerment dimensions (economic, personal, social, psychological and political dimensions) were separately assessed by constructing dimension wise empowerment indices and then general conclusions of the impact of microcredit programme on various aspects of women's empowerment are drawn from the overall composite empowerment index.

RESULTS AND DISCUSSION

Section-1: Structure and Functioning of SHGs

Average age of the sample SHG was 5.5 years. The SHGs in Bishnupur district of Manipur were comparatively older (6.5 years) in comparison to SHGs in other sample districts. Majority of the SHGs were formed during the period of 2005 and 2008 in Assam and Manipur whereas in Nagaland majority (75%) of the SHGs was formed after 2008.

The SHGs were smaller in size in the study area in comparison to the general norm of 10-20 members per SHG. On an average a SHG was consisted of 11.83 members in Assam and 13.20 members in Manipur and only 10.75 members in Nagaland.

The number of SHGs in which members joined later was negligible in Assam (7.5%) Manipur (20%) and in Nagaland, no SHG registered any new entrants. Average new joining per SHG was highest in Jorhat (6) and lowest in Bishnupur (1) district.

SHG members dropped from the groups after joining in all the sample states for various reasons *viz.*, marriage, personal problem, government job, migration or due to start of new business/work. The case of dropping was highest in the SHGs in Manipur (57.5%); followed by Nagaland (45%) and Assam (22.5%). On an average, 1.89 member per SHG in Nagaland and 3.1 members in Assam and 3.5 members in Manipur have opted out of the SHGs. All the group members in the sample SHGs were self selected.

As high as 75% of the SHGs in Jorhat and 70% of the SHGs in Nagaland have members who were related to each other. In Jorhat no such SHG was found. The number of the SHG members related to each other was highest (5.93/SHG) in Nagaland.

Majority of the SHGs have formulated bylaws and general rule/regulations/conditions were imposed by on them the NGOs. Work plan for the SHGs and wherever they have hardly followed those.

In majority of the cases group meetings were conducted at monthly interval except in Jorhat where meetings were conducted fortnightly in case of 50% of the SHGs. About 40% (Nagaland) to 70% (Imphal West) of SHGs have penalty provisions for skipping group meetings and the range of penalty was from Rs 2 to Rs 50 per meeting.

The reasons, as stated by group members, for missing group meetings were personal reason, sickness, religious programme, family problem, attending marriage *etc.*

In general three to six types of registers were maintained by the SHGs *viz.*, (a) membership register (b) resolution register (c) register for meeting proceedings/attendance registers (d) saving registers, (e) loan ledger for both internal and external loans, (f) cash ledger and (g) bank cash book *etc.*

Except Assam, the registers were hardly updated and maintained in other states of the study area. The presidents of the SHGs used to write the books for which, in general, they were not paid any remuneration.

The members of 65% of the SHGs have undergone training but it was 65% in Assam and only members of 50% of the SHGs in Nagaland got training. Moreover only a few members per SHG (3.6 to 6) have been trained and these trainings were mainly in book keeping/accounting. In case of income generating activities the SHG members got training in animal husbandry, fishery, floriculture, weaving, embroidery, tailoring, silk reeling, food processing, candle making *etc.*

The trainings were mainly provided by concerned NGOs, Indian Institutes of Entrepreneurship (IIE), Guwahati, and Manipur Department of Crafts. The long duration trainings on Income Generating activities were self financed.

In Manipur SHG members participated in various social activities *viz.*, anti-liquor campaign, campaign against extortion and some of the members participated in cultural programmes. In Assam and Nagaland the members mainly participated in marriages and religious functions.

Section II: Savings, Loaning and Repayment Performance

The majority of the SHGs saved at monthly intervals and the average monthly saving per SHG was highest in Nagaland (Rs 86.50) and lowest in Nagaon (Rs 17.75). The range of savings per month was Rs 30 to Rs 200 in Nagaland; followed by Manipur (Rs 20 to Rs 100) and Assam (Rs 10 to Rs 100).

Total actual annual savings per SHG was highest in Nagaland (Rs 7519) and lowest in Nagaon (Rs 2303) of Assam.

The SHGs in Assam actually saved 97% of the total planned savings whereas the SHGs saved only 58% and 61% in Nagaland and Bishnupur, respectively. The gap in actual and planned savings is mainly due to drop out of members from the groups.

Though the SHGs have penalty provisions in case of failure in savings but the instances of imposing penalty were hardly found.

The total number of outside loans was as high as 36 in Nagaon district of Assam and as low as 21 in Jorhat district of Assam and Bishnupur district of Manipur.

The magnitude of outside credit per SHG was significantly higher in Nagaland (Rs 97000) in comparison to Assam (Rs 40675) and Manipur (Rs 25650).

About more than 90% of the SHG members received internal loans and many of them in multiple numbers. The average number of internal loan per member was highest in Manipur (>3); followed by Nagaland (2.5) and Assam (1.5).

The average outside credit was approximately 4 times to actual savings in Nagaon and Nagaland but in all other sample districts this ratio is even lesser than two.

The percentage of loans outstanding was highest in Assam (18.65%); followed by Nagaland (13.64%) and Manipur (9.14%).

The repayment rates for the outside credit were worked out to be in between 80% to 96% in the study area.

Section III: Women Empowerment

The responses of SHG members revealed that their income, savings, asset structure, income and employment days have improved after joining the SHGs. They have also reported that their market access has increased and now greater number of members makes purchase decisions independently.

About 87% of SHG members in Jorhat and 58% in Imphal West informed that their time for household chores has decreased after participation in SHGs as they have to attend meetings and put time in regular activities of microenterprises. Majority of decisions in family matters were taken jointly with their husbands.

The SHG members did not face any restrictions from their families to go out but it may not completely attributed as the effect of participation in SHGs as in North East women already have greater freedom than their counterparts in rest of India. They developed greater network among themselves after joining the SHGs.

Majority of the SHG members reported that their self confidence and self worth increased, attitude toward women's role changed in positive direction after participations in the SHGs.

The SHG members casted their votes freely but rarely they held any political posts even at village level.

The distribution of SHG members on the basis of economic empowerment index revealed that majority of the SHGs (more than 88%) belonged to moderate or strong economic empowerment categories. The findings were similar for social and psychological empowerment. But in case of political empowerment category the findings were reverse *i.e.*, most of the SHGs belonged to the bottom two empowerment categories.

In case of personal empowerment, 66% of the SHGs in Assam and 46% in Manipur fell in moderate empowerment category whereas in Nagaland about 46% of the SHGs belonged to least empowerment category.

The overall empowerment situation is found to be satisfactory as majority of the SHGs were in top two empowerment categories *i.e.*, moderately empowered and highly empowered categories.

Section IV: Constraints

Insufficient seed money, lack of awareness and lack of motivation were the major constraints faced by the SHGs in all the three sample states. Lack of participation by the SHG members and insufficient incentive to the secretary were the constraint of serious nature reported in Nagaland only.

Insufficient seed money was considered as very serious or serious constraints by the majority (70% in Nagaland, 67.5% in Assam and 47.5% in Manipur) of the SHGs in the study area. This was considered as very serious or serious constraints by as high as 85% of the SHGs in Jorhat and 80% SHGs in Imphal West district.

Lack of awareness about the basic principles and philosophy of the SHGs was second important constraints in case of SHGs in Nagaland (60%) and Assam (57.5%).

In Assam, other constraints faced by the SHGs were lack of motivation, insufficient incentive to secretary and delay in loan advancement.

In Manipur, constraint of insufficient seed money is followed by insufficient incentive to secretary and lack of motivation.

In Nagaland, as high as 55% of the SHGs reported that lack of participation by the SHG members was a constraint of a very serious or serious nature. It was followed by insufficient seed money, lack of motivation and lack of participation.

Insufficient external credit, lack of training and procedural difficulties turned out to be the major constraints faced by the SHG members in the study area.

CHAPTER I

INTRODUCTION

The issue of poverty elevation is integral to the approach of inclusive growth and they are discussed in great details by macroeconomists with special reference to developing and underdeveloped economies. Many thought that poverty scenario will improve through trickledown effect of economic growth which is now well contested from the evidences of India and South Asian countries where despite tremendous growth of economy the inequality between haves and have-nots has widened up. Credit facility to the poor is considered as one of the solution to the poverty scenario but most of the people belonging to marginal section of the society who lacks collateral finds themselves outside of the formal credit net. The financial innovation of Micro-credit, hitherto present in many countries in different forms, popularized by Dr. Yunus, is considered to be a ray of hope for them.

In broader sense two different modules of microfinance systems are in existence in India. The first module considers microfinance as down marketing of credit to the informal sector or those clients who are not considered as creditworthy for loan by the formal financial system of the country. The second module is a community based participatory approach which emphasize on forming small groups for solving common problems and mainly covers the marginalized people of the society. These groups are known by various names, viz., Self Help Groups (SHGs), Joint Liability Groups (JLGs), Common Interest Groups (CIGs), Solidarity Groups, etc. Different microfinance models functioning in different countries can be categorized as (i) SHG Model, (ii) Grameen Model, (iii) Co-operative Model and (iv) For-profit Model. Amongst these, SHG Model is the most popular model in India. Now Self Help Groups (SHGs) are formed in many rural development efforts (viz., SHGs in Watersheds, Water User Associations, SHGs for Organic Farming etc.). The SHGs receive external loans from the commercial banks either directly or through Non Governmental Organizations (NGOs) which also act as Self Help Promoting and Implementing agencies (SHPIs). These SHPIs form and monitor the SHGs. District Rural Development Agencies (DRDAs) also forms group under Swarna Jayanti Gram Swarajgar Yojana (SGSY) Scheme and link the SHGs with bank for loan after first gradation. There are a number of Microfinance Institutions (MFIs) which avail bulk loan from commercial banks to on-lend the SHGs. National Bank for Agriculture and Rural Development (NABARD)

and Small Industries Development Bank of India (SIDBI) are the apex level of microfinance service providers and Rashtriya Mahila Kosh (RMK) functions as the apex level MFI.

According to Planning Commission SHG is a self-governed, peer controlled small and informal association of the poor, usually from socio-economically homogeneous families who are organized around savings and credit activities. Members of SHGs meet weekly or monthly and discuss common problems and share information to come at a solution. The SHGs are not only sources of small loans with easy repayment schedule, which enforce the non-default, but inculcate thrift also. The group members invest the loans in variety of enterprises; such as agriculture, horticulture, dairy, handicrafts *etc.* The SHGs arrange training facility for the members to improve entrepreneur skills and skills relevant to specific small enterprises which ultimately help in easy dissemination of improved technologies. Participation in the groups also boosts the self confidence of the members, hence, these groups not only uplifts economically but also leads to overall development of the members, especially of women.

Women Empowerment

The concept of empowerment received much attention after the International Women Conference in 1985 at Nairobi. Empowerment of women is embedded in the concept of overall development of women. There is a shift in paradigm from top-bottom approach to bottom-up approach, which basically is a people oriented approach and keeps men and women in centre as lead actors giving equal importance to all the players. The main slogan is 'if development is not gendered then it is endangered' (Yimer, 2010). Emphasis is on providing equal opportunities to women by removing gender bias, empowering women and creating self reliance for women development (Bharati and Badiger, 2008). Various definitions of empowerment have been advocated by researchers (Kabeer, 1998; Kabeer, 1999; Mayoux, 2001; Mayoux, 2002; Rowland, 1997). It is an important process through which women are enabled to realize their full identity and power in all spheres of life (Surekha and Rajamanamma, 1999). Empowerment is the process by which women take control and ownership of their lives through expansion of their choices. It signifies increased participation in decision making and through this process people feels themselves to be capable of making decision and the right to do so (Kabeer, 2001). Empowerment is the process of increasing the capacity of individuals or groups to make strategic life choices in a context where this has been denied earlier and to transform those choices into desired actions and outcomes. Central to this process are actions, which both build individual and collective assets and improve the efficiency and fairness of the organizational and institutional context (Parreira, 2004).

Empowerment is operationalized as the process and outcome of women gaining access to, ownership of, control over, and benefit from livelihood assets, activities and opportunities that in turn challenges the norms of social power inequality (Lakwo, 2006). It not only helps women to have greater control over material resources but also on intellectual resources (Santhosam, 2010).

Freedom of choice and action enables them to better influence the course of their lives and the decisions, which affect them. In essence, empowerment speaks to self-determined change. However, perceptions of being empowered vary across time, culture and domains of a person's life (Parreira, 2004). It is a holistic and interrelated process which encompasses economic, social, psychological and political empowerment and at different level such as individual level, household level and in large at society level. Economic empowerment could be achieved through greater access to financial resources; reduced vulnerability specifically at the time of crisis situations like famine, drought and flood; equal access to various resources at the house hold level and employment opportunity and the authority to decide on the use of the income. Social empowerment could be achieved through providing equal status, facilitating participation and powers of decision making at the house hold, community and village levels as well as in democratic institutions. Political empowerment means the ability of a person to understand and participate in the political process in the form of electing a civic body or becoming candidate herself or himself (Santhosam, 2010).

Microfinance in India and North Eastern States:

In India, the microfinance movement was unleashed around the 1970s but the sector received real impetus when the Union Finance Minister in his budget speech for the year 2000-01 declared about the Micro Finance Development Fund (MFDF) of Rs 100 crore which in 2005-06 was re-designated as Micro Finance Development and Equity Fund (MFDEF) with an enhanced corpus of Rs 200 crore. The Government also decided that the additional amount of Rs 100 crore would be contributed by the Reserve Bank of India, NABARD and other banks (RBI, 2009). Despite all these efforts, the growth of microfinance through SHGs is not even in all the regions of India.

Still a large section (17.96%) of the population lives below poverty line and the per capita income (Rs 33009/per month) is very low in these North Eastern (NE) states in comparison to other Indian states. The poor infrastructure of the region is reflected by the limited rail network which is mainly concentrated in Assam. Except Tripura (302.6 km), Assam (293.65 km) and Nagaland (134.53 km), the average road length per 100 square km in the

region is much lesser (ranges in between 19.70 in Arunachal Pradesh to 73.91 km per 100 sq km in Manipur) in comparison to the national average of 128.87 km of road per 100 sq km (Gol, 2010). On the other hand the performance of formal financial agencies in NE states is at dismal state. The number of bank branches in the region is insufficient-one branch in the region serves up to 21000 people whereas Indian average is 15000 people per branch. The credit deposit ratio in NE states is less than half than the all India average. Performance of Primary Agricultural Cooperative Societies (PACs) is also not satisfactory in the region. The socio-economic status and the dismal scenario of banking system in the region breed the appropriate ground for growth of microfinance programme in the region but only five per cent of the total SHGs of India are concentrated in NE region of India. Per SHG saving is also found to be the minimum in the region. Loaning performance of SHGs has improved over the years in the NE region but still lagging behind in comparison to other parts of India. Hence, against this back ground, a study on “Functioning of micro-credit scheme under RMK in North Eastern states of India” have been taken with following aim and objectives.

Objectives:

AIM: The aim of the present research proposal is to study functioning/performance of micro-credit scheme of RMK and analyse its impact on rural women of NE States of India.

Specific objectives:

1. To study the functioning of micro-credit scheme of RMK in NE States of India.
2. To investigate the saving, loaning, repayment performance of micro-credit scheme of RMK at individual and group level.
3. To analyse the impact of the micro-credit scheme on women empowerment.
4. To identify and prioritize the constraints as perceived by the participants of micro-credit scheme of RMK and suggest suitable policy initiatives.

CHAPTER II

REVIEW OF LITERATURE

Participation decision

Author/Location	Salient Findings
<ul style="list-style-type: none">• Sarangi (2007)• Betul and Sehore (Madhya Pradesh)	<ul style="list-style-type: none">• Probability of participation found to be low at the lower end of income distribution but it declined with very high level of per capita income of household.• Main purpose of joining the group was to avail credit for income generation purposes, besides fulfilling consumption needs.• Dependency ratio and education level had negative effect on participation.
<ul style="list-style-type: none">• Sahu (2010)• North West India	<ul style="list-style-type: none">• Only 33% SHGs were having more than 50% Below Poverty Line (BPL) category members. About 18% SHGs did not have even members from BPL category which implied that microfinance programme is shifting its focus from poor to non-poor.• Respondents have cited a variety of reasons for joining SHGs. The most important one is for saving and credit (36%), followed by to get loan in need/ emergency easily at low interest rate (23.55), only saving (14.8%) and influenced by Self Help Promoting and Implementing Agency/ other SHG members (9.1%).• Most of the SHGs members were happy with SHG movement.
<ul style="list-style-type: none">• Nagaraj <i>et al.</i> (2009)• Venkatenahalli (Karnataka)	<ul style="list-style-type: none">• Reason to participate in SHGs was to save, avail loan, overcome financial problems and to undertake income generating activities.
<ul style="list-style-type: none">• Manimekalai (2004)• Tiruchirapalli (Tamil Nadu)	<ul style="list-style-type: none">• Majority joined SHGs to gain social prestige.• Success stories of other SHGs, interest in social

	<p>service and group activities and economic compulsion were the other influences to join SHGs.</p> <ul style="list-style-type: none"> • Members considered SHGs as source of consumption and productive loans, agency to solve community and social problems.
<ul style="list-style-type: none"> • Anjugam and Ramasamy (2007) • Tamil Nadu 	<ul style="list-style-type: none"> • Landless and marginal farm households and socially backward households participated more in the SHGs. • Households having informal borrowings have been found to have higher priority to the group formation.
<ul style="list-style-type: none"> • Anand (2002) • Kerala 	<ul style="list-style-type: none"> • About 37% of the selected members joined the groups for promoting the habit of savings but more importantly for getting loan. • More educated the members were, the less was the intervention required by coordinators and organisers. Also, the more backward an area the greater was the intervention required.
<ul style="list-style-type: none"> • Rao (2001) • Andhra Pradesh and Karnataka 	<ul style="list-style-type: none"> • Reasons for joining SHGs were to avail credit, to meet unexpected demand for cash and to develop saving habits.
<ul style="list-style-type: none"> • EDA Rural Systems and APMAS (2006) • Andhra Pradesh, Karnataka, Odisha and Rajasthan 	<ul style="list-style-type: none"> • About 51% of the members were from below poverty line category while another 32% were in borderline. • About 38% of members worked as casual labourers; 29% work in own agriculture and 17% were engaged in a non-farm enterprise. • The dropout rate from the SHGs was under 10% of membership and almost 50 per cent of the SHGs had no dropouts. • Migration for employment outside the village, and 'financial difficulties' especially in making regular savings deposits is the main reason for very poor and poor drop-outs; for the non-poor, group dynamics is an issue.
<ul style="list-style-type: none"> • Feroze and Chauhan (2010) • Haryana 	<ul style="list-style-type: none"> • Age of the respondent, number of dependents in a household, self-engagement in household

activity and per household annual return from dairy proved to be key factors determining the participation in SHGs.

- Khandker (2003)
 - Bangladesh
 - Households who were poor in landholding and formal education likely to participate more.
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Performance of micro-credit

Author/ Study Area	Salient Findings
<ul style="list-style-type: none"> • Borbora and Mahanta (2001) • Assam 	<ul style="list-style-type: none"> • Annual savings per member ranged from Rs. 240 to Rs. 325. • Overall recovery rate was 90.92% and varied from 83.33% to 100%. • Minimum internal loan was Rs. 75 and the maximum cumulative was Rs. 275. • 96% of the total members received loan from Credit and Saving Programme. • 28.89% members started earning Rs. 15 to 30 per day after receiving loan.
<ul style="list-style-type: none"> • Rao (2009) • Assam 	<ul style="list-style-type: none"> • The groups have retained over three-fourths of the total saving (about Rs.20 lakh) with bank and earned about Rs.15 lakh as interest income. • The groups accessed about Rs.26.9 lakh as grants and subsidies and over Rs.58.9 lakh as external loans. • However banks retained over 80% of loan outstanding amounts in saving accounts and as fixed deposits. • The interest rates charged by the groups and terms of repayment offered indicate that groups are functioning more like informal money lenders and less of modern community based microfinance institutions due to the huge gap between supply and demand for credit.
<ul style="list-style-type: none"> • Kumar (2005) • River belt of Mahanadi (Odisha) 	<ul style="list-style-type: none"> • 87% SHGs conducted monthly meetings. • Saving ranged from Rs. 20 to Rs. 100 per

	<ul style="list-style-type: none"> month. Average total saving was Rs. 5368 per SHG 65% of the group fund was utilized for income generating activities, viz., vending of vegetables/rice, purchase of agricultural inputs etc. First loan ranged between Rs. 14000 to Rs. 50000 per SHG. About 36% members utilized the external loan in Income Generating Activities (IGA) and 29% in construction of house under Indira Awas Yojana.
<ul style="list-style-type: none"> Verhelle and Berlage (2003) Raipur and Bilaspur (Chhattisgarh) 	<ul style="list-style-type: none"> SHGs saved on an average 72% of the agreed amount. About 47% of the groups involved in intra group credit were confronted with some repayment problem. On an average 61% of the outside credit had been repaid in time. On average two social issues were either discussed or action was taken to remedy them.
<ul style="list-style-type: none"> BASICS (2007) Bihar 	<ul style="list-style-type: none"> Internal lending was mostly need based. Loan to saving ratio was more than 1.5 and terms of the loan were well defined. On time recovery rate was more than 95%.
<ul style="list-style-type: none"> EKATRA (2007) Selected blocks of Madhya Pradesh 	<ul style="list-style-type: none"> About 46.2% of the members have undertaken Animal Husbandry which is followed by Agriculture & Allied Activities (39%). The main problem in getting a loan after joining the SGSY Scheme at the Individual level is 'several visits to the Bank'. Approximately 10% group leaders admitted to have paid bribes at different stages to obtain a loan. The amount varied between 10% of the loan amount to Rs. 20,000.
<ul style="list-style-type: none"> Singh <i>et al.</i> (2008) Hoshangabad District (Madhya Pradesh) 	<ul style="list-style-type: none"> A fair 89.39% of the beneficiaries utilized the micro-finance in the same enterprise, which they have demanded for. The study concludes that rural livelihood can be

best supported by institutional microfinance.

- Dahiya *et al.* (2001)
 - Solan (Himachal Pradesh)
 - Monthly saving range was Rs. 20- Rs.100.
 - About 50% of the credit was utilized for consumption purpose.
 - Recovery rate was cent per cent.
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- Kumar *et al.* (2009)
 - Hoshiarpur district (Punjab)
 - Average loan disbursed per member was Rs 10000 which turned around to be a meager quantity to start micro-enterprise or to extend the existing business.
 - Banks charged annually 10-15% interest rate and the groups charged interest of 12-24% per annum.
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- Mehta *et al.* (2011)
 - Jammu region
 - There was 74% increase in SHG members who were currently saving more than Rs. 2000 per month, who were earlier saving nothing in the pre SHG period.
 - About 5% have taken loan more than four times. Majority of members have taken loan from SHGs in order to run their day to day consumption expenses. Repeat loan for consumption was about 45%. About 53% members have taken external loan.
 - Asset value of 70% members has increased in the post SHG period.
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- Sahu (2010)
 - North West India
 - In case of 49.5% groups, group representative maintained different registers and books.
 - The saving amount varied in between Rs.25 to Rs.100 per month. About 75% of members regularly contributed to savings in case of 77.5% SHGs. About 56.5% SHGs have revised compulsory saving per member since their formation.
 - The average saving as per cent to average loanable funds varied in between 62.04% and 88.97% across the sample states.
 - Repeat loan to a SHG was hardly found. The average amount of loan obtained by a SHG was Rs. 69976.
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	<ul style="list-style-type: none"> • About 20% of members were of the view that they can manage to meet their consumption and short-term credit (to purchase seeds, fertilizer and other farm requirements) needs through internal loan. • Marginalized communities are discriminated more under the microfinance program.
<ul style="list-style-type: none"> • Gaiha and Nandhi (2007) • Pune (Maharashtra) 	<ul style="list-style-type: none"> • Thirty three per cent of the borrowers used the loan for buying assets. • Of them, 38.5% bought a goat, 15.4% bought a cow and 46.2% bought other assets (e.g. Poultry).
<ul style="list-style-type: none"> • Bhuvanewari <i>et al.</i> (2011) • Three peri-urban villages of Karnataka 	<ul style="list-style-type: none"> • Annual savings per member, ranged from Rs 195 to Rs 412 in peri-urban SHGs and Rs 150 to Rs 544 in rural SHGs. • Peri-urban SHGs utilized 36.51% of borrowed loan for IGA whereas rural SHGs utilized only 13.87% for IGA (mainly for agriculture and dairy.) • Repayment performance was relatively higher in peri-urban SHGs (67.80%) than rural SHGs (47.30%).
<ul style="list-style-type: none"> • Srinivasan <i>et al.</i> (2001) • Coimbatore (Tamil Nadu) 	<ul style="list-style-type: none"> • Average saving was Rs. 16333. • Average total lending was Rs. 17537. • Defaults were higher in rural SHGs than in urban SHGs.
<ul style="list-style-type: none"> • Jayaraman (2005) • Thoothukudi (Tamil Nadu) 	<ul style="list-style-type: none"> • About 86% of the fisherwomen SHG members participated in banking activities for microcredit utilisation and 75% of them were equal partners in decision making in their families. • Only 61% of the SHGs received Revolving Fund Assistance (RFA). • The interest rate charged was 24 % per annum and accumulated to SHG's savings. • Repayment rate was 100 %. • Loans were invested in the improvement of their occupation, for buying fishing nets, catamarans and boats.

<ul style="list-style-type: none"> • Anand (2002) • Kerala 	<ul style="list-style-type: none"> • The study has attempted to examine the performance of selected SHGs and Neighbourhood Groups (NHGs) and to assess its impact, especially the impact of the micro credit programme on empowering women. • Members who had been carrying on some economic activity even prior to their joining the groups were able to utilise the micro credit effectively for expansion and modification of their units and benefited the most.
<ul style="list-style-type: none"> • Keshava <i>et al.</i> (2010) • Hoshiarpur (Punjab) 	<ul style="list-style-type: none"> • About 37% members had either started new economic activities or expanded on going economic affairs after joining the groups. • Average monthly income obtained from new activities was Rs. 2600, while that from expansion of ongoing activities was Rs. 2857. • About 59% respondents started economic activities related to agriculture and allied sector. About 82% respondents, who faced financial problems in running the activities, relied on group savings for taking loans.
<ul style="list-style-type: none"> • Sinha (2008) • Assam, Uttar Pradesh, Maharashtra, Andhra Pradesh and Karnataka 	<ul style="list-style-type: none"> • Average savings per household registered 14.2% annual growth. • Per household consumption expenditure on food and non-food items recorded 5.1% and 5.4% annual growth, respectively. • About 96.4% of households reported regularity in repayments of loans.
<ul style="list-style-type: none"> • NIBM and NIPFP (2007) • Assam, Orissa, Bihar, Uttar Pradesh, Madhya Pradesh, Rajasthan, Maharashtra, Karnataka and Andhra Pradesh 	<ul style="list-style-type: none"> • About 20-67% of groups were highly regular in thrift collection. • The recovery rate for SGSY loan was 42% only. • SHGs refunded the entire thrift amount to any member who left the group.
<ul style="list-style-type: none"> • Puhazhendi and Badatya (2002) • Odisha, Jharkhand and Chhattisgarh 	<ul style="list-style-type: none"> • The SC/ST and backward class constituted 83% of the total sample. • Mean annual savings increased by two fold. • Institutional credit deepening and widening

	<p>among the rural poor were achieved to a greater extent. Availing loans from moneylenders and other informal sources with higher interest rate was significantly reduced due to SHG intervention.</p> <ul style="list-style-type: none"> • Repayment rate was 95% for members and 86.6% for SHGs. • About 45% of the members registered increase in assets in post SHG situations.
<ul style="list-style-type: none"> • Rao (2001) • Andhra Pradesh and Karnataka 	<ul style="list-style-type: none"> • Women saved Rs. 75 to Rs. 175 per month. • Consumption credit had higher share in Andhra Pradesh while credit for social functions and purchase of agricultural inputs were major purpose of taking loan in Karnataka.
<ul style="list-style-type: none"> • VOICE (2008) • Andhra Pradesh, Gujarat, Chattisgarh, Uttar Pradesh and Bihar 	<ul style="list-style-type: none"> • Loans were invested in handicrafts, garments, dairy, fisheries and land development. • Out of these, dairy seemed to be the most successful.
<ul style="list-style-type: none"> • Guha (2010) • Jammu and Kashmir, Andhra Pradesh, Himachal Pradesh and Gujarat 	<ul style="list-style-type: none"> • SHG members across the group have invested more in milch cattle and poultry. Older group members invested in consumer durables like televisions, refrigerators, cooking gas, motor bikes, cycles, sewing machine <i>etc.</i> • In the drought prone areas dairy has emerged as an alternative source of income generation.
<ul style="list-style-type: none"> • BL Centre for Development Research and Action (2005) • Uttar Pradesh and Uttaranchal 	<ul style="list-style-type: none"> • The size of group played an important role in the process of group dynamics. • Credit was received by 75% members while 46% members have gone for more than one loan.
<ul style="list-style-type: none"> • Reji (2010) • India 	<ul style="list-style-type: none"> • Savings habit exhibited a strong and significant relationship with group's performance. • Quality of the group meeting was the major factor influencing the SHG performance. • The group effectiveness was mostly influenced by the factors, such as group interaction, group autonomy, equity, accountability and transparency.

<ul style="list-style-type: none"> • Kereta (2007) • Ethiopia 	<ul style="list-style-type: none"> • Although Microfinance Institutions (MFIs) reached the very poor, their reach to the disadvantaged particularly to women was limited (38.4%).
<ul style="list-style-type: none"> • Ugbomeh <i>et al.</i> (2008) • Bayelsa State (Nigeria) 	<ul style="list-style-type: none"> • Loan repayment rate was 83.73%. • Credit was used for agricultural production, processing and petty trading among women farmers. • Women as household heads, interest rate and household size, negatively affected the loan repayment performance of women farmers while price stability of farm proceeds and commitment to SHGs, positively affected the loan repayment of women farmers in SHGs in the area.

Women Empowerment

Author/ Location	Salient Findings
<ul style="list-style-type: none"> • Rao (2009) • Assam 	<ul style="list-style-type: none"> • About 75% groups experienced increase in saving habit, credit availability, increase in income, increase in access to formal credit; decline in family debts, interest burden and dependence on money lenders. However, relatively a fewer groups reported increase in expenditure on food, education and health. • Widespread corrupt practices were in vogue, though directly reported cases and amounts were less.
<ul style="list-style-type: none"> • Baneerjee (2009) • West Bengal 	<ul style="list-style-type: none"> • The monthly average family health related expenditure decreased at constant prices. This signifies that the economic empowerment of women must have created an awareness among them which is reflected in better hygienic habits and more optimal allocation of food expenditure among the family members. • About 42% of the group members were unemployed in the pre group joining stage but after joining the group they became employed and this has changed

	<ul style="list-style-type: none"> • their family income category. • The rate of school drop outs was lower in the families of the group members than the families who did not belong to any group.
<ul style="list-style-type: none"> • Ghosh (2010) • West Bengal 	<ul style="list-style-type: none"> • SHG members who have taken up IGA did not have any psychological strains regarding the repayment of the loan, and the societies at the same time did not find any difficulty in recovering the dues from the group members.
<ul style="list-style-type: none"> • Mishra and Hossain (2001) • Kalahandi District (Odisha) 	<ul style="list-style-type: none"> • Additional employment generated through the informal group lending worked out to be 185 person-days per member. • Average net income per member per year increased from Rs. 6465 to Rs. 15325 through scientific cotton cultivation, livestock maintenance and small business like retail shop, dry fish trading, <i>etc.</i>
<ul style="list-style-type: none"> • Panda and Atibudhi (2011) • Odisha 	<ul style="list-style-type: none"> • About 4.19% increase in annual household income and about 18.94% increase in annual employment days was registered by the target households over that of the controlled households. • Migration has reduced significantly in post SHG period. • SHG based microfinance programmes had a greater impact on micro-entrepreneurs and traders than that of the farmers.
<ul style="list-style-type: none"> • BASICS (2007) • Bihar 	<ul style="list-style-type: none"> • Presence was more than 85% in most of the cases. • Almost 80% of the members were aware about their own as well as group's financial transaction. • All group and financial records were updated and enough training was given on building capacity of members to write their own books of accounts. <ul style="list-style-type: none"> • Group members were ready to address the village level issues.
<ul style="list-style-type: none"> • EKATRA (2007) • Selected blocks of Madhya Pradesh. 	<ul style="list-style-type: none"> • Only six group leaders out of 99 had created some assets under SGSY. Most of the Swarozgaris did not consider animals such as goats, buffaloes, pigs, <i>etc.</i> acquired under SGSY as assets. Majority of the animals, died of diseases or due to being of weak breeds within 3-4 months of their purchases.

<ul style="list-style-type: none"> • Of the 99 groups, 92 stated that they had been empowered to start working on their own. Their self-confidence had been enhanced, and also their capacity to attempt something new. • Only 14 groups reported an increase in education and health, while 17 groups reported an increase in social status. 	
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<ul style="list-style-type: none"> • Feroze and Chauhan (2010) • Mewat District (Haryana). 	<ul style="list-style-type: none"> • The annual gross return from dairy was higher in member households in comparison to non-member households. The coefficient of credit dummy turned out to be positive and highly significant implying positive impact of microcredit on return from dairy.
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<ul style="list-style-type: none"> • Kumar <i>et al.</i> (2009) • Hoshiarpur district (Punjab) 	<ul style="list-style-type: none"> • Income of member households increased by 76% in post-SHG period. • The major constraints faced by the SHGs were harassment during opening of bank account, marketing problems, lack of training <i>etc.</i> • SHG products were non-branded so it is difficult to compete with the products from multinational companies in the markets.
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<ul style="list-style-type: none"> • Arora and Meenu (2011) • Jalandhar district (Punjab) 	<ul style="list-style-type: none"> • Microfinance contributed to women empowerment significantly by providing credit for housing repairs, education and marriage of their children and also for consumption purpose.
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<ul style="list-style-type: none"> • Mehta <i>et al.</i> (2011) • Jammu 	<ul style="list-style-type: none"> • <i>Self Confidence</i> The group formation brought out the hidden talent and leadership qualities among the members. After joining the SHG the members have improved their status in family, become helpful in family finance and sometimes helped others too. • <i>Communication Level of Members</i> There had been 48% increase in SHG members, who can now freely talk in the meetings. • <i>Change in Family Violence</i> Family violence being a sensitive topic is difficult to be ascertained from the members especially women. Verbal abuse was the most rampant form of violence. Involvement with SHG reduced this violence in 25%
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cases especially due to reduction in economic dependencies.

- *Frequency of Interaction with Outsiders*

In the pre-SHG period 51% of the members were not interacting with officials whereas after associating with SHGs, 91% members had interacted with the outsiders. This interaction helped them to articulate their problems and improved their self-confidence.

- *Access to Amenities*

In case of 40.53% of SHG members an increase in access to amenities like medical, sanitation, education, market, water supply, transport facility *etc.* was registered.

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- Shylendra *et al.*(2010)
 - Sabarkantha district (Gujarat)

- SHGs seemed to be providing some protection to the poor households against vulnerabilities that result in debt traps with money lenders.
- The study revealed that SHGs were largely found wanting in management quality and ability.
- The homogeneity of SHGs contributed to maintaining the group cohesiveness.

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- Gaiha and Nandhi (2007)
 - Maharashtra

- Majority of SHG participants reported that they had gained self-confidence, greater respect within the family, a more assertive role in family decision-making, and there was a reduction in domestic violence.
- In the broader community sphere, a considerably lower share of respondents yielded a positive response.
- About 42% of the respondents reported gaining buying and selling skills while 35% corroborated negotiating better prices.
- About 14% of the respondents claimed influencing choice on better agricultural practices.

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- Sitaram (2007)
 - Karnataka

- It has allowed poor women to move from their earlier position of silence to one of gaining voice, has reduced their sense of fatalism, has improved their living standards, and has increased their collective bargaining powers.
- Most discussions on SHGs stop at developing mechanisms that guarantee their sustainability. There

	<p>is limited knowledge and technical knowhow on viable income generating activities, on what sells, despite so many fairs and exhibitions in which women groups have participated. This has proved to be a major lacuna in Karnataka Urban Infrastructure Development Project (KUIDP) where the period of support was generally very short.</p>
	<ul style="list-style-type: none"> • The SHGs need an enabling environment in order to grow and sustain themselves. The government presently gives conflicting signals, for example the government wants SHG women to oppose the opening of arrack (cheap liquor) shops in the slums, but continues giving licenses for this.
<ul style="list-style-type: none"> • Bharathi and Badiger (2008) • Dharwad and Gadag districts (Karnataka) 	<ul style="list-style-type: none"> • Participation of women in SHGs has made a significant impact on their empowerment both in social and economic aspects. • Impact of the project on SHG members revealed improvement in confidence, self esteem, decision making, capacity building and psychological aspects. NATP project played an important role in empowering rural women and has given them due recognition in the society and made them economically independent.
<ul style="list-style-type: none"> • Shetty (2008) • Karnataka 	<ul style="list-style-type: none"> • In the post-microfinance intervention, a large number of the member households were able to access the microfinance-plus service which has enhanced the income, employment, assets, household expenditure, housing condition and empowerment of the poor. • The microfinance-plus services of microfinance introduced the micro insurance services to reduce vulnerability (result of risk and uncertainty) of the poor. The microfinance-plus services of microfinance not only uplifted the poor from income related poverty but also from the knowledge poverty.
<ul style="list-style-type: none"> • Jayaraman (2005) • Thoothukudi (Tamilnadu) 	<ul style="list-style-type: none"> • About 63% of the fisherwomen SHGs members participated in Panchayat meetings and other related activities. About 86% of the members participated in banking activities. • About half of the fisherwomen had organized Women's day. They have also helped the Panchayats in popularizing rain water harvesting among the

villages. They themselves adopted it in their houses and set an example for others to follow.

- Anjugam *et al.* (2007)
 - Tamil Nadu
 - No difference was observed in social and economic empowerment of women in the SHGs functioning under the NGOs and the District Rural Development Agency (DRDA).
 - Although, women in less developed region were socially and economically more empowered than their peers in developed regions under the microfinance programme.
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- Kalaimathi *et al.* (2010)
 - Cuddalore (Tamil Nadu)
 - Average annual income of member households increased by 33.88%.
 - Gini ratios turned out to be lower in post-SHG period which indicates that inequalities in income distribution had significantly declined in post-SHG period.
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- Devi *et al.* (2011)
 - Tamil Nadu
 - Participation in SHGs led to increase in income of sample households.
 - Self worth has improved in post SHG situation.
 - The impact of microfinance was relatively more pronounced on the social aspects than on the economic aspects.
 - Members considered SHGs as source of production loan and a mean for elevation of social status.
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- Manimekalai and Rajeswari (2011)
 - Tamil Nadu
 - Women empowerment both in economic and social front was one of the greatest opportunities opened up by development activities of microfinance programme by way of increased off-farm income.
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- Anand (2002)
 - Kerala
 - About 34% of the participant felt that their self confidence increased.
 - Mobility of participants has increased.
 - Participation in microfinance programme lead to political empowerment.
 - The groups have provided a forum to women to express their concerns and articulate their aspirations for change (power within and power with). Several groups initiated social action against the dowry system, alcoholism, illiteracy, and divorce. In spite of several drawbacks, members unanimously expressed
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	<p>the view that some improvement in their livelihood had taken place as a result of their increased confidence and ability to cope with difficulties.</p>
<ul style="list-style-type: none"> • Raghvan (2009) • Kerala 	<ul style="list-style-type: none"> • The morale and confidence of women improved after participating in various income generating-cum developmental activities. • Status of women in families and community improved.
<ul style="list-style-type: none"> • Reji (2009) • Malappuram (Kerala) 	<ul style="list-style-type: none"> • The number of households reporting only single source of income declined from 57.5% to 32% in the post SHG period. • The members reported that the groups served as banks at their door step from where they could get loan without much difficulties of documentation and security. • Members expressed an increased role in household decision making.
<ul style="list-style-type: none"> • Puhazhendi and Badatya (2002) • Odisha, Jharkhand and Chhattisgarh 	<ul style="list-style-type: none"> • Asset structure (which included livestock and consumer durables) increased for 52% household • About 78% household exhumed confidence in post-SHG situation and 89% experienced better treatment in post-SHG situation. • About 74% members took joint decision in family matters in post-SHG situation.
<ul style="list-style-type: none"> • BL Centre for Development Research and Action (2005) • Uttar Pradesh and Uttaranchal 	<ul style="list-style-type: none"> • Only half of the respondents received training and orientation for capacity building. • The SHGs provided social opportunities to make them aware regarding rights, entitlements and development programmes as well as starting income generation activities for substantial earnings and self-employment. • Enabled the members for active participation in development programmes and active role in decision making process both at domestic and market fronts.
<ul style="list-style-type: none"> • Swain (2006) • Odisha, Andhra Pradesh, Tamil Nadu, Uttar Pradesh and Maharashtra 	<ul style="list-style-type: none"> • Income has increased for 65% of SHG households. • About 61% of beneficiaries said that the tough times faced by the households had decreased because of joining the programme. • Membership in the SHG programme had positive

	<p>effect on expenditures on children's schooling.</p> <ul style="list-style-type: none"> • Almost 60% of the SHG reported that it was the borrowers themselves who took the crucial decisions in the purchase of raw material and product pricing. • The SHG respondents showed a greater involvement in decision-making within all family matters, when compared to the control group. However, this power did not really extend to the key decision-making areas of family planning, children's marriage and the buying and selling of land. • SHG respondents showed greater awareness of reservations for women in Panchayats and jobs, and an increased level of participation in village politics. • It is alarming to note an increase (though small, about 10%) in family violence within the SHG households. The resistance by the respondents to verbal abuse, beating and physical abuse, psychological and emotional abuse, seems to be growing within the SHG respondents as compared to the control group.
<ul style="list-style-type: none"> • EDA Rural Systems and APMAS (2006) • Andhra Pradesh, Karnataka, Odisha and Rajasthan 	<ul style="list-style-type: none"> • No clear shift in poverty situation over the years of membership.
<ul style="list-style-type: none"> • NIBM and NIPFP (2007) • Assam, Odisha, Bihar, Uttar Pradesh, Madhya Pradesh, Rajasthan, Maharashtra, Karnataka and Andhra Pradesh 	<ul style="list-style-type: none"> • A large proportion of the members did not have positive net income. • SHG women clients had comparatively more bargaining power when it comes to decisions regarding their mobility, choosing the children's school, clothing and food but have relatively less say in the matters relating to their reproductive rights, marriage of their children and asset purchases. • Intra-household dynamics revealed only partial impact on the bargaining power of women in the patriarchal households. • Mainly women clients were engaged in visits to banks for SHG work, interact with banking officials and handling the banking transactions. • Male clients participated in the SHG activities outside the village for procurement of raw materials and marketing of products.
<ul style="list-style-type: none"> • Sinha (2008) 	<ul style="list-style-type: none"> • The percentage of households living below the poverty

<ul style="list-style-type: none"> Assam ,Uttar Pradesh, Maharashtra, Andhra Pradesh and Karnataka 	<p>line reduced from 58.3% in the pre-SHG period to 33% in the post-SHG situation.</p> <ul style="list-style-type: none"> Household income grew by 6.1% in post-SHG period. Across different income activities of households, livestock registered highest growth at 11.2%. About 92% of households reported about improvement of social empowerment of women after joining SHGs. About 21.3% of the households reported a significant improvement in control over money with respect to buying of consumer durable assets whereas about 27% reported increased decision-making and control over expenditure on children’s education. More than 70% of women respondents reported improvements in their ability to face health related problems and financial crisis. About 49.4% of households had approached government officials to solve problems in the post-SHG period as compared to 13.5% in the pre-SHG period.
<ul style="list-style-type: none"> VOICE (2008) Andhra Pradesh, Gujarat, Chhattisgarh, Uttar Pradesh and Bihar 	<ul style="list-style-type: none"> SGSY generated substantial increase in the incomes of swarozgaris in the sample states. Workload of participants has increased mainly because of joining the SHGs had provided them with some supplementary work, but the new activities could not generate enough income for them to give up any of their earlier tasks.
<ul style="list-style-type: none"> Guha (2010) Jammu and Kashmir, Andhra Pradesh , Himachal Pradesh and Gujarat 	<ul style="list-style-type: none"> Income in post SHG period has raise. After joining the SHGs, members got the opportunities to come out from their houses and a platform to share their thoughts and the problems in the SHG. SHG Members revealed that there is a change in attitude towards them in the family. SHG members took part in economic decision making of the family Some of the group members also reported that they changed their lifestyle.
<ul style="list-style-type: none"> Puhazhendhi and Satyasai (2000) India 	<ul style="list-style-type: none"> About 59% of the households reported an increase in assets in post-SHG period. Net income per household increased by 33% from Rs. 20,177 to Rs. 26,889.

	<ul style="list-style-type: none"> • Economic and social empowerment was relatively more pronounced on the social aspects than the economic aspects. •
<ul style="list-style-type: none"> • Parreira (2004) • India 	<ul style="list-style-type: none"> • SHGs, besides being a way of delivering micro credit services, could promote several ways of empowerment. • He has opined that the degree of empowerment created will depend on the people involved, the surrounding environment and in the capacity to change the power relations in the area.
<ul style="list-style-type: none"> • Deininger and Liu (2009) • India. 	<ul style="list-style-type: none"> • SHG participation had significant economic impacts. • The benefits were not confined to those who were more affluent to start with but to all. • Asset accumulation among the poorest of the poor was significant.
<ul style="list-style-type: none"> • Chaudhry and Nosheen (2009) • Southern Punjab (Pakistan) 	<ul style="list-style-type: none"> • Women empowerment was considerably influenced by education, access to media, socio-cultural norms of the community, job of women and household participation rate. • In this study, knowledge of an Islamic concept of women empowerment was also considered which showed significant positive impact on women empowerment index.
<ul style="list-style-type: none"> • Mawa (2008) • Pakistan 	<ul style="list-style-type: none"> • Microfinance helped poor to use and develop their skills and enabled them to earn money through micro-enterprises, to smoothen their consumption level, to manage unexpected risks, to built assets, to educate their children, and to have better quality of life.
<ul style="list-style-type: none"> • Amin <i>et al.</i> (1998) • Bangladesh 	<ul style="list-style-type: none"> • Participation in microfinance programme was positively related to women empowerment.
<ul style="list-style-type: none"> • Schuler and Hashemi (1994) • Bangladesh. 	<ul style="list-style-type: none"> • Women empowerment had negative association with size of family, land holding and husband as head of household. • Involvement in family decisions enhanced after becoming the member of SHG.
<ul style="list-style-type: none"> • ADB (2007) 	<ul style="list-style-type: none"> • The outreach of the five projects studied ranged from

<ul style="list-style-type: none"> • Bangladesh, Philippines and Uzbekistan. 	<p>low-income to poor households.</p> <ul style="list-style-type: none"> • The income of those received microcredit increased compared with those that did not receive a loan in Philippines. • The Rural Microenterprise Finance Project helped to reduce the dependence of participating households on other loans such as informal moneylenders and more expensive loans from financial institutions. • The projects had positive effects on the status of women, particularly in the household. The following changes were observed: <ul style="list-style-type: none"> i. Enhanced role in household income generation ii. Greater involvement in making major expenditure decisions and generating cash savings, iii. Ability to generate more income on their own and greater role in business decision making, iv. Acquisition of more skills and expanding their network of friends and support system and v. Increased acquisition of assets.
<hr/> <ul style="list-style-type: none"> • Osmani (2007) • Bangladesh 	<ul style="list-style-type: none"> • Women's empowerment through participation in microcredit programmes could happen in two ways: <ul style="list-style-type: none"> - Enable poor women to earn an independent income and contribute financially to their families which immediately raise their self-esteem as well as their esteem in the eyes of others. - Free women from the narrow confines of household precincts and move into a wider community in the process of taking and using loans to initiate income generating activities.
<hr/> <ul style="list-style-type: none"> • Xia <i>et al.</i> (2011) • China 	<ul style="list-style-type: none"> • The use of microcredit resulted into greater control over their own financial assets, such as income and savings. • Microcredit had a positive impact on enhancing women's freedom and legal awareness even after controlling for knowledge-related variables such as education level. • However, the impact of microcredit on women's freedom of mobility was not clear. • The impact increased as the cumulative loan size grew

	larger.
	<ul style="list-style-type: none"> • Women who were already relatively more empowered even in the absence of the microcredit programme tended to participate in the programme more than others.
<ul style="list-style-type: none"> • Hulme and Arun (2011) • South Asia 	<ul style="list-style-type: none"> • Microfinance lead to women becoming more physically mobile and being permitted to visit more public spaces by their husbands.
<ul style="list-style-type: none"> • Yimer (2010) • Dessie Zuria district (Ethiopia) 	<ul style="list-style-type: none"> • About 75% of women clients have gone through considerable transformation for instance, in terms of skills, level of confidence, self esteem and worth, personal cash assets, level of financial independence, income, diversifying income sources, at individual level as well as in terms of participation in intra-household decision making, access to and control over livelihood assets at household and community levels.
<ul style="list-style-type: none"> • Bennett (2002) 	<ul style="list-style-type: none"> • He conceptualized empowerment as the enhancement of assets and capabilities of diverse individuals and groups to engage, influence and hold accountable the institutions which affect them.

Constraints

Author/Location	Salient Findings
<ul style="list-style-type: none"> • Feroze (2011) • North Eastern Region of India 	<ul style="list-style-type: none"> • The major hindrances for growth of micro-finance in North Eastern region include sparse population distribution. • Banks are thinly spread and mainly located in urban clusters which cause difficulty for SHGs in far flung areas to link with banks. • Motivating the tribal poor to form groups and making them come to an agreement for investing in common micro-enterprises is also a big challenge in the region.
<ul style="list-style-type: none"> • Singh (____) • Imphal East District, Manipur 	<ul style="list-style-type: none"> • Untimely and inadequate availability of basic raw materials. • Marketing of finished products

	<ul style="list-style-type: none"> • Insufficient credit facility to the members which affected the productivity and profitability. •
<ul style="list-style-type: none"> • BASICS (2007) • Bihar 	<ul style="list-style-type: none"> • Groups were much dependent on the promoting agencies • Group norms were not shared and followed by all the group members. • SHGs were dependent on subsidized funds from government departments.
<ul style="list-style-type: none"> • Awasthi <i>et al.</i> (2001) • Madhya Pradesh 	<ul style="list-style-type: none"> • Lack of motivation, backward and forward linkages, inadequate market facility (input and output both markets) were the major constraints. • Members had little knowledge about procedure for taking loan and difficulty in following the procedures.
<ul style="list-style-type: none"> • Bhamare (2006) • Parbhani (Maharashtra) 	<ul style="list-style-type: none"> • Lack of timely supply of loan by blocks, non availability of marketing facility, low price of SHGs products, lack of training, non cooperation of male, lack of participation of members and high interest rate of loans were found to be the major constraints.
<ul style="list-style-type: none"> • Chand <i>et al.</i> (2009) • Coimbatore (Tamil Nadu) 	<ul style="list-style-type: none"> • The major constraints were difficulties in getting the contribution for different works, insufficient seed money to sustain the SHGs, difficulties in management of CPRs, difference in wage rates, frequent transfer of the staff, insufficient incentive to secretary and volunteers <i>etc.</i>
<ul style="list-style-type: none"> • Mallick (2002) • Bangladesh 	<ul style="list-style-type: none"> • Suggested that microfinance services can result in gender conflict in Bangladesh.
<ul style="list-style-type: none"> • Ehlers <i>et al.</i> (1998) • USA 	<ul style="list-style-type: none"> • They opined that microfinance assistance is more detrimental and problematic than advocates believe due to inappropriate microfinance training.

CHAPTER III

METHODOLOGY

Data: Onetime primary data were collected from SHG members and NGO personnel through survey method using pre-tested schedules during 2011-12. Secondary data on financial aspects of SHGs were collected for the complete life period of the SHGs (formation to period of data collection) from the registers and records maintained by the SHG members and NGO personnel. Data were collected at two levels, viz., SHG level and individual (member of SHG) level on various socio-economic aspects (profile of members), credit, savings and income generation activities were collected. At SHG level, information were collected on details of functioning of SHGs in terms of number of meetings organized, extent of women participation, amount of revolving fund mobilized, decision making pattern, mobility of women members, change in income etc..

Sampling Design

Selection of Study Area: The North Eastern (NE) States were selected as study area mainly due to the following reasons:

1. Poverty scenario: About 22.3 per cent of the rural population of NE States lives below poverty level (NSSO, 2006).
2. Lack of study: The region lacks extensive empirical studies on SHGs.

Status of Micro-credit Scheme of RMK (upto 12.02.10)

States	(Amount in Rs Lakh)				
	Amount Sanctioned	Amount Disbursed	NGOs	SHGs	Member
Arunachal Pradesh	10	5	48	10	100
Assam	476	397	70	623	6225
Manipur	284	211	20	842	8421
Mizoram	4	2	151	7	70
Nagaland	64	41	154	79	789
Total	838	656	299	1624	15686

Source: RMK, 2010

Selection of States: Assam, Manipur and Nagaland were selected purposively for the present study. Out of eight states of NE region the micro-credit scheme of RMK is functioning only in Arunachal Pradesh, Assam, Manipur, Mizoram and Nagaland. Except Assam, Manipur and Nagaland the other states in the region did not have sufficient number of SHGs under micro-credit scheme of RMK.

Sampling Design

Two districts each from Assam and Manipur and one district from Nagaland were selected randomly (details given in the table below). Forty SHGs from each of the states *i.e.*, Assam and Manipur and 20 SHGs from Nagaland were selected randomly; hence, a sample of 100 SHGs was drawn from the NE States. The president/secretary of the group and randomly five group members from each SHG were selected. Thus, a sample of 600 group members was selected from the NE States. NGOs who are promoting these selected SHGs were also interviewed. Interaction sessions were held with Human Development Agency, Imphal and D-CACUS, Bishnupur in Manipur, Z. Chiero's Women Welfare Society, Phek; Tribal Women Welfare Society, Dimapur and Community Development Foundation, Dimapur in Nagaland and Society for North East Handmade Paper Development, Jorhat; Konoklata Mahila Urban Cooperative Bank, Jorhat; Anchalik Gram Unayan Parishad, Jania and PROCHESTA, Nagaon in Assam.

Sample Plan

State	Assam		Manipur		Nagaland	Total
	Jorhat	Nagaon	Imphal West	Bishnupur	Dimapur	
Districts						
No of SHGs	20	20	20	20	20	100
No of members/SHG	6	6	6	6	6	-
Total number of members	120	120	120	120	120	600
Number of NGOs	4		2		3	9

Analytical framework

At first the collected data were cleaned and entered in Excel spreadsheet. Descriptive statistics were calculated and results are presented in tabular form. To judge the performance of SHGs

saving performance (*i.e.* frequency and amount of savings, gap in savings, the reasons for gap in saving), loaning performance (outreach of loan, magnitude of loans, ratio of external loan to group savings, number of repeat loans, loan utilization pattern, loan diversion, sufficiency of loan amount *etc.*) and repayment performance (repayment rate, reasons for default *etc.*) were studied.

The gap in savings was worked out by deducting the actual savings from planned savings of the SHGs. Planned savings was calculated by multiplying per month monthly contribution with age of the SHGs (in months) and number of group members with the adjustment for change in number of members. Repayment rate was worked out using formula as suggested by Nirmala (2006).

$$\text{Repayment rate(per annum)} = \left[\frac{\text{Amount repaid}}{(\text{Credit} + \text{Interest})} \right]$$

In recognition of the context-specific nature of women's empowerment, a series of specific questions relating to various dimensions of women empowerment such as economic, personal, social, psychological and political dimensions in the survey areas were included in the questionnaire. Each dimension consists of a number of indicators. All the empowerment dimensions were separately assessed and then general conclusions of the impact of microcredit programme on various aspects of women's empowerment were drawn. Empowerment indices *viz.*, Economic Empowerment Index (EEI), Personal Empowerment Index (PEI), Social Empowerment Index (SEI), Psychological Empowerment Index (PCEI) and Political Empowerment Index (PEI) were worked out for the sample SHGs as well as for the sample SHG members and finally Composite Women Empowerment Index (CWEI) were worked out using the following formulae.

$$\text{Empowerment index} = (\text{Actual score} - \text{Minimum score}) / (\text{Maximum score} - \text{Minimum score})$$

$$\text{CWEI} = 1/5 \times (\text{EEI} + \text{PEI} + \text{SEI} + \text{PCEI} + \text{PEI})$$

Based upon the empowerment index four categories of empowerment was made *viz.*, not empowered (less than equal to 0.250), least empowered (0.251 to 0.500), moderately empowered (0.501 to 0.750) and highly empowered (greater than equal to 0.751).

CHAPTER IV

STUDY AREA

It is imperative to know the study area to understand any findings in Social Sciences. Hence, this chapter provides a brief description about the study area *i.e.*, Assam, Manipur and Nagaland.

ASSAM

The current name, Assam is associated with the Ahom rulers who ruled the region for nearly six hundred years. It is believed that the name "Assam" is derived from the term "Asom" which in Sanskrit means unequal and may be referring to uneven topography of the land. Assam is situated in the north-eastern region of India lying between 88°25'E to 96°00'E longitudes and 24°50'N to 28°00'N latitudes. It is surrounded by Arunachal Pradesh in the east, West Bengal, Meghalaya, Bangladesh in the west, Arunachal Pradesh, Bhutan in the north and Nagaland, Manipur, Mizoram, Meghalaya, Tripura in the south. It has a geographical area of 78,05,23 sq. km.

The Brahmaputra River Valley is the dominant physical feature of Assam and is considered as its life line. The river enters Assam near Sadiya in the extreme northeast and runs westward across the length of Assam for nearly 450 miles before turning south to enter the plains of Bangladesh. The river valley, around 50 miles wide, is surrounded on all sides, except the west, by mountains and many rivulets from the neighbouring hills join into the Brahmaputra. Each flood season it forsakes its earlier channels to cut new swathes through the soil. Majuli is the largest river island in world. The hills of Karbi Anglong, North Cachar and those in and close to Guwahati (also Khasi-Garo Hills) now eroded and dissected are originally parts of the South Indian Plateau system. In the south, the Barak originating in the Barail Range (Assam-Nagaland border) flows through the Cachar district with a 40–50 km wide valley and enters Bangladesh with the name Surma.

It is one of the richest biodiversity zones in the world and consists of tropical rainforests, deciduous forests, riverine grasslands, bamboo orchards and numerous wetland ecosystems. The Kaziranga, home of the rare Indian Rhinoceros, and Manas are two UNESCO World Heritage Sites in Assam. The state is richly endowed with petroleum, natural gas, coal,

limestone and other minor minerals such as magnetic quartzite, kaolin, sillimanites, clay and feldspar. Upper parts of the state, discovered in 1889, have huge petroleum-gas reserves (63,400,000 m³ of oil, 3.34×10¹⁰ m³ of gas and 10,700,000 m³ of natural gas liquids).

According to 2001 Census total population of Assam is 26.66 million with 4.91 million households which are scattered over 27 districts and 26312 villages. Hindu and Muslims have the major share in total population followed by Christians, Sikhs, Buddhists and Jains. The State has the highest population density among North Eastern states, of 339 persons per sq. km. The sex ratio is at 932 females to 1000 males and the total fertility rate of the State is 2.6 in 2001 but the number of female per 1000 male has improved to 954 in 2011 (provisional). The literacy rate in Assam is at 63.3 per cent with male literacy at 71.3 per cent and female at 54.6 per cent. The rate of urbanisation is reported to be 12.9 per cent.

Assam has as many as 151 ethnic groups. There are 23 notified Scheduled Tribes (ST) in Assam with the Bodos (40.9%) making half of the total ST population (13%) of the state. The earliest settlers were Austroasiatic, followed by Tibeto-Burman, Indo-Aryan speakers, and Tai-Kadai speakers. Forty-five languages are spoken by different communities, including three major language families: Austroasiatic, Sino-Tibetan and Indo-European. Majority of the population speak (57.81%) Assamese, followed by Bengali (21.67%), Bodo (5.28%), Nepali (4.62%), Mishing, Karbi, Dimasa (3.66%) and other (6.96%).

Bihu is the most popular festival and celebrated all over Assam. Assam has a rich tradition of crafts; viz. cane and bamboo craft, bell metal and brass craft, silk and cotton weaving, toy and mask making, pottery and terracotta work, wood craft, jewellery making, musical instruments making, etc. Assam is the home of several types of silks; Muga – the natural golden silk, Pat – a creamy-bright-silver coloured silk and Eri – a variety used for manufacturing warm clothes for winter.

Assam has 'Tropical Monsoon Rainforest Climate'. The state experiences heavy rainfall and humidity during June-August. The average temperature is moderate and is about 38-40°C in summer and 16°C in winter. Thunderstorms, known as *Bordoicila* are frequent during the afternoons in June. Rainfall in Assam ranks among the highest in the world; its annual rainfall varies from 70 inches in the west to 120 inches per year in the east. Largely concentrated during the months from June to September, it often results in widespread destructive floods.

Economy

Assam's economy is based on agriculture and oil. Assam produces a significant part of the total tea production of the world. Assam produces more than half of India's petroleum. Despite its rich natural resources, and supplying of up to 25 per cent of India's petroleum needs, growth rate of Assam's income has not kept pace with that of India's; differences increased rapidly since 1970s. The average annual growth rate of agriculture has fallen to 1.6 per cent in the 1990s which 2.6 per cent per annum over 1980s. Manufacturing sector has shown some improvement in the 1990s with a growth rate of 3.4 per cent per annum than 2.4 per cent in the 1980s.

During the first four years of the 11th Five Year Plan (2007-08 to 2010-11) the State registered an average growth rate of 6.76 per cent against the Nation's GDP growth rate of 8.16 per cent (base year 2004-05). The GSDP at constant (2004-05) prices for the year 2010-11 (Advance Estimates) is estimated at Rs 75082.07 crore. The estimated growth of 7.4 per cent in GSDP of the State for 2010-11 comprises of a growth of 6.1 per cent in Agriculture and Allied sector, 1.9 per cent in Industry sector and 10.0 per cent in Services sector. In the Agriculture and Allied sector the growth of forestry and fishing sector is likely to achieve moderately low growth of 4.8 per cent and 2.1 per cent respectively in 2010-11.

Agriculture

It accounts for more than a third of Assam's income and employs 69 per cent of workforce in 50 per cent of the total land area. The net cultivated area of the State is 28.10 lakh hectares (2008-09) and the per capita availability of net sown area is around 0.1 hectare. On the top of it, 23 per cent of the net sown area is either flood or draught prone. The average operational holding is 1.15 ha only and more than 83 per cent of the farmers belong to small and marginal categories.

The growth of the agriculture and allied sector was not encouraging during the last three consecutive Five-Year Plan [8th, 9th and 10th Five-Year Plan] periods. However, the growth of this sector reached 6.4 per cent [GSDP at Constant (2004-05) prices] during 2008-09 which is the due to the bumper production of Rice. As per 2009-10 quick estimates, the growth of Agriculture sector is expected to be moderately lower with 4.1 per cent. Paddy occupies 91.9 per cent of the net cropped area and 65.9 per cent of the gross cropped area in the State during the year 2009-10. Acreage under autumn rice has been in a gradual decline as farmers have switched to the Summer Rice due to its higher productivity and less risk.

Assam's produces some of the finest and expensive teas and has its own variety *Camellia assamica*. Assam also accounts for fair share of India's production of rice, rapeseed, mustard seed, jute, potato, sweet potato, banana, papaya, areca nut and turmeric. It is also a home of large varieties of citrus fruits, leaf vegetables, vegetables, useful grasses, herbs, spices, etc.

Industry

Assam is a major producer of crude oil and it accounts for about 15 per cent of India's crude output and natural gas in India. Assam has four oil refineries located in Guwahati, Digboi, Golaghat (Numaligarh) and Bongaigaon with a total capacity of 7 million metric tonnes per annum. Several other industries such as chemical fertiliser plant, paper mills, sugar mills, cement plant cosmetics plant, jute mill, textile and yarn mills, silk mill, etc. have been started in the state.

However, the contribution of the Manufacturing Sector to the total economy maintains its downward trend and pegged at 7.4 per cent at constant (2004-05 prices) in 2009-10 (Quick Estimates). The Index of Industrial Production in the State also pegged at 155.83 in 2009-10 (Base 1999-2000) as against 151.40 (Revised) in 2008-09.

MANIPUR

Manipur came under British rule as a princely state in 1891 and existed as such until 1947 as Kanglapak Kingdom and the Hill people as separate entities. Kanglapak King willfully acceded to the newly independent Union of India. Manipur became a Union Territory in 1956 and later, in 1972, a full-fledged state of India. The state is located in between 92°58'E to 94°45'E longitudes and 23°50'N to 25°42'N latitudes. It is surrounded by Nagaland in the north, Mizoram in the south and Assam in the west; it also borders Burma to the east. The state consists of nine administrative districts viz.; Bishnupur, Chandel, Churachandpur, Imphal East, Imphal West, Senapati, Tamenglong, Thoubal, Ukhrul. Imphal is the capital city of Manipur.

There are four major river basins in Manipur State, the Barak River Basin (Barak Valley) to the west, the Manipur River Basin in central Manipur, the Yu River Basin in the east, and a portion of the Lanye River Basin in the north. The Barak river, the largest river of Manipur, originates in the Manipur Hills and is joined by a number of tributaries such as the Irang, Maku, and Tuivai. The Manipur river basin has eight major rivers: the Manipur, Imphal, Iril, Nambul, Sekmai, Chakpi, Thoubal and Khuga. The soils are mainly of two broad types, viz. the red

ferruginous soil in the hill area and the alluvium in the valley. The valley soils contain loam, small rock fragments, sand and sandy clay. The normal pH value ranges from 5.4 to 6.8.

It has a geographical area of 22,327 sq. km. Ninety per cent of the total geographical area of the state is covered by hills and the remaining area is a small valley covering 2,238 sq. km. The altitude of the State above the mean sea level varies from 790 metre to 2020 metre. About 48 km away from Imphal towards South-East lays the Loktak Lake, the largest fresh water lake in the North-Eastern Region of India. This lake which covers an area of 216 sq. km., is the biggest natural source of fish supply which is one of the important food items of the people of the state.

According to 2001 Census, the population of the state is 22.9 lakhs scattered in 33 towns and 2,391 villages (2315 inhabited and 76 uninhabited). The population density of the state is 103 per sq. km. The sex ratio for the state has improved from 958 females in 1991 to 987 females per 1000 males in 2011. There are seven scheduled castes communities and 33 different scheduled tribes of different ethnic groups. Manipur ranks second in urbanization among the North Eastern States rising from one town in 1951 to thirty three towns in 2001. Manipur ranks third among the North Eastern States of India with overall literacy rate of 70.53 per cent in 2001. The literacy rate for the males is 80.30 per cent and for the females 60.50 per cent as per 2001 census. There is apparent disparity in the level of income and consumption between the public living in the hills and in the valley. The number of person below poverty line is 3.76 lakhs (22.3%) and 0.20 lakhs (3.3%) in the rural and urban Manipur respectively according to 61st Round (2004-05) of NSS.

Majority of the population in the hill regions are scheduled tribes while the valley is inhabited mainly by the Meiteis, Muslims etc. The Meiteis, who live primarily in the valley region, form the primary ethnic group (60% of the total population) but occupy only 10 per cent of the total land area. Their language, Meeteilon also known as *Manipuri* is spoken by majority of the population. The Muslims (Meitei-Pangal) also live in the valley; the Kukis, Nagas, Paites and other smaller groups form about 40per cent of the population but occupy the remaining 90 per cent of the total land area of Manipur State.

Sanamahism is an ancient indigenous religion followed in Manipur who the Sun God/Sanamahi. Early Manipuris were the devotees of a deity "Lainingthou Soralel". Hinduism has an ancient presence in Manipur and Hinduism is identified with 47 per cent of the population. Theatre which has been part of the Laiharaoba festivals since time immemorial is intimately linked with the society in Manipur. A classical dance form known as Manipuri dance

is based and inspired by the theme of Lord Krishna and his beloved Radha's love story and the devotion of the Gopis (companions) toward Lord Krishna.

The climate of Manipur ranges from tropical to temperate. The climate of the State is salubrious with approximate average annual rainfall varying from 933 mm at Imphal to 2593 mm at Tamenglong. The temperature ranges from sub-zero during January to 36°C during June-July. It receives an average annual rainfall of 1467.5 mm mainly in between May to mid-October. The precipitation ranges from light drizzles to heavy downpour. The South Westerly Monsoon picks up moisture from the Bay of Bengal and heads toward Manipur, hits the eastern Himalaya ranges and produces a massive amount of rain in the state.

Economy

The Gross State Domestic Product (GSDP) of Manipur for 2010-11 at current prices is estimated to be Rs. 9198 crores. The GSDP at current prices grew by 6.99 per cent during 1999-00 to 2007-08. Per capita income at current prices is Rs. 29,684 during 2010-11.

Agriculture

Agriculture and allied sector contributes a major share to the State Domestic Product with a contribution of Rs. 155289 lakh in 2009-10. About 52.19 per cent of the workers in Manipur are engaged as cultivators and agricultural labourers. The area of operational holding is about 172 thousand ha operated by 149 thousand farmers as per the agricultural census 2000-01. The average size of operational holdings is 1.15 ha in 2000-01. The area operated in small and marginal holdings accounted for 59.88 per cent. Rice is the main staple food and is grown in hill and plain areas with 166.15 thousand ha (68.77% of cropped area in the State) in 2007-08. In case of maize, production in 2006-07 was estimated to be 8.27 thousand tonnes. The area under pulses was 12.51 thousand ha (5.18 %) in 2007-08. The food grains alone accounted for 75.18 per cent of the sown area during the year 2007-08. While 0.86 per cent area was occupied by oilseeds and the remaining 23.96 per cent area was occupied by Cotton, Sugarcane and others. The major fruits grown in the state are pineapple, orange, lemon, banana, guava, peaches *etc.* The average annual production of fruits and vegetables during the year 2007-08 was 2.74 lakh MT and 0.11 lakh MT, respectively.

NAGALAND

Nagaland was recognized as a separate state, carving out from Assam, by Government of India in 1960 and the territory was placed under the Nagaland Transitional Provisions Regulation,

1961. Subsequently, Nagaland attained Statehood on December 1, 1963 with the enactment of the State of Nagaland Act, 1962 by the Parliament.

The state of Nagaland lies between 93°20'E to 95°15'E longitude and 25°6'N to 27°4'N latitude. The state shares its borders with the state of Assam to the west, Arunachal Pradesh and part of Assam to the north, Myanmar and Arunachal Pradesh to the east and Manipur to the south. The state is divided into 11 districts and Kohima is the capital.

Nagaland is spread over an area of 16,579 sq. km. The state is mostly mountainous except areas bordering Assam valley. The Naga Hills and Mount Saramati (3841m) are the major hills. Rivers such as the Doyang and Diphu to the north, the Barak river in the southwest and the Chindwin river of Burma in the southeast, dissect the entire state. Dhansiri, Milak, Tizu are the important rivers of the state. Only 8 per cent of the total area of the state is plain mainly confined in Dimapur, Jalukie and areas adjoining to Assam. About 20 per cent of the total land area of the state is covered with wooded forest, rich in flora and fauna. The evergreen tropical and the sub tropical forests are found in strategic pockets in the state.

The state's population is 1.988 million according to Census 2001 with population density of 120 per sq km. Around 82 per cent of the total population live in the rural areas and one-third of them live below the poverty line. Among the people living in urban areas one-fifth of them are below the poverty line. The state has only 909 females per 1000 males in 2001 but it has improved to 931 in 2011. The literacy ratio is 57.65 per cent. There are 1317 villages in the state out of which 39 are uninhabited. The local people were known as *Naka* (in Burmese languages) meaning 'people with pierced ears'. The Naga tribes had socio-economic and political links with tribes in Assam and Burma (Myanmar). There are 16 main tribes in Nagaland, of them Konyaks, Angamis, Aos, Lothas, and Sumis are the largest tribes. Tribe and clan traditions and loyalties play an important part in the life of Nagas.

Weaving is a traditional art practiced through generations and each of the tribes has its own unique designs and colours. Among many tribes the design of the shawls (*Tsungkotepsu*, *Rongsu*, *Sutam*, *Ethasu*, *Longpensu*, *Supong*, *Rongkhim* and *Tsungrem Khim*; the Angami *Lohe*) denotes the social status of the wearer. Naga folk's songs narrate entire stories of their famous ancestors and incidents. Tribal dances of the Nagas give an insight into the inborn Naga reticence of the people. War dances and other dances belonging to distinctive Naga tribes are a major art form in Nagaland. Most of their festivals revolve around the agriculture. Some of the important festivals are Tsukhenyie, Mimkut, Bushu, Sekrenyi, Aoling, Moatsü, Tuluni, Nyaknylum, Tokhu Emong and Yemshe.

Christianity is the predominant religion of Nagaland with 90.02 per cent share in state's total population. Nagaland is known as "the only predominantly Baptist state in the world" constituting more than 75 per cent of the state's population. About 7.7 per cent and 1.8 per cent of the population follow Hinduism and Islam, respectively.

Nagaland has a largely monsoon climate with high humidity levels. Annual rainfall averages around 1,800–2,500 mm, concentrated in the months of May to September. Average summer temperature ranges from 16°C to 31°C. In winter, night temperature ranges from 1°C to 4°C, but frost is common at high elevations and day temperature is limited within 24°C. Winter makes an early arrival and bitter cold and dry weather strikes certain regions of the state.

Economy

The Gross state domestic product (GSDP) of Nagaland for 2008-09 at market prices is estimated to be Rs 9288 crore. The GSDP at current prices grew by 15.02 per cent during 2008-09 in comparison to the previous year. Per Capita Net State Domestic Product at Current Prices Rs 8622 during 2008-09.

Agriculture

Agriculture is the most important economic activity in Nagaland, with more than 1.49 lakh households engaged in agriculture (Census, 2001). Only 43.58 per cent of total land area is cultivable land. The total foodgrain production in the state was 4.22 thousand MT during 2005-06. Crops include rice, corn, millets, grams, mustard, oilseeds, potatoes, cotton, jute, banana, pineapple, jackfruit, plantation crop such as rubber, coffee, tea, spices such as chilies, ginger, garlic *etc.*

The widespread practice of *jhum*, tilling, has led to soil erosion and loss of fertility, particularly in the eastern districts. Only the Angami and Chakesang tribes in the Kohima and Phek districts use terracing techniques. And most of the Aos, Lothas, and Zeliangs in Mokokchung, Wokha, and Peren districts respectively till in the many valleys of the district. Forestry is also another important source of income. Cottage industries such as weaving, woodwork, and pottery are also an important source of revenue. Nagaland's gross state domestic product for 2004 is estimated at \$1.4 billion in current prices.

CHAPTER V

RESULTS AND DISCUSSION

Section I: Progress of Rashtriya Mahila Kosh (RMK)

The Rashtriya Mahila Kosh (RMK) was set up by the Government of India in March 1993 as an Autonomous Body, registered under Societies Registration Act, 1860 under the Department (now Ministry) of Women and Child Development. The objective of creating such a unique fund was to facilitate credit support to poor women for sustenance of their existing employment, generation of new employment opportunities, asset creation, asset redemption and tiding over consumption, social and contingent needs. The target groups of the fund are women living below poverty line both in urban and rural areas mainly in unorganized sectors. RMK provides loans in a quasi formal credit delivery mechanism, which is client-friendly, has simple and minimal procedure, has flexible repayment schedules, links thrifts and savings with credit and has relatively low transaction costs both for the borrower and the lender. Credit is disbursed to the beneficiaries through Intermediary Organizations (IMOs) working at grass root level such as NGOs, Women Federations, Co-operatives, not for profit companies registered under Section 25 of the Companies Act and other Voluntary / Civil Society Organizations *etc.* by following a client friendly, hassle-free manner and without collateral for livelihood activities, housing, micro-enterprises, *etc.* RMK has a small organizational set up with a 16 member governing board and it meets all its administrative and establishment expenditure from internal resource. The maximum amount of loan that can be disbursed to a beneficiary at a time is Rs. 25,000 for income generation, Rs 50,000 for house building and Rs 10,000 for a family purpose.

A corpus of Rs 31 crore was provided to the RMK at its inception which has been increased to Rs. 164 crore by 2008. The Kosh does not have regional or branch offices anywhere in the country and operates only through its corporate office located at New Delhi. At present it has spread to 21 states (including Andaman Nicobar) of the country. As on February 2011, Rs 246.41 crore has been disbursed to 6.83 lakh beneficiaries. Since 1993, the progress of RMK in terms of loan sanctioned, loan disbursed, number of beneficiaries *etc.* were not uniform over the years (Table 1).

Table 1 : Progress of micro-credit under RMK

Year	Loan Sanctioned (Rs in Lakh)	Loan Disbursed (Rs in Lakh)	No. of NGOs	No. of SHGs	No. of Women beneficiaries
TE 1995-96	604.48	378.06	33	3348	33476
TE 2000-01	1853.96	1404.58	182	5108	51079
TE 2005-06	1995.41	1800.45	64	2958	29575
TE 2010-11	1670.48	949.59	37	2078	22682

Source: RMK, 2010

Initially the progress was substantial but in last two years it has been slowed down. The number of SHGs received loan and the number of women beneficiary were found to be maximum during TE 2000-01 and minimum in TE 2010-11. The amount of loan sanctioned has increased during TE 2000-01 and TE 2005-06 in comparison to TE 1995-96 but it has declined during TE 2010-11. Andhra Pradesh has the largest share (33.51%) in cumulative loan amount disbursed by RMK till 2011; followed by Tamil Nadu (22.68%), Orissa (6.35%), Madhya Pradesh (6.31%), Rajasthan (4.26%) and West Bengal (3.62%). During 2010-11, maximum loan (Rs 187.50 lakh) under RMK was disbursed in Tamil Nadu; followed by Andhra Pradesh (Rs 82.50 lakh) and West Bengal (Rs 77.50 lakh). Among the North Eastern (NE) states maximum loan was disbursed in Assam; followed by Manipur and Nagaland (Table 2). The share (less than 3%) of North Eastern states in total RMK loan is very minimal whereas a large number of NGOs have received the loans in the region.

Table 2: Progress of micro credit under RMK in North Eastern States

States	Amount Sanctioned (Rs in lakh)	Amount Disbursed (Rs in lakh)	No. of NGOs	No. of SHGs	No. of Women beneficiaries
Arunachal Pradesh	10.00	5.00	48	10	100
Assam	475.90	397.40	70	623	6225
Manipur	284.05	211.04	20	842	8421
Mizoram	4.00	2.00	151	7	70
Nagaland	64.00	40.50	154	79	789
North Eastern States	837.95	655.94	443	1561	15605
	(2.90)	(2.78)	(30.79)	(2.35)	(2.35)
Total	28904.09	23560.89	1439	66413	664122

Source: RMK, 2010

SECTION II: STRUCTURE AND FUNCTIONING OF SHGS

STRUCTURE

a) Age of SHGs

The age of the SHGs and their distribution according to the year of formation is presented in Table 3.

Particulars	Unit	Assam			Manipur			Nagaland
		Nagaon	Jorhat	Overall	Imphal West	Bishnupur	Overall	
Average age	Months	44.10	60.65	52.38	53.50	78.65	66.08	43.70
Year of formation	Frequency							
Before 2005		1	4	5	0	7	7	2
2005 to 2008		10	11	21	16	11	27	3
After 2008		9	5	14	4	2	6	15

Source: Field survey, 2011-12

The average age of sample SHGs in Manipur (66.08 months) was higher than the SHGs in Assam (52.38 months) and Nagaland (43.7 months). The average age of SHGs was found to be higher in Bishnupur (78.65 months) than the SHGs in Imphal West (53.5 months) within Manipur and the SHGs in Jorhat (60.65 months) were older in comparison to the SHGs in Nagaon (44.1 months).

Majority of the SHGs were formed within the period of 2005 and 2008 in Assam and Manipur whereas in Nagaland majority (75%) of the SHGs was formed in recent periods (after 2008). In Bishnupur, one group was formed as early as in 1998. All the SHGs in Imphal West were formed after 2005. Similarly in Bishnupur district maximum (13) of the groups were formed after 2005.

b) Membership and Flexibility

The Structural characteristics of the sample SHGs are presented in Table 4.

Number of members

The size of SHGs is measured by the number of group members present in the group. On an average a SHG was consisted of 13.20 members in Manipur and 11.83 members in Assam and only 10.75 members in Nagaland. The size of the groups at Jorhat (13) was slightly bigger than the SHGs at Nagaon (10.65) district of Assam and the size of the groups in Imphal West (14.7) was bigger than the SHGs at Bishnupur (10.65) district of Manipur. So, it is clear that the SHGs consisted of only minimum number of members to form a group.

Table 4: Structure of the sample SHGs

Particulars	Unit	Assam			Manipur			Nagaland
		Nagaon	Jorhat	Overall	Imphal West	Bishnupur	Overall	
Members at formation	No	10.65	13.00	11.83	14.70	11.70	13.20	10.75
SHGs in which member joined later	%	10.00	5.00	7.50	20.00	20.00	20.00	0.00
Average no of members joined later	No	1.50	6.00	3.75	4.25	1.00	2.63	0.00
SHGs from which members dropped	%	15.00	30.00	22.50	75.00	40.00	57.50	45.00
Average no of members dropped	No	3.00	3.20	3.10	3.87	3.13	3.50	1.89
SHGs in which members are related to each other	%	0.00	75.00	37.50	30.00	40.00	35.00	70.00
Average number of members related to each other	No	0.00	3.27	1.64	2.33	3.25	2.79	5.93
Group formation process	%							
100% Self selected		100	100	100	100	100	100	100
more than 50% self selected		0	0	0	0	0	0	0

Source: Field survey, 2011-12

New member joined later

In Assam, only 7.5 per cent of the SHGs have reported that new members have joined later in the groups. Three members have joined only in two groups in Nagaon whereas only in one group six members joined in Jorhat. In both the districts of Manipur, in 20 per cent of the SHGs new members have joined later. The average number of members (4.25) joined later was higher in Imphal West in comparison to Bishnupur (1) district. It was found that no new members have joined in SHGs later in Nagaland.

Members dropped out

About 22.5 per cent SHGs in Assam have reported that members have dropped sometime after formation of the groups. In Nagaon, members have dropped from only 3, out of 20 groups and the range is in between 1-6 per group whereas in Jorhat from 30 per cent of the groups about on an average 3.2 members have dropped out and the range is in between 1 to 5 members per group.

But in Manipur 57.5 per cent of the SHGs have reported that members have dropped out which included 75 per cent of the SHGs from Imphal West and 40 per cent from Bishnupur.

On an average, 3.5 members per group have dropped out in Manipur. The range is 1 to 10 members per SHG in Imphal West and 1 to 6 members per SHG in Bishnupur district.

In Nagaland, on an average 1.89 members per SHG dropped from 45 per cent of the sample SHGs. The cases where members dropped from the SHGs were higher than the members joined later in the groups.

Reasons for drop out

The reasons for drop out of members from the groups were found to be various, *viz.*, marriage of the members, old age, non-repayment of loan, personal problem *etc.* In Jorhat, one of the members left the SHG as she did not get the loan of Rs 1000, which she demanded. In case of one group in Imphal West, members dropped from one group and formed another so that they can have better access to credit facility. In Nagaland members left the group as they got government job or shifted to other places or started own work/business.

c) Process of group formation

In all the three states, *i.e.*, Assam, Manipur and Nagaland the concerned NGOs generally conducted awareness meeting in the villages and the interested villagers formed SHGs by self-selecting themselves.

d) Relationship among the members

The NGO makes sure that none of the group members are related to each other in Nagaon district of Assam whereas in Jorhat, in 75 per cent of the SHGs, on an average 3.27 members were related to each other and the range was 2 to 6 members per SHG. It was found that SHG members have some relationship among themselves in case of 35 per cent of the SHGs in Manipur which includes 30per cent SHGs in Imphal West and 40 per cent SHGs in Bishnupur district.

On an average 2.79 members found to be related to each other and the range was 2 to 4 members per group in Manipur. But in Nagaland, it was found that in most (70%) of the SHGs, the members were related to each other and on an average about 50 per cent of the members within a group were related to each other. Except Jorhat, in all the sample districts, SHGs had members who were related to each other and the number of related members was higher in SHGs from Nagaland.

FUNCTIONING

The information on functioning of the SHGs is presented in Table 5 and 6.

a) By laws and Rules/regulation put by the NGO/Bank

Table 5: Per cent of sample SHGs formulated bylaws, work plans

Particulars	Assam			Manipur			Nagaland
	Nagaon	Jorhat	Overall	Imphal West	Bishnupur	Overall	
Bylaws formulated	100	100	100	85	60	72.5	85
Rule regulation put by bank /NGO	100	100	100	100	100	100	100
Formulation of work plan	0	100	50	15	30	22.5	40

Source: Field survey, 2011-12

It was found that all the groups have written by-laws for the functioning of SHGs in Assam but in case of 27.5 per cent of SHGs in Manipur and in Nagaland about 15 per cent of the groups, no bylaws were found. NGOs have put forth rule and regulations for all the SHGs in the study area. In Jorhat, all the groups had annual work plan but in Nagaon, the SHGs did not have any annual plan of work. In Nagaland, about 60 per cent of the SHGs did not have any work plan.

b) Group meetings

Table 6: Frequency of group meetings and penalty provision in case of absence

Particulars	Unit	Assam			Manipur			Nagaland
		Nagaon	Jorhat	Overall	Imphal West	Bishnupur	Overall	
Frequency of meetings	%							
Fortnightly		10.00	50.00	30.00	15.00	5.00	10.00	15.00
Monthly		90.00	50.00	70.00	85.00	90.0	87.50	80.00
Others		0.00	0.00	0.00	0.00	5.00	2.50	5.00
Provision of penalty	%	45.00	50.00	47.50	70.00	60.00	65.00	40.00
Amount of penalty	Rs	2 to 5	2 to 50		5 to 50	5 to 20		50

Source: Field survey, 2011-12

Frequency of group meetings

In general, the SHGs conducted meeting once per month in each of the sample states, except in Jorhat where as high as 50per cent of the SHG members met fortnightly for group meetings.

Provision of penalty

In Nagaon, about 45per cent groups have the penalty provision of Rs 5/meeting except in one case (Rs 2/meeting) but none of the groups have ever imposed penalty. About 50 per cent of

the SHGs have penalty provision of Rs 2 to Rs 50 in Jorhat. Similarly in Manipur, about 65 per cent of the SHGs reported that they have penalty provisions of Rs 5 to Rs 50 per meeting but there very few cases where penalty was charged in case of absence in group meetings. Only 40 per cent of the SHGs on Nagaland had penalty provision in case of absence and they charged on an average Rs 50 per absence.

Despite the penalty provisions the groups in general do not charge penalty as they feel the reasons for default were genuine and they did not want to spoil their personal relationship with other members in the SHGs who come from the same village.

Reasons for missing group meetings

When asked that why the members missed group meetings the common answers were personal reason, sickness, religious programme, family problem, attending marriage *etc.* in all the three states, *i.e.*, Assam, Manipur and Nagaland. One of the SHGs in Nagaon reported that sowing and harvesting work in the field as the reason for missing meeting by group members.

c) Record keeping

The information on number of registers maintained and the record writer is presented in Table 7.

Particulars	Unit	Assam			Manipur			Nagaland
		Nagaon	Jorhat	Overall	Imphal West	Bishnupur	Overall	
Registers maintained	No	4	3 to 6	3 to 6	1 to 6	3 to 4	1 to 6	3 to 4
Records updated	%	100	30	65	5	10	7.5	30
Who writes the record	%							
Member		15.0	0.0	7.5	15.0	15.0	15.0	0.0
Office bearer		85.0	100.0	92.5	85.0	85.0	85.0	100.0
Whether paid or not	%	0.0	0.0	0.0	5.0	10.0	7.5	15.0
If yes how much	Rs	0	0	0	100	50 to 100		100

Source: Field survey, 2011-12

In general, three to six registers were maintained by the SHGs in various names *viz.*, a) membership register, b) resolution register, c) register for meeting proceedings/attendance register, d) savings register e) loan ledgers for both internal and external loan f) cash ledger g) bank cash book *etc.*

In Assam, the number of SHGs updated the records are relatively better than the other states covered in the study but in Manipur only 7.5 per cent and in Nagaland only 30 per cent of the groups were found to update the records regularly. The SHGs were found to keep the in rough copy and when they get time they put in final fair register, so most of the cases the records were updated only in initial years. Mainly the office bearer of the SHGs *i.e.*, president/secretary/treasurer of the groups wrote and maintained the records in Assam (92.5%) and Manipur (85%) and in case of Nagaland it was cent per cent.

In Assam no remuneration was paid for writing records but about 7.5 per cent and 15 per cent SHGs in Manipur and Nagaland, respectively paid remuneration of Rs 50 to Rs 100 to the member who managed the records, which was not regular.

SOCIAL PROFILE OF THE SAMPLE SHG MEMBERS

The study of social profile is very important to understand the findings of any social study. The social profile of the SHG members is presented in Table 8. The average age of the sample SHG members was found to be around 36 to 40 years in the study area but the age range was wider in Manipur, where SHGs had members of 18 years age to as high as 70 years, in comparison to other states. In Assam, all the castes were well represented in the SHG membership, though the majority (30%) of the members was Schedule Tribes (ST). It was found that about 70 per cent of the sample SHG members in Manipur were from Other Backward Castes (OBC), whereas all the members were ST in Nagaland. The findings are reflections of the social fabrics of these states.

It was found that illiteracy was very less among the SHG members in Assam and Manipur whereas it was nil in case of Nagaland. Majority of the members had education upto primary (42%) or secondary level (36%) in Assam whereas majority (38%) of them had secondary education in Manipur. In Nagaland, maximum (47.5%) of the members had education upto higher secondary level. Interestingly 34 per cent of the SHG members went to university in Imphal West which may be due to easy access to the higher studies institutions in Imphal which is the capital city of the Manipur.

SHG member's family was constituted of on an average 4-6 member in the study area. The sex ratios in favour of female are at 992, 1053 and 984 in Assam, Manipur and Nagaland in case of families of sample SHG members. The average family size is marginally higher in

Nagaland than the other states. The average numbers of earners was found to be two per household.

Particulars	Unit	Assam			Manipur			Nagaland	
		Nagaon	Jorhat	Overall	Imphal West	Bishnupur	Overall		
A	Average age	Years	36.10	38.18	37.14	42.18	37.89	40.04	38.68
	Age range	Years	21 to 60	22 to 58	21 to 60	23 to 70	18 to 63	18 to 70	24 to 60
B	Caste	%							
	Gen		39.17	5.83	22.50	0.83	60.00	30.42	0.00
	SC		38.33	17.51	27.92	0.00	0.00	0.00	0.00
	ST		15.00	45.83	30.42	0.00	0.00	0.00	100
	OBC		7.50	30.83	19.17	99.17	40.00	69.58	0.00
B	Education	%							
	Illiterate		6.67	3.33	5.00	8.33	5.83	7.08	0.00
	Primary		50.83	32.50	41.67	9.17	14.17	11.67	7.50
	Secondary		32.50	40.00	36.25	29.17	46.67	37.92	28.33
	Higher		7.50	24.17	15.83	19.16	27.50	23.33	47.50
	Secondary								
	University		2.50	0.00	1.25	34.17	5.83	20.00	16.67
C	Family	No							
	Average size		5.18	4.38	4.78	5.39	5.40	5.40	6.33
	male		2.58	2.21	2.40	2.61	2.65	2.63	3.19
	female		2.59	2.17	2.38	2.78	2.75	2.77	3.14
	Average earners		2.02	2.025	2.02	2.21	2.05	2.13	2.14
	male		1.02	1.03	1.03	1.15	1.05	1.10	1.10
	female		1.00	0.99	1.00	1.06	1.00	1.03	1.03
D	Membership in any other organization	%	5.83	0.00	2.92	35.83	28.07	31.95	21.67
E	Understanding of SHG principles	%	48.33	79.83	64.08	80.83	37.72	59.28	55.00

Source: Field survey, 2011-12

Membership in any other organization

A considerable proportion, *i.e.*, about 32 per cent of the SHG members in Manipur were found to be member of other organizations, mainly *Meira Paibi* (council of adult women of a locality, literary meaning 'the torchbearers') which is a way of life for the married women in the state. About 22 per cent of the SHG members in Nagaland were members of different civil societies (Village Women Club, Clan Women Association), credit societies and religious organizations (Women Church Group) *etc.*

Understanding of SHG principles

About 55 per cent to 64 per cent of the SHG members reported that they understand the principles of SHG. The numbers of members who acknowledged about understanding the principles of SHG were significantly higher in Imphal West district in comparison to Bishnupur district of Manipur which may be due to the impact of the NGO and proximity to the city.

Asset structure

The asset structure of the SHG members is given in Table 9.

Particulars	Unit	Assam			Manipur			Nagaland
		Nagaon	Jorhat	Overall	Imphal West	Bishnupur	Overall	
Land less	%	7.50	0.83	4.17	82.50	39.17	60.84	48.33
Average land holding								
owned	acre	2.00	0.85	1.43	0.02	1.61	0.82	0.85
leased in	acre	0.00	0.00	0.00	1.00	0.00	0.5	0.18
Houses owned	No	120	120	120	118	114	116	120
Wooden	P%	68.33	85.00	76.67	27.12	92.11	59.62	51.67
Pucca	%	30.83	15.00	22.92	64.41	7.89	36.15	36.67
Others	%	0.84	0.00	0.42	8.47	0.00	4.23	11.66
Vehicle	%	58.33	98.33	78.33	65.83	78.07	71.95	50.00
Cycle	%	34.29	89.83	62.06	16.46	36.84	26.65	16.67
Motorcycle	%	58.57	9.32	33.95	74.68	33.33	54.01	56.67
Car	%	8.57	0.85	4.71	8.86	4.39	6.62	26.67
Auto	%	0.00	0.00	0.00	0.00	1.75	0.88	0.00
Radio	%	70.00	29.17	49.58	86.67	84.21	85.44	36.67
TV	%	86.67	99.17	92.92	98.33	88.60	93.46	98.33

Source: Field survey, 2011-12

A very high percentage of the SHG members found to be landless (agricultural land) in Manipur (61%) and Nagaland (48%) but in Assam the majority of members have land though the size of holding is small and marginal. The numbers of landless members were significantly higher in Imphal West in comparison to Bishnupur district. As Imphal West is mainland of Manipur and population pressure on land is very high the cost of land is also very high, which the SHG members cannot afford. The average land holding was only 0.02 ha in Imphal west in comparison to Bishnupur district of Manipur. Nearly all SHG members have their own houses and the houses were wooden in all the sample states except Imphal West district of Manipur where majority of the houses were *pucca* as the houses were in urban areas. It was found that more than 50 per cent of the members have some sort of vehicle, which includes mainly

bicycles and motorcycles, of their own in the study area. Members having motorcycles were higher in Imphal West and higher number of cars was found in Nagaland.

Maximum of the SHG members have radio at home, except Jorhat (29%) district of Assam and Nagaland (37%) where the percentage of members having radio is much lesser in comparison to other sample districts but more than 85 per cent of the SHG members have Television (TV) in houses in the study area. It shows that the TV has occupied important role in daily life influence of radio has not completely faded away.

Reasons for participation in SHGs

The reasons for participation in SHGs as expressed by sample SHG members are presented in Table 10.

Reasons	Assam			Manipur			Nagaland
	Nagaon	Jorhat	Overall	Imphal West	Bishnupur	Overall	
Savings	11.67	0.00	5.83	33.33	56.14	44.74	12.50
Loan	79.17	56.67	67.92	41.67	39.47	40.57	70.83
Social prestige	41.67	35.00	38.33	5.00	5.26	5.13	31.67
Marketing advantage	13.33	10.00	11.67	0.00	0.88	0.44	11.67
Self help	15.00	0.00	7.50	21.67	24.56	23.11	21.67
To increase income	24.17	85.00	54.58	47.50	62.28	54.89	39.17
Self development	20.00	0.00	10.00	25.00	29.82	27.41	6.67

Source: Field survey, 2011-12

Availing loan and augmenting regular income were the major reasons for joining SHGs and this was found across the study area. Apart from these two reasons; thrift, gaining social prestige and self help were the other reasons to participate in microfinance movement in all the three sample states.

Capacity Building:

Table 11 & 12 depicts the picture of capacity building scenario for the sample SHGs and sample SHG members.

a) Trainings undergone

The members of 65 per cent of the SHGs in Assam and 85 per cent of the SHGs in Manipur have received trainings either in book keeping/account maintenance or income generating activities (IGAs) but in case of Nagaland it was only 50 per cent.

Particulars	Unit	Assam			Manipur			Nagaland
		Nagaon	Jorhat	Overall	Imphal West	Bishnupur	Overall	
Training received	%	60.00	70.00	65.00	90.00	80.00	85.00	50.00
Types of training	No							
Sensitization/Account maintenance		1	2	3	10	12	22	3
IGA		11	9	21	5	4	9	7
both		0	2	2	3	0	3	1
Members/SHG received training	No	4.83	2.36	3.56	4.56	7.44	6.00	4.20
No of days training	No	2 to 10	1 to 7	1 to 10	2 to 60	2 to 180	2 to 180	1 to 60

Source: Field survey, 2011-12

Particulars	Assam			Manipur			Nagaland
	Nagaon	Jorhat	Overall	Imphal West	Bishnupur	Overall	
Member received training	25.00	29.17	27.08	47.50	58.77	53.14	30.83
Types of training							
Sensitization	90.00	8.57	49.29	57.89	80.60	69.25	16.22
IGA	10.00	85.71	47.85	42.11	19.40	30.75	81.08
Both	0.00	5.72	2.86	0.00	0.00	0.00	0.00
Appropriateness of training	100.00	94.29	97.30	94.74	98.51	96.62	83.78

Source: Field survey, 2011-12

b) Number of members per SHG received training

Group wise analysis

On an average less than 50 per cent of the SHG members per sample SHG got training in the study area. In Nagaon, one to nine members per group got training whereas in Jorhat, the range was one to five members per group. The number of members received training per group was higher in Bishnupur (7.44) in comparison to Imphal West (4.56) district of Manipur. In Nagaland on an average only 4.2 members per SHG received training.

Member wise analysis

The number of sample SHG members who have received training were only 27 per cent and 31 per cent in case of Assam and Nagaland, respectively but the scenario is little better in Manipur where about half of the sample SHG members in Manipur received training. The trainings were mainly on book keeping, maintenance of registers and how to manage regular activities in Nagaon of Assam and Manipur whereas the higher number of members got

training in IGAs in Jorhat of Assam and Nagaland. The number of members who received training on IGA was significantly higher in Imphal West in comparison to Bishnupur district.

c) Types and duration of training

The trainings were mainly provided in income generating activities in Assam (21 SHGs) and Nagaland (7 SHGs) whereas in Manipur the trainings were mainly (22 SHGs) on book keeping, accounting *etc.* There were two SHGs in Assam and three SHGs both in Manipur and Nagaland whose members got training of both types.

The trainings on IGAs were only of two days in Assam except one group whose members received training on book keeping and management issues for 10 days at Guwahati. Members from two groups in Imphal West got training of six months in weaving and embroidery. The trainings on book keeping, record maintenance was of two days duration only. In Bishnupur, the trainings were of two days duration for book keeping and 3 to 15 days for IGAs. Similarly, in Nagaland, the SHG members from only one group received training of two months in weaving and the trainings on account maintenance were for 1 to 3 days duration.

d) Trainings in income generating activity

In Nagaon, SHGs got training in animal husbandry and piggery whereas in Jorhat the trainings were provided in weaving, poultry, goatery, fishery, handloom, pickle making, sowing and planting. In Imphal West trainings were mainly in embroidery, tailoring, silk reeling and mushroom (but not taken up). In Bishnupur, the SHGs members received training in embroidery. In Nagaland the training were in floriculture, piggery, weaving, food processing and candle making.

e) Training organizations

The trainings were imparted by Veterinary Department and PROCHESTA (NGO) to the members of SHGs in Nagaon. The SHGs in Jorhat District of Assam received training from Block Office and State Agriculture Department. In Imphal West district of Manipur, the training organizations were Institute of Cooperative Management, Manipur; Ministry of Micro Small and Medium Enterprises, Indian Institute of Entrepreneurship (IIE), Guwahati, Manipur Department of Crafts and Human Development Agency (NGO). In Bishnupur the trainings were given in account management mainly by the NGO (DCACUS) and Co-operative Bank. Five members of a group in Imphal West and 10 members of a SHG in Bishnupur received training in embroidery from private training institute. One member in Bishnupur also received training

in managing beauty parlor. The members have paid the training fees from Rs 200 (Bishnupur) to Rs 500 (Imphal) themselves for private institutes. In Nagaland the training organization was Community Development Foundation (CDF).

f) Appropriateness of training

Majority of the members who got trainings reported that the trainings were appropriate in the study area. The number of members who felt that the trainings were appropriate was marginally higher in Assam and Manipur in comparison to Nagaland. It was found that in some cases the microenterprises were not related to the microenterprises started by the SHG members.

g) Training needs

SHGs expressed training needs in weaving, embroidery, stitching, tailoring, handicrafts and animal husbandry (cattle, goat, pig, sheep and poultry) in both the districts of Assam. In addition to that training is needed in fishery and food processing in Nagaon and pickle making in Jorhat. Nearly all the groups in Manipur expressed the need of training in account maintenance and record keeping.

The SHG members expressed higher need of training in embroidery, tailoring, weaving, silk reeling, block design in clothes in both the districts of Manipur as the state is famous for its traditional embroidery and handloom. Training on toy making, soap and candle making *etc.* are also in demand. SHG members expressed interest in trainings on piggery in Imphal West and training on farm management, processing of colocassia, manufacturing and packaging of puffed rice, dry flower making in Bishnupur district of Manipur. Similarly, demand is high for training in weaving and handloom; followed by fishery, floriculture and piggery, in Nagaland.

PARTICIPATION IN SOCIAL ACTIVITY

In Nagaon, 70 per cent of the SHGs and in Jorhat 100 per cent of the SHGs participated in social activities. In Assam, the participation is mainly in functions related to marriage or death, religious and cultural programmes. A few SHGs participated village council meeting, *panchayat* meeting in Nagaon. In Imphal West, 90 per cent of the SHGs and in Bishnupur 80 per cent of the SHGs reported that they have participated in various social activities. The groups participated in programmes related to communal harmony, climate change, drug abuse, illegal extortion, womens' reservation in Imphal. They have also participated in marriage functions, sports, village community work, helped during flood. In Bishnupur, the SHGs participated in religious programmes, social awareness campaign, anti-drug campaign, cleanliness drive,

issues related to environmental protection. In Nagaland the members mainly participated in religious and marriage ceremony only a few participated in village women group for social causes, colony meetings and cultural activities.

SECTION III: SAVING, LENDING, REPAYMENT PERFORMANCE

In this section the information on savings, loaning and repayment performance were analysed both, SHG as well as member wise.

Savings performance

The findings on savings are presented in Table 13 (SHG wise) & 14 (member wise).

Particulars	Unit	Assam			Manipur			Nagaland
		Nagaon	Jorhat	Overall	Imphal West	Bishnupur	Overall	
A Planned savings contribution	Rs	17.75	59.75	38.75	46.25	35.00	40.63	86.50
B Range of savings contribution	Rs	10 to 30	30 to 100	10 to 100	20 to 100	20 to 100	20 to 100	30 to 200
C Total Planned Savings	Rs (lakh)	1.74	8.82	5.28	7.07	6.00	6.53	9.44
D Planned Savings/SHG	Rs	8696	44085	26390	35350	29992	32671	47203
E Total Actual Savings	Rs (lakh)	1.69	6.68	4.18	5.88	3.66	4.77	5.48
F Annual actual savings/SHG	Rs	2303	6604	4454	4105	4488	4297	7519
G Actual savings over planned savings	Ratio	0.97	0.76	0.87	0.83	0.61	0.72	0.58
H SHGs charged penalty for default	Number	3	1	2	3	5	4	2
I Cash in hand/SHG	Rs	0	888	444	908	637	772	3362
J Bank balance/SHG	Rs	1584	26900	14242	1534	2047	1791	7278

Source: Field survey, 2011-12

The SHG members mainly saved once in a month. The average per month per member savings contribution was calculated to be highest in Nagaland (Rs 86.50) and lowest in Nagaon (Rs 17.75) of Assam. The range of monthly savings contribution was as low as Rs 10 to Rs 30 in Nagaon whereas it was as high as Rs 30 to Rs 200 per month in Nagaland which was also reflected in the figures (F) of actual savings per SHG per annum. It was found that the older

SHGs have increased the planned monthly savings one to two years back which is one of the indicators of flexibility.

The ratio of actual savings over planned savings was approximately one in Assam which indicates excellent savings performance by the SHGs. Interestingly the savings contributions were only 58 per cent and 61 per cent of planned savings in Nagaland and Bishnupur district of Manipur, respectively which indicates substantial leakage in savings which is mainly due to the fact that members dropped out from the groups after the formations due to various reasons and in some cases members failed to save their regular contribution. The higher magnitude of planned monthly savings contribution, especially in Nagaland may be another reason of default. Sample member wise analysis (Table 14) also reveals similar trends in savings performance indicators.

Particulars	Unit	Assam			Manipur			Nagaland
		Nagaon	Jorhat	Overall	Imphal West	Bishnupur	Overall	
Total Savings	Rs (lakh)	0.95	4.50	2.72	2.69	3.09	2.89	4.56
Savings/member	Rs	792	3747	2269	2244	2579	2411	3798
Failed to save at least once	%	12.50	0.00	6.25	7.50	14.70	11.10	17.50
Paid penalty for not depositing monthly contribution	%	20.00	0.00	10.00	55.56	41.80	48.68	23.81
Amount of penalty paid/default (Range)	Rs	5 to 10	0	-	4 to 10	5 to 10	4 to 10	20

Source: Field survey, 2011-12

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Though the SHGs had penalty provisions for non-deposit of monthly contributions, only a few of the SHGs actually have imposed penalty for failure to save. Moreover, the members used to pay the monthly savings contribution in the next meetings, even if they fail to save in a particular month. The amount of penalty charged by the SHGs was only Rs 4 to Rs 10 per default.

The cash in hand per SHG was highest in Nagaland (Rs 3362) whereas in Nagaon the SHGs have no cash in hand. The bank balance was highest in Jorhat (Rs 26900) but much lesser in Nagaon district of Assam and in both the districts of Manipur. The SHGs in Manipur were mainly engaged in weaving, embroidery, tailoring, silk reeling *etc.* which require regular purchase of raw materials which is the reason for low bank balance and cash in hand in Manipur. Moreover, many of the SHGs put the savings contribution in “*Marup*” which is a form of local informal savings and lending activity mainly performed by the women in Manipur.

Loaning performance

Internal loan

The SHG members give out loans to its members from the savings fund which is known as internal loan. Based upon the needs the members democratically decide upon who shall get the loan in case the number of loan applicants is higher than the available fund to be credited. The internal loans were mainly used for personal purposes, to meet the medical and educational needs, to purchase raw materials for different income generating activities (*viz.*, weaving, embroidery, silk reeling, poultry, duckery, goatery *etc.*). The findings on internal loan are presented in Table 15.

The outreach of internal loans was found to be satisfactory as more than 90per cent of the SHG members received internal loans in the study area. They received multiple internal loans and it was found that on an average a member got more than three internal loans in Manipur; followed by Nagaland (2.5) and Assam (1.5). The amount of total intra group loan

received by a member was lowest in Nagaon (Rs 844) and highest in Jorhat (Rs 4208) where as in Manipur and Nagaland the loan amount was around Rs 2000 per member.

Table 15: Internal loaning performance of the sample SHG members

Particulars	Unit	Assam			Manipur			Nagaland
		Nagaon	Jorhat	Overall	Imphal West	Bishnupur	Overall	
Members received loan	Number	109	120	114.50	112	112	112	118
Total number of loans	Number	209	128	168.50	344	370	357	295
Loan/member	Number	1.92	1.07	1.49	3.07	3.30	3.19	2.50
Total amount of loan	Rs (Lakh)	0.92	5.05	2.98	2.36	2.65	2.50	2.47
Loan/member	Rs	843.58	4208.33	2525.96	2087.79	2362.41	2225.10	2090.68

Source: Field survey, 2011-12

External loan

The outcomes of the analysis of external loan are displayed in Table 16 & 17.

Table 16: External credit performance_SHG wise

Particulars	Unit	Assam			Manipur			Nagaland
		Nagaon	Jorhat	Overall	Imphal West	Bishnupur	Overall	
Time interval between application and receipt of loan	Months	0.5 to 1	1	0.5 to 1	0.5 to 6	0.5 to 6	0.5 to 6	3 to 6
Total number of outside loans	No	36.00	21	28.50	25	21	23	22
1st loan	No	20.00	20.00	20.00	20.00	20.00	20.00	20.00
2nd loan	No	9.00	1.00	5.00	5.00	1.00	3.00	2.00
3rd loan	No	4.00	0.00	2.00	0.00	0.00	0.00	0.00
4th loan	No	3.00	0.00	1.50	0.00	0.00	0.00	0.00
No of loans/SHG	No	1.80	1.05	1.43	1.25	1.05	1.15	1.10
Total outside credit	Rs (lakh)	6.70	9.57	8.14	3.50	6.76	5.13	19.40
Outside credit/SHG	Rs	33500	47850	40675	17500	33800	25650	97000
Outside credit/Actual savings	Ratio	3.96	1.09	1.55	0.59	1.85	1.08	3.54
Interest paid/SHG	Rs	3453	6792	5122	1816	4315	3066	10153

Source: Field survey, 2011-12

In general, it took 15 to 30 days to get the external loans for the SHGs. The total numbers of external loans were as high as 36 in Nagaon and in other districts it ranged from 21 to 25. The repeat loans were maximum in Nagaon where 9 SHGs received 2nd loan, 4 SHGs received 3rd loan and 3 SHGs received 4th loan. In Imphal 5 SHGs got 2nd loan.

Table: 17 External loan_member wise

Particulars	Unit	Assam			Manipur			Nagaland
		Nagaon	Jorhat	Overall	Imphal West	Bishnupur	Overall	
Total outside credit	Rs (lakh)	3.77	1.48	2.62	2.16	3.53	2.85	10.79
Outreach of external loans	%	97.50	60.00	78.75	75.00	85.00	80.00	94.17
Outside credit/member	Rs	3224	2050	2637	2403	3465	3465	9545
Members felt that loan amount is sufficient	%	52.14	0.00	26.07	5.56	13.73	9.64	53.98
Members who diverted the credit	%	11.97	0.00	5.98	14.44	19.23	16.84	25.66

Source: Field survey, 2011-12

The magnitude of outside credit per SHG was significantly higher in Nagaland (Rs 97000) in comparison to Assam (Rs 40675) and Manipur (Rs 25650). The average outside credit was lowest in Imphal West (Rs 17500) and the magnitude of average outside credit was Rs 33800 in Bishnupur but two of the SHGs received loan of one lakh each and one of the SHG got loan of Rs 80000. The ratio of outside credit to actual savings was approximately 4 in Nagaon and Nagaland which is at par with the recommendation of NABARD but in all other sample districts this ratio is even lesser than 2 which needs to be improved. The SHGs paid per annum interest of 18 per cent to the NGOs for the external loans. The range of interest paid per SHG was from Rs 1816 in Imphal West district of Manipur to Rs 10153 in Nagaland which commensurate with the magnitude of loans.

The outreach of external loan was satisfactory in all the sample districts where 80 per cent of the SHG members have received the external loans but in case of Jorhat only 60 per cent of the members have received the loans. It was found in some cases the SHGs distributed the external loan equally to all members and some cases the SHGs have distributed the loan to some of the members. Both the system has merits as well as demerits. Where the loan is distributed equally it becomes small in magnitude and in case where loan is not distributed all the members who have not received loan felt dejected.

The amount of external loan was reported to be very small by most of the members. Significant portion of the external loans were utilized for the purpose they were borrowed. The loan diversion was relatively higher in Nagaland in comparison to Assam and Manipur. The reasons for diversion of loans, as reported by the members, varied from sudden need for medical, education, other consumptions to marriage, construction of house etc.

Repayment performance

The results on internal and external loan repayment performance are provided in Table 18 & 19, respectively. Generally, the gestation periods for repayment were one month in case of internal loans.

Table 18: Internal loan repayment performance of SHG members

Particulars	Unit	Assam			Manipur			Nagaland
		Nagaon	Jorhat	Overall	Imphal West	Bishnupur	Overall	
Number of loan repaid	No	161	94	127.5	290	296	296	230
Number of loan outstanding	%	22.97	29.32	25.44	15.70	20.00	20.00	22.03
Loans outstanding/member	No	0.44	0.33	0.38	0.44	0.53	0.53	0.46
Interest rate/annum	%	24	36 to 60	24 to 60	24	24 to 36	24 to 36	24 to 36

Source: Field survey, 2011-12

Table 19: External loan repayment performance of the SHGs

Particulars	Unit	Assam			Manipur			Nagaland
		Nagaon	Jorhat	Overall	Bishnupur	Imphal West	Overall	
Number of loan outstanding	%	27.78	9.52	18.65	14.29	4.00	9.14	13.64
1st loan	No	1.00	1	1.00	2	0	1	1
2nd loan	No	5.00	1	3.00	1	1	1	2
3rd loan	No	1.00	0	0.50	0	0	0	0
4th loan	No	3.00	0	1.50	0	0	0	0
Outside credit repaid	Rs	6.16	8.75	7.46	7.02	3.86	5.44	19.24
Outside credit repaid/SHG	Rs	30817	43760	37288	35097	19316	27206	96215
Repayment rate	%	83.40	80.08	81.74	92.08	100.00	96.04	93.73
1st loan	%	99.52	79.84	89.68	94.59	100.00	97.30	93.74
2nd loan	%	69.47	84.77	77.12	0.00	100.00	50.00	93.62
3rd loan	%	88.67	-	88.67	-	-	-	-
4th loan	%	49.08	-	49.08	-	-	-	-

Source: Field survey, 2011-12

Once the first loan is repaid then only the SHG members became eligible for the next internal loan. It was found that in case of multiple loans all the previous loans were repaid. At the time of data collection 16 per cent to 23 per cent of the loans were reported outstanding which were mainly the current ongoing loans. Hence, there is no problem of repayment of internal loans. The interest rates charged by the SHGs for internal loans varied from 24 per

cent to 36 per cent per annum in Assam and Nagaland but it was very high in Jorhat where it ranged from 36 per cent to 60 per cent (two groups) per annum.

The gestation periods for the external loans, in general, varied from one to two months, except for the SHGs in Imphal West district of Manipur where it was 15 days for majority of the 1st loans. Similarly, the majority of the SHGs repaid the installments monthly, except the SHGs in Imphal West where the repayment schedule was found to be fortnightly for the 1st loans. The SHGs paid per annum interest of 18 per cent to the NGOs for the external loans.

The percentage of external loans outstanding was highest in Assam (19%); followed by Nagaland (14%) and Manipur (9%). Once the first loan is repaid in complete then only the SHGs got the second loan. In Nagaon, it was found that as high as 5 loans out of the 9 second loans and all the 4th loans were outstanding. The repayment rates for the outside credit were worked out to be in between 80 per cent to 96 per cent in the study area but the repayment rates for the last loans were much lower, viz., 49 per cent in case of 4th loan in Nagaon district of Assam.

The excellent repayment performance of the SHGs in the study area may be attributed to the smaller loan amounts and the incentive of getting further loan after repayment. Members were also aware of loss of image in case of default. Moreover, the microenterprises also yielded sufficient to repay.

SECTION IV: WOMEN EMPOWERMENT

Responses of the sample SHG members were recorded on different empowerment indicators and presented in Table 20 (economic), Table 21, 22 & 23 (personal), Table 24 (social), Table 25 (psychological) & Table 26 (political).

Economic Empowerment

The majority of the SHG members in Nagaland (96%) and Assam (78%) reported that their income has increased after receiving the loans from SHGs and it was cent per cent in Manipur. More than 50 per cent of the sample SHG members reported increase in saving after participation in SHG. The number of SHG members reported increase in saving was significantly higher in Manipur in comparison to Assam and Nagaland. A considerable proportion (*i.e.*, about 46% in Jorhat to 66% in Bishnupur) of the SHG members reported that

their assets have increased after joining SHGs. Similarly, the numbers of employment days have increased and repayment rates have improved in case of the sample SHG members in the study area. About 81 per cent of the SHG members in Manipur informed that they have availed repeat loans which were higher in comparison to the number of members who availed repeat loans in Assam (43%) and Nagaland (70%).

Table 20: Responses (in%) of SHG members on economic empowerment indicators

Indicators	Assam			Manipur			Nagaland
	Nagaon	Jorhat	Overall	Imphal West	Bishnupur	Overall	
Income increased after receiving loan	61.67	95.00	78.33	100.00	100.00	100.00	95.83
Change in savings							
increase	62.50	45.00	53.75	85.83	83.19	84.51	60.00
decrease	0.83	9.17	5.00	0.00	0.00	0.00	5.00
no change	45.83	45.83	41.25	14.17	16.81	15.49	35.00
Change in asset structure	51.67	45.83	48.75	46.22	66.39	56.30	50.83
Change in employment days							
increase	45.00	65.00	55.00	65.00	74.79	69.89	65.00
decrease	2.50	0.00	1.25	0.00	1.68	0.85	5.00
no change	52.50	35.00	43.75	35.00	23.53	29.26	30.00
Improved repayment rates	63.33	78.99	71.16	78.99	97.48	88.24	85.59
Availed repeat loans	62.50	24.17	43.33	76.47	84.87	80.67	70.00
Ability to make purchases independently							
increase	55.83	78.33	67.08	68.33	81.51	74.92	63.87
decrease	0.84	5.84	3.34	30.00	0.84	15.42	31.93
no change	43.33	15.83	29.58	1.67	17.65	9.24	4.20
Increased access to markets	60.00	88.33	74.17	94.12	96.64	95.38	91.67

Source: Field survey, 2011-12

More than 60 per cent of the SHG members in Assam and Nagaland and about 75 per cent in Manipur felt that now they can make purchase decisions independently and similarly more than 90 per cent of them in Manipur and Nagaland informed that market access has increased after participation in SHG.

Personal Empowerment:

A large section of the SHG members, especially from Jorhat (87%) in Assam and Imphal West district (58%) in Manipur reported that they get less time in household works due to greater involvement in the SHGs as they have to attend meetings, look after the enterprises and market the products. This is an important issue because sometimes it may lead to tension

within the family but in many cases women reported that they get enough of support and helps from their husbands.

Table 21: Responses (in%) of SHG members on personal empowerment indicators_ Assam			
Nagaon			
Reduced number of hours spent in household activities	41.67		
Decision making in family matters			
	Self	Joint	Others
Household infrastructure	20.84	55.83	23.33
Household day to day purchase and Expenditures	23.33	50.00	26.67
Child's marriage	11.43	80.00	8.57
Child's education	23.33	68.33	8.34
Choice of micro-enterprise	12.50	67.50	20.00
Use of loan	12.50	67.50	20.00
Occupational issues	10.83	69.17	20.00
Sale or mortgage of assets	11.67	20.00	68.33
Jorhat			
Reduced number of hours spent in household activities	86.67		
Decision making in family matters			
	Self	Joint	Others
Household infrastructure	0.00	100.00	0.00
Household day to day purchase and Expenditures	60.00	36.67	3.33
Child's marriage	0.00	100.00	0.00
Child's education	0.00	100.00	0.00
Choice of micro-enterprise	0.00	100.00	0.00
Use of loan	0.00	100.00	0.00
Occupational issues	0.00	100.00	0.00
Sale or mortgage of assets	0.00	0.00	100.00
Assam			
Reduced number of hours spent in household activities	64.17		
Decision making in family matters			
	Self	Joint	Others
Household infrastructure	10.41	77.92	11.67
Household day to day purchase and Expenditures	41.67	43.33	15.00
Child's marriage	5.71	90.00	4.29
Child's education	11.66	84.17	4.17
Choice of micro-enterprise	6.25	83.75	10.00
Use of loan	6.25	83.75	10.00
Occupational issues	5.42	84.58	10.00
Sale or mortgage of assets	5.83	10.00	84.17

Source: Field survey, 2011-12

Table: 22 Responses (in%) of SHG members on personal empowerment indicators_Manipur

Imphal West			
Reduced number of hours spent in household activities	58.33		
Decision making in family matters			
	Self	Joint	Others
Household infrastructure	7.50	34.17	58.33
Household day to day purchase and Expenditures	9.17	67.50	23.33
Child's marriage	9.64	68.67	21.69
Child's education	7.20	76.58	16.22
Choice of micro-enterprise	35.00	60.83	4.17
Use of loan	18.34	60.83	20.83
Occupational issues	11.67	77.50	10.83
Sale or mortgage of assets	10.43	13.05	76.52
Bishnupur			
Reduced number of hours spent in household activities	24.37		
Decision making in family matters			
	Self	Joint	Others
Household infrastructure	9.17	68.33	22.50
Household day to day purchase and Expenditures	9.16	69.17	21.67
Child's marriage	5.41	72.97	21.62
Child's education	4.63	78.70	16.67
Choice of micro-enterprise	16.67	74.17	9.16
Use of loan	14.17	74.17	11.66
Occupational issues	11.67	76.67	11.66
Sale or mortgage of assets	11.67	13.33	75.00
Manipur			
Reduced number of hours spent in household activities	41.35		
Decision making in family matters			
	Self	Joint	Others
Household infrastructure	8.33	51.25	40.42
Household day to day purchase and Expenditures	9.17	68.33	22.50
Child's marriage	7.53	70.82	21.65
Child's education	5.92	77.64	16.44
Choice of micro-enterprise	25.83	67.50	6.67
Use of loan	16.25	67.50	16.25
Occupational issues	11.67	77.08	11.25
Sale or mortgage of assets	11.05	13.19	75.76

Source: Field survey, 2011-12

Table 23: Responses (in%) of SHG members on personal empowerment indicators_Nagaland			
Nagaland			
Reduced number of hours spent in household activities	45		
Decision making in family matters			
	Self	Joint	Others
Household infrastructure	4.17	75.83	20.00
Household day to day purchase and Expenditures	11.67	70.83	17.50
Child's marriage	1.73	87.93	10.34
Child's education	3.51	85.96	10.53
Choice of micro-enterprise	33.61	58.82	7.56
Use of loan	9.17	58.82	32.01
Occupational issues	3.33	77.50	19.17
Sale or mortgage of assets	3.42	24.79	71.79

Source: Field survey, 2011-12

Most of the decisions in the family matters were taken jointly by husband and wife in the study area (Table 21, 22 & 23). The decisions on household day to day purchase were mainly taken by the SHG members in Jorhat (60%) in comparison to Nagaon (23%). Some of the SHG members *i.e.*, women in the household do take decision independently in case of child marriage, child education and choice of micro-enterprises.

Social Empowerment

Most of the SHG members participated in religious and social programmes *viz.* marriage. In Manipur, they participated in different social programs *viz.* anti-liquor, extortion, cultural programme *etc.* Nearly all of the SHG members expressed that they do not have any restriction on mobility. Majority of the SHG members in the study area found to be visiting the markets frequently. Most of them visit to NGOs/Block offices/Bank or district headquarters sometimes. The SHG members in Jorhat frequently visited to relatives, parents & religious places but members in Nagaon, Manipur and Nagaland sometimes visited religious places and their relatives and parents. Most of the SHG members reported that participation in SHGs helped in development of better network among the members.

Psychological Empowerment:

Approximately all of the sample SHG members in all the three states stated that their self-confidence and self-worth increased, attitude toward women's role changed in positive direction and the fear of domestic violence reduced due to participation in SHGs.

Table 24: Responses (in%) of SHG members on social empowerment indicators

Indicators	Assam			Manipur			Nagaland	
	Nagaon	Jorhat	Overall	Imphal West	Bishnupur	Overall		
Participation in social programmes	75.00	91.67	83.33	86.67	83.33	85.00	94.17	
Freedom of mobility/movement	96.67	100.00	98.33	100.00	98.33	99.17	100.00	
Frequency of visit								
Market	Frequent	87.50	100.00	93.75	84.17	94.17	89.17	90.83
	Sometimes	12.50	0.00	6.25	15.00	5.83	10.41	9.17
	Never	0.00	0.00	0.00	0.83	0.00	0.42	0.00
NGOs/ Block	Frequent	7.50	16.66	12.08	9.17	5.83	7.50	11.67
Offices/District	Sometimes	89.17	51.67	70.00	70.00	26.67	48.33	68.33
HQs/Banks	Never	3.33	31.67	17.50	20.83	67.50	44.17	20.00
Religious Place	Frequent	23.33	100.00	61.67	5.00	5.83	5.41	26.67
(Temples,	Sometimes	75.00	0.00	37.50	85.00	43.33	64.17	68.33
Churches, Mosque, etc)	Never	1.67	0.00	0.83	10.00	50.84	30.42	5.00
Parent's home/ Relatives	Frequent	43.33	100.00	71.67	7.55	9.17	8.36	18.33
	Sometimes	53.33	0.00	26.67	84.87	86.67	85.77	77.50
	Never	3.34	0.00	1.67	7.56	4.16	5.86	4.17
Greater networking among women (Yes-1/No-0)	90.83	100.00	95.42	100.00	100.00	100.00	99.17	

Source: Field survey, 2011-12

Table 25: Responses (in%) of SHG members on psychological empowerment indicators

Indicators	Assam			Manipur			Nagaland
	Nagaon	Jorhat	Overall	Imphal West	Bishnupur	Overall	
Change in self confidence and self worth	85.83	100.00	92.92	100.00	100.00	100.00	100.00
Change in attitude to women's role	85.83	100.00	92.92	100.00	99.17	99.58	100.00
Reduction in fear of violence from husband	100.00	100.00	100.00	100.00	95.92	97.96	90.00

Source: Field survey, 2011-12

Psychological Empowerment:

Approximately all of the sample SHG members in all the three states stated that their self confidence and self worth increased, attitude toward women's role changed in positive direction and the fear of domestic violence reduced due to participation in SHGs.

Political Empowerment:

Table 26: Responses (in%) of SHG members on political empowerment indicators

Indicators	Assam			Manipur			Nagaland
	Nagaon	Jorhat	Overall	Imphal West	Bishnupur	Overall	
Participation in political and legal process	37.50	0.83	19.17	15.83	40.00	27.92	16.67
Voting freely without any external pressures	83.33	100.00	91.67	99.17	96.67	97.92	98.33
Holding any political posts	0.00	0.00	0.00	1.67	1.67	1.67	9.17
Increased access to information	75.83	95.00	85.42	74.17	54.17	64.17	75.00
More complaints/requests at village council	48.33	0.00	24.17	22.50	8.33	15.42	43.33

Source: Field survey, 2011-12

The participation in political and legal process by the members was very few in all of the three states. Hardly they had held any political post though most of them casted their votes without any pressure. The number of SHG members who reported increased access to information was higher in Assam (85%) in comparison to Manipur (64%) and Nagaland (75%). About 48 per cent of SHG members in Nagoan and 43 per cent in Nagaland lodged more complaints/request in village council after becoming member of the SHGs but in Jorhat none reported about increase in lodging of complaints.

Women Empowerment Index

Empowerment index was constructed for different dimensions of empowerment *viz.*, economic, personal, social, psychological and political. Finally, overall composite empowerment index was constructed to understand the impact of micro credit scheme on women empowerment. The frequency distribution of SHG members based upon the value of empowerment indices are presented in Table 27, 28 & 29.

It is revealed from the tables that majority of the SHG members became economically empowered after participations in SHGs in all the three states *i.e.*, Assam, Manipur and Nagaland. Within Assam, the number of SHG members belonging to strong economically empowerment category were significantly higher in Nagaon than in Jorhat and it was reverse in case of moderately empowerment category.

In case of personal empowerment, majority of the SHG members belong to moderately empowered category in Assam (66%) and in Manipur (46%) but in Nagaland

majority (47%) belongs to least empowerment category. In Nagaon and Imphal West more than 50 per cent of the SHG members fall in either least empowerment category or un-empowerment category as in these districts the number of decisions taken by the husbands and others were higher in comparative to other districts of the study area (Table 21, 22 & 23).

Table 27: Distribution of SHG members (in %) according to empowerment category_Assam

Index	Empowerment dimensions					
	Economic	Personal	Social	Psychological	Political	Composite
Nagaon						
Not empowered	0.00	18.33	0.00	0.00	24.17	0.00
Least empowered	11.67	38.33	1.67	10.83	17.50	5.84
Moderately empowered	25.83	35.83	58.33	6.67	39.17	65.83
Highly empowered	62.50	7.51	40.00	82.50	19.16	28.33
Jorhat						
Not empowered	5.00	0.00	0.00	0.00	5.00	0.00
Least empowered	0.00	4.17	0.00	0.00	94.17	0.00
Moderately empowered	56.67	95.83	4.17	0.00	0.83	88.33
Highly empowered	38.33	0.00	95.83	100.00	0.00	11.67
Assam						
Not empowered	2.50	9.17	0.00	0.00	14.58	0.00
Least empowered	5.83	21.25	0.83	5.42	55.83	2.92
Moderately empowered	41.25	65.83	31.25	3.33	20.00	77.08
Highly empowered	50.42	3.75	67.92	91.25	9.59	20.00

Source: Field survey, 2011-12

Majority of the SHG members were either moderately or highly empowered *vis-à-vis* social and psychological empowerment dimensions which is reflected by high social and psychological indices for all the three states.

Other than voting, political involvement (specially holding some political posts) of the SHG members were least in the study area which is evident from the fact that as high as 99 per cent of the SHG members in Jorhat fall in either least or un-empowered category. Similarly, 72 per cent of the members in Imphal and 58 per cent in Nagaland belong to bottom two empowerment categories.

The overall empowerment situation is found to be satisfactory in all the three states as most of the members belong to top two empowerment categories *i.e.*, moderately empowered and highly empowered category.

Table 28: Distribution of SHG members (in %) according to empowerment category_Manipur						
Index	Empowerment dimensions					
	Economic	Personal	Social	Psychological	Political	Composite
Imphal West						
Not empowered	0.00	5.83	1.67	0.00	20.84	0.00
Least empowered	0.00	46.67	0.00	0.00	50.83	2.50
Moderately empowered	34.17	38.33	85.83	0.00	23.33	82.50
Highly empowered	65.83	9.17	12.50	100.00	5.00	15.00
Bishnupur						
Not empowered	0.00	7.50	0.00	0.00	11.67	0.00
Least empowered	0.83	30.83	14.17	0.00	23.33	1.66
Moderately empowered	17.50	53.33	76.67	4.17	56.67	84.17
Highly empowered	81.67	8.34	9.16	95.83	8.33	14.17
Manipur						
Not empowered	0.00	6.67	0.83	0.00	16.25	0.00
Least empowered	0.42	38.75	7.08	0.00	37.08	2.09
Moderately empowered	25.83	45.83	81.25	2.08	40.00	83.33
Highly empowered	73.75	8.75	10.83	97.92	6.67	14.58

Source: Field survey, 2011-12

Table 29: Distribution of SHG members (in %) according to empowerment category_Nagaland						
Index	Empowerment dimensions					
	Economic	Personal	Social	Psychological	Political	Composite
Manipur						
Not empowered	0.00	10.83	0.00	0.00	11.66	0.00
Least empowered	3.33	45.83	0.83	0.00	46.67	0.00
Moderately empowered	35.00	40.00	65.00	4.17	29.17	79.17
Highly empowered	61.67	3.34	34.17	95.83	12.50	20.83

Source: Field survey, 2011-12

Section: IV: Constraints

The constraints faced by the SHGs along with their degree of seriousness are presented in Table 30 & 31.

Constraints	Number of SHGs (in %)						
	Assam			Manipur			Nagaland
	Nagaon	Jorhat	Overall	Imphal West	Bishnupur	Overall	
Lack of awareness	15	100	57.5	10	0	5	60
Insufficient seed money	50	85	67.5	80	15	47.5	70
Delay in loan advancement	35	0	17.5	20	5	12.5	20
Communication gap	35	5	20	0	0	0	20
Lack of motivation	55	15	35	5	35	20	35
Lack of participation	30	0	15	5	25	15	55
Dominance by few member	5	0	2.5	5	0	2.5	35
Insufficient incentive to secretary	5	50	27.5	20	35	27.5	50

Source: Field survey, 2011-12

Lack of awareness about procedures for taking loan and difficulty in following the procedures

In Nagaon, only three groups reported that their lack of awareness about the procedures was a constraint but in Jorhat all the groups reported that lack of awareness is very serious issue, except one SHG which considered it as a constraints but not so serious. In Imphal West, only two groups reported that it was a problem whereas for the groups in Bishnupur it was not a problem. But in Nagaland, it was considered as constraint by 60 per cent of the SHGs and most of these groups felt the constraint is of serious nature.

Insufficient seed money to sustain the SHGs

About 50 per cent of the SHGs in Nagaon felt that insufficient seed money was a problem and 80 per cent of them reported this as a very serious constraint. Whereas in Jorhat, as high as 85 per cent of the SHGs expressed that it was a constraint out of which 13 groups felt it as a very serious constraint and remaining four felt it is a serious constraint. In Manipur, 80 per cent of the SHGs in Imphal West and 15 per cent of the SHGs in Bishnupur felt that it was very serious constraint. Similarly maximum (70%) of the SHGs in Nagaland felt insufficient seed money was either serious or very serious constraint.

Constraints		Number of Groups						Nagaland
		Assam			Manipur			
		Nagaon	Jorhat	Sub Total	Imphal West	Bishnupur	Sub Total	
Lack of awareness	Not so serious	1	0	1	1	0	1	0
	serious	2	1	3	0	0	0	4
	Very Serious	0	19	19	1	0	1	8
	Sub total	3	20	23	2	0	2	12
Insufficient seed money	Not so serious	0	0	0	0	0	0	2
	serious	2	4	6	0	0	0	6
	Very Serious	8	13	21	16	3	19	6
	Sub total	10	17	27	16	3	19	14
Delay in loan advancement	Not so serious	0	0	0	0	0	0	0
	serious	6	0	6	2	0	2	2
	Very Serious	1	0	1	2	1	3	2
	Sub total	7	0	7	4	1	5	4
Communication gap	Not so serious	0	0	0	0	0	0	1
	serious	2	0	2	0	0	0	6
	Very Serious	5	1	6	0	0	0	1
	Sub total	7	1	8	0	0	0	8
Lack of motivation	Not so serious	3	1	4	1	0	1	0
	serious	5	1	6	0	5	5	3
	Very Serious	3	1	4	0	2	2	4
	Sub total	11	3	14	1	7	8	7
Lack of participation	Not so serious	1	0	1	1	0	1	0
	serious	2	0	2	0	2	2	4
	Very Serious	3	0	3	0	3	3	7
	Sub total	6	0	6	1	5	6	11
Dominance by few member	Not so serious	1	0	1	0	0	0	2
	serious	0	0	0	1	0	1	3
	Very Serious	0	0	0	0	0	0	2
	Sub total	1	0	1	1	0	1	7
Insufficient incentive to secretary	Not so serious	0	0	0	0	0	0	4
	serious	1	10	11	3	7	10	4
	Very Serious	0	0	0	1	0	1	2
	Sub total	1	10	11	4	7	11	10

Source: Field survey, 2011-12

Delay in loan advancement by NGOs/ Agencies

About 35 per cent of the SHGs in Nagaon expressed that delay in loan advancement was a constraint and most of them thought it was of serious nature but the SHGs in Jorhat did not consider delay as an issue. Similarly, 20 per cent of the SHGs in Imphal West considered delay in loan advancement as serious problem but only one SHG in Bishnupur were in agreement. The findings were similar in Nagaland too.

Communication gap with respective NGOs

About 35 per cent of the SHGs in Nagaon reported that communication gap was a constraint and more than 70 per cent of them perceived this as a very serious problem but in Jorhat only one group felt it's a constraint of a very serious nature. In Nagaland, only eight SHGs reported communication gap and six of them considered it as serious constraint but none of the SHGs reported that there was any problem of communication among the members and NGOs in Manipur.

Lack of motivation

Lack of motivation was considered as constraint by 20 per cent of SHGs in Manipur and 35 per cent of the SHGs in Assam as well as Nagaland. In Nagaon, about 55 per cent (5 SHG- serious and 3 SHGs very serious) of the sample SHGs reported that lack of motivation was a constraint which is significantly higher in comparison to Jorhat (15%) and Imphal West (5%) district. One SHG in Imphal West and seven SHGs in Bishnupur reported the same. The findings were similar in Nagaland too.

Lack of participation of members

Lack of participation was a constraint for 30per cent of the groups in Nagaon (3 SHGs – very serious, 1 SHG- not serious, 2 SHG-serious) but it is not a constraint for the SHGs in Jorhat. One group (not so serious-1) in Imphal West and five SHGs in Bishnupur (2 SHG -serious, 3- very serious) reported it as constraint. But in Nagaland, about 55per cent of the SHGs reported lack of participation by the members and that was considered as either serious or very serious constraint which is a matter of great concern.

Dominance of only a few members during meetings

Dominance of only a few members was not a problem for majority of the SHGs in Assam and Manipur but seven SHGs in Nagaland reported dominance by few members within the group, out of which five groups found that either serious or very serious constraint.

Insufficient incentive to secretary and volunteers

Insufficient incentive to secretary and volunteers was considered as a constraint by only one group in Nagaon whereas 50 per cent of the SHG in Jorhat considered it as a serious constraint. About 20 per cent of the SHGs in Imphal West (3 SHG-serious, 1 SHG-very serious) and in Bishnupur about 35 per cent (all-serious) reported that insufficient incentive was a constraint. About half of the sample SHGs in Nagaland considered insufficient incentive to secretary was a constraint.

Other constraints

In Nagaon, the other constrained faced by the SHGs included distance from NGO office, service charge, charge for registers *etc.* while lack of training, subsidy *etc.* were considered as other constraints by the SHGs in Jorhat.

SHGs in Imphal West reported that distance to bank, lack of training, high cost of raw material, non-availability of machines, lack of common working shed, high interest rate *etc.* were the other constraints faced by the SHGs. Lack of training, high cost of raw material, non-availability of machines, lack of common working shed, high interest rate, less credit, dropping out of members *etc.* were the other constraints perceived by the SHGs in Bishnupur.

Lack of training, short repayment schedule, default in repayment and conflict within the group were various other constraints faced by the SHGs in Nagaland.

The study reveals that insufficient seed money was considered as the major constraints by the SHG in Assam, followed by lack of awareness, lack of motivation, insufficient incentive to secretary and communication gap.

In Manipur, the major constraint expressed by the SHGs was insufficient seed money; followed by insufficient incentive to secretary and lack of motivation. Insufficient seed money was the major constraints in Nagaland also, followed by lack of awareness, lack of participation, insufficient incentive to secretary, lack of motivation and dominance by few members. Hence, insufficient seed money, lack of awareness and lack of motivation were the major constraints for the SHGs in all the three sample states. Lack of participation and insufficient incentive to the secretary were the constraint of serious nature in Nagaland only.

Member wise analysis of the constraints as perceived and reported by the sample SHG members in the study area are presented in Table 32.

Table 32: Constraints perceived by the SHG members (in%)

Constraints	Assam			Manipur			Nagaland
	Nagaon	Jorhat	Overall	Imphal West	Bishnupur	Overall	
Untimely and inadequate availability of raw materials	14.17	10.00	12.08	0.00	0.00	0.00	21.67
Credit is not sufficient	59.17	98.33	78.75	95.00	92.11	93.55	55.83
Delay in loan advancement by SHG	20.83	0.83	10.83	8.33	1.75	5.04	23.33
High interest rate of loans	25.00	52.50	38.75	19.17	9.65	14.41	30.00
Low price of produce/ products	10.00	1.67	5.83	3.33	0.88	2.11	21.67
Non availability of marketing facility	10.00	20.83	15.42	1.67	5.26	3.46	15.00
Lack of training	85.00	92.50	88.75	48.33	41.23	44.78	71.67
Non cooperation of male counterparts	2.50	3.33	2.92	0.00	0.00	0.00	2.50
Lack of awareness about procedures	44.17	97.50	70.83	13.33	7.89	10.61	54.17
Improper time management	5.00	10.83	7.92	1.67	0.00	0.83	22.50

Source: Field survey, 2011-12

Lack of training turned out to be the major constraints faced by the SHG members in Assam (89%) and Nagaland (72%) and about 45 per cent of the SHG members in Manipur. In Manipur, as high as about 94 per cent of the SHG members felt that the amount of credit was not sufficient for income generating activities. Insufficient credit was the second most important constraint faced by the SHG members in Assam and Nagaland. High interest rate and procedural difficulties to get loan (in Assam and Nagaland) were the other constraints faced by the sample SHG members.

CHAPTER VI

CONCLUSIONS & RECOMMENDATIONS

1. Maintenance of books/records is one of the important issues for the SHGs. It is observed that in most of the cases the SHGs manage their records properly in the initial years but later they stop updating the records. Usually they keep the records in rough copy. This record maintenance is of paramount importance for maintaining transparency, belief and confidence among the SHG members and better performance of the groups. Hence; focus should be on regular updating of records and it is recommended that future external loans to the SHGs should strictly be linked with the regular update.

2. Incentives should be given to the implementing NGOs for regular monitoring of the books and records. In the form of incentives provision of annual prizes may be initiated for the best NGOs (*i.e.*, the maximum percentage of SHGs under the NGO whose records are 100% updated regularly) and best SHG with good record of book keeping (*i.e.*, cent per cent updated all ledgers/books/records). It is also suggested to have the provision of nominal remuneration (*e.g.* Rs 500/year) for the member who keeps the records.

3. It was found that trainings in book keeping, record maintenance (*i.e.*, members' register-joining and dropping of members, writing proceedings of group meeting *etc.*) were provided to a few of the groups and only of 2 days duration. It is recommended that trainings in book keeping and accountancy should be given to all the SHG members, who have at least the required educational qualification, because in absence of one another member can update the records. One time training on book keeping do not instill confidence among the members, hence it is also suggested to have the provision of refresher training (for at least 2nd time) in book keeping after 6/12 months.

4. Thought may be put on use of common software for book keeping and accountancy along with cost involved.

5. Trainings on income generating activities should be mandatory for all the SHG members as the skill development will help even if the member does not get any share in external loan. This capacity building will ultimately uplift the society through better and higher income opportunities to the women.

6. It was found that in some cases the area in which the trainings were imparted to the SHG members and the microenterprise taken up by the members were different. Hence; training need assessment for each and every SHG separately, is of paramount importance. The NGOs must take care of the fact that the training arranged for the members and the purpose of the external loan should be the same or what are the area in which the SHGs members wished to get trained by prior consultation with the members.

7. Nearly all the groups expressed the need of training in account maintenance and record keeping. Weaving, embroidery, stitching, tailoring, handicrafts and animal husbandry (cattle, goatery, piggery, sheep and poultry) are the major areas in which SHG members wish to be trained in the study area. In addition to that training is needed in fishery (in Nagaon, Nagaland) and food processing in Nagaon and pickle making in Jorhat. Training on toy making, soap and candle making *etc.* are also in demand in Manipur. SHG members expressed interest in trainings on piggery in Imphal West and training on farm management, processing of colocassia, manufacturing and packaging of puffed rice, dry flower making in Bishnupur district of Manipur. In Nagaland, some members asked training in floriculture.

8. The NGOs may tie up with Krishi Vigyan Kendras (KVKs) and Research Centres of Indian Council of Agricultural Research (ICAR) for NEH Region, Meghalaya and its research stations available in all the NE states and Colleges of Central Agriculture University located in all the NE states, except Assam and Nagaland, Assam agricultural university, Assam for training in farming, food processing, cattle rearing, poultry, piggery, embroidery *etc.* These all organizations provide regular training to farmers and small entrepreneurs under various schemes and projects of Government of India.

9. It was found that in many cases the members have to travel a long distance (*e.g.* Guwahati) for training which is waste of both, money and time. Provision of in-house training (at least the training on book keeping and accountancy) or at least at the same locality/block will be much better.

10. The longer duration trainings, which were perceived as really helpful in developing skill, were found to be self financed. RMK may have the provision of defraying these training costs.

11. Except Manipur, the social activities in which the SHG members participated are mainly limited to religious and cultural activities. The SHG members may be motivated and made aware of the role they can play in social issues *viz.*, education, women and child oriented issues

etc. A small amount of fund (may be 0.1% of external loan) may be plugged with the fund for microenterprises which will help in betterment of the society in addition to the increase in income.

12. In the front of women empowerment it was found that the SHG members are doing good which may be due to the fact, unlike the main land of the country, the societal norms in North East region is not that much anti women. But in some issues such as political participation in the form of holding some post is lacking. The NGOs may try to motivate the women member to be part of political process *i.e.*, putting the candidature in local *panchayat* or council elections by organizing awareness programme and motivational talks by successful women representatives.

13. Magnitude of per member monthly savings contribution should be reasonable (based upon the evaluation of the economic status) so that it should not become the reason for default.

14. Monitoring by NGOs may help in less drop out of members or default in savings but at the same time care should be taken that it should not be overdone so as they grow themselves.

15 It was found that in most of the cases the SHGs distribute the external loans among the group members. Hence, the amount of external loan per member becomes too small to start a micro enterprise and in many cases that was only used for purchase of the raw materials only. When the external loan is disbursed to only a few members then it is a matter of discontent for others. The members basically require a small space for their group activities and they require small machinery (*viz.*, electric sewing/embroidery/reeling machines). Hence it is suggested that the loans amount may be large enough (based upon the number of members and microenterprises the SHG wish to start) so that a part of that can be invested in common facility development (*i.e.*, work space and machinery) and the remaining of the same for raw material and other operational costs (*i.e.*, travel, taking orders and selling *etc.*).

16. The ratio of external credit to group savings should be improved to at least 4 as per NABARD guideline.

17. After the repayment of the first loan the SHGs should be provided with a second loan of higher magnitude in time so that the positive impact of financial inclusion can be sustained.

18. Due deliberation on the number of loans to be disbursed to a SHG is also required. So, the group should become sustainable.

19. Orientation meetings/programmes should focus on clearing the principle and philosophy of joint microfinance and SHGs. These meeting should involve the male/or senior female members of the household because that will help them in understanding what their female counter part (*i.e.*, the selected SHG member) is actually doing and prevent any future household tension which may arise due longer hours of group activities or participation in regular group meetings.

20. Though marketing of the products produced by the SHGs are not an issue at present, efforts should be directed in branding the SHG products so that those can fetch higher prices.

21. The procedure for getting loan by the NGOs may be simplified as the NGOs have expressed it as a constraint. Regular and prompt communication between RMK and the NGOs is required; otherwise the stakeholders lose interest in work which is actually reflected in ground level. The visit to Delhi by the NGO personnel is not reimbursed in some cases which is a case of discontent for the NGOs. So, how many persons from a NGO and the mode of travel should be well spelt before heading to Delhi for presentation by them and care should be taken for reimbursement at the earliest.

22. Proper training should be imparted to field staff of the NGOs; so that they can motivate the SHG members to participate in group activities.

23. Focus may be put on developing leadership among the women members so that the enterprises do not fall apart and stand alone in future when financial assistance is withdrawn.

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