

Performance of Self Help Groups in Mizoram

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ABSTRACT

This paper attempt to study and find out the reason why very few SHG have entered the micro-enterprise stage, where the process of mobilizing the rural poor into SHG have not achieved up to the mark. In the state of Mizoram, Self Help Groups have been in existence since the Development of Women and Children (DWCRA) which was introduced under Integrated Rural Development Programme (IRDP) and was replaced by the Swarnjayanti Gram SwarogjarYojana (SGSY) on 1st April 1999. But very few SHGs have entered the micro-enterprise stage, despite the vast magnitude of poverty, the mechanism of mobilizing the rural poor into Self Help Groups for delivering their credit system and linking with the bank for taking up their income generating activities have not reached optimum level. There is a need to find out the bottleneck for the poor performance in the state of Mizoram while the reason for it may vary from district to district and from groups to groups especially under the SGSY. It was felt very much essential to root out the weakness of the SHG's functioning in the state and to come out with ways and means to suggest better options to improve the SHG's movement.

Further, the study aims at providing a database for further systematic planning and proving a roadmap for promotion of Federation of Self Help Groups. Therefore it was felt suitable to study the existing SHGs and revive the SHG movement particularly amongst the weak/defunct Self Help Groups in the state.

1. Introduction

According to the State Focus Paper prepared by NABARD, Mizoram Regional Office, Aizawl for the year 2012-2013, Mizoram made its maiden entry into SHG-Bank linkage in August 2003 by linking first ever SHG in Champhai district. The total number of SHGs linked to savings are 2854 and the total number of SHGs linked to credit are 3462. The cumulative position of bank loan disbursed as on the aforesaid date was to the tune of Rs. 3402.15 lakh.

Referring to the State of Mizoram, though Self Help Groups have been in operation since the implementation of SGSY and DWCRA under IRDP, till date no systematic studies have been made to assess the group dynamics including the size, nature and status, group formation, group activities etc. It is observed that whatever studies have been made are purely based on some programmes which do not reflect the real picture of Self Help Groups viz. group dynamics, nature and status, group formation, group activities in Mizoram. Hence not much review of literature is available in regard to the SHGs of Mizoram. In Mizoram, the programme is implemented by Rural Development Department through District Rural Development Agencies (DRDAs) and the Block Development Offices. It was observed that many bank Officials at the branch level as well as senior level need to be sensitized on SHG concept and operational guidelines on financing SHG. NABARD has been supporting many NGOs in formation and nurturing of SHGs. Field level workers of various Government Departments are sensitized and encouraged to promote groups in their area of operation. System of reporting data on SHG-Bank Linkage need to be streamlined (Mizoram State Focus Paper, 2012-2013). SHG has now become a mass movement for poverty alleviation across India. Along with the nation-wide movement,

the State of Mizoram started to take up some development programmes through SHG modes since late 1990's.

Though SGSY was initially launched in April 1999, the scheme could practically take off in Mizoram starting from the year 2000 only. Ever since then, a total of 2452 SHGs have been formed and women SHGs account for 1572. While the main objective SGSY is to bring the assisted poor families above the poverty line by ensuring appreciable increase in incomes over a period of time, it could only bring 527 assisted families above poverty line since inception in Mizoram.

The success of the SHG movement is yet to spread uniformly across the country and the state of Mizoram is of particular concern. The target oriented approach of forming the groups combined with inadequate investment in process to strengthen the groups have resulted in large number of the groups becoming defunct and existing only in papers. Recent study across the country reveals the constraints and challenges that the members are experiencing which includes uneven spread of SHG's across the country including Mizoram, inability to take up livelihood promotion, limitations of Promoters to provide capacity building and other necessary inputs at a desired scale, inability of banks to understand and accommodate the needs of SHG in some parts of the country particularly Mizoram.

2. Materials and Methods:

Analytical plan: This paper tries to analyze the present the status of performance of SHGs in Mizoram and analyze the SHGs Weakness, Strength, Opportunities and Threat towards strengthening SHG movement in Mizoram Also. Create a profile of SHG and database for the systematic planning process, once the profile of SHG dynamics, structure, performance, character, size, membership, aims and

objectives, areas of involvement are assessed, a suitable solution may be provided for the better performance of SHGs.

Sample: The sample was collected randomly from all the Rural Development Blocks of Mizoram. There are 26 RD Blocks in Mizoram, 16 samples were collected from each of the 26 RD blocks, out of which 50% were from the best performing groups and another 50% from the poor performing groups. Total 416 samples were collected on Self Help Groups, out of which 208 are Good Performing SHGs and 208 are Poor Performing SHGs.

Assessment was made in comparison of the good performing SHGs and the poor performing SHGs to root out the reason for their good performance and their poor performance.

The study is based on both Secondary and Primary data. Secondary data published from various Government departments like Directorate of Economics and Statistics, National Bank for Agriculture and Rural Development (NABARD), Department of Rural Development, Regional Rural Banks etc. Primary data was collected from SHGs, Self Help Promoting Institutions, Rural Development Block Office, DRDA, BDOs, Banks etc. A comprehensive questionnaire/schedule was prepared to cover following aspects of the sample SHGs:

1. The group dynamics including the size, nature and status, group formation, group activities etc. In addition to above schedules, the comprehensive schedule for Rural Development Block office (BDO) and District Rural Development Agency (DRDA),

Social Welfare Department was prepared and used to understand the general level of promoting SHGs.

2. Regional Rural Bank (RRB) dealing with SHGs were also be interviewed which was very helpful in understanding the general problems faced by the Officials, SHPIs and SHG regarding the SHG-Bank linkage.
3. In addition, Field Investigators were also interviewed on their observation on the SHGS they have interviewed.

3. Results and Discussion:

Sample Profile of Self Help Group:

Year of formation distribution: Figure1 presents the year of formation distribution of SHGs. As shown in the figure, most of the Good Performing SHGs are formed in recent years (2012 & after which is 37.08 %. 23.69 % are formed during 2005-2008 and 21.25 % are formed during 2008-2008. 13.41 % are formed during 2002-2005 and 4.56% only are formed before 2002.

For the poor performing SHGs, as shown in the Figure 1, most of the SHGs are formed after 2012 which is 43.88 %. 32.96 % are formed during 2008-2012, 18.14% are formed during 2005-2008, 3.74% are formed during 2002-2005 and 1.26 % are formed before 2002.

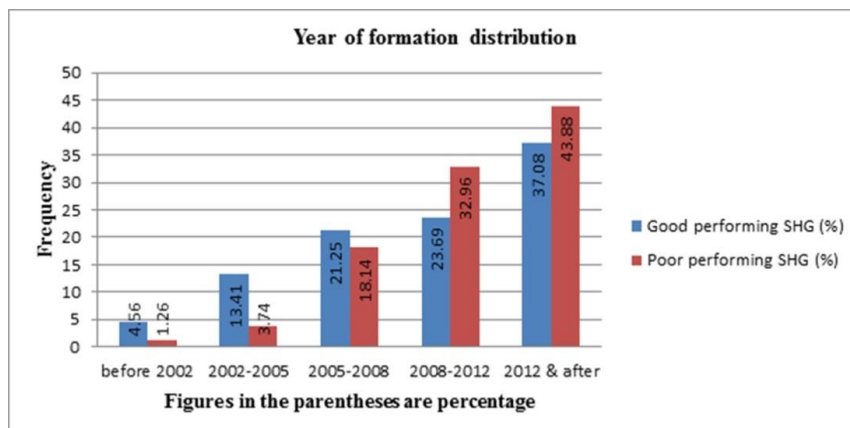


Figure 1: Year of formation distribution
 Source: Calculated on the basis of field survey, 2013

Gender Distribution of SHG Members: An attempt was made to find out the gender dimension of SHGs and the results are presented in Figure 2. Out of the 208 good performing SHGs surveyed, majority of the groups have female members, out of which is 82 % and 15% are mixed with male and female members and 4% are groups with purely male members.

Out of the 208 poor performing SHGs surveyed, 68.1% are female groups, 28.5 % are mixed with male and female members and remaining 3.4 % comprised of groups with purely male members.

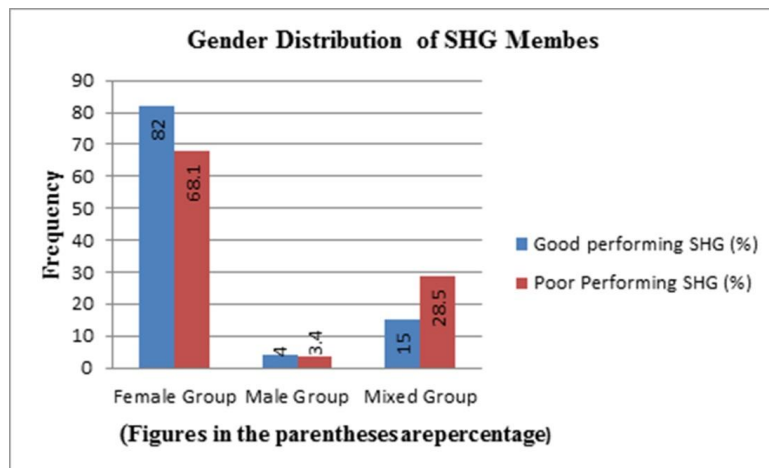


Figure 2: Gender Distribution of SHG Members
Source: Calculated on the basis of field survey, 2013

No of members at the time of formation: One common phenomenon among the SHG is that at the beginning of SHG formation, some members leave and some members joined in. Among the Good Performing SHGs sample surveyed 1.31% have less than 5 members, 71.38% have members ranging from 5-10, 25.72 %have members ranging from 10-15 and

1.59% have members ranging from 15-20. It can be concluded that the entire sample surveyed has ideal size of members while among the poor performing SHGs, 12.66% have members less than 5, 71.14% have members ranging from 5-10, 14.65% have members ranging from 10-15 and 1.55 have members ranging from 15-20as presented in figure 3.

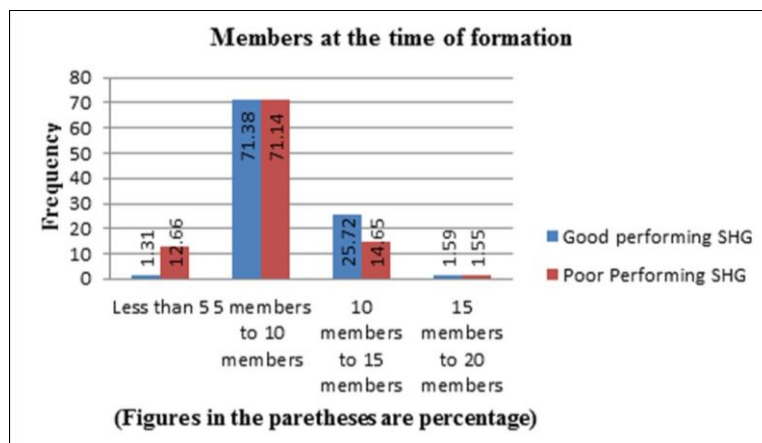


Figure 3: Members at the time of formation
Source: Calculated on the basis of field survey, 2013

Any member left the group: Figure 4presents the numbers of members who have left. 31% have left the group while 68.25% remain stable without leaving the group among the good performing SHGs while among the poor performing

group, 43.60% have left the group and 56.40 remain stable without leaving the group. In the samples survey no members in the SHGs have been replaced.

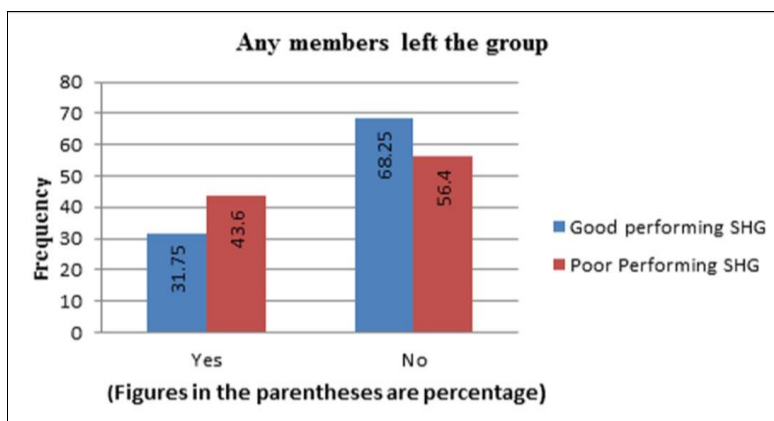


Figure 4: Any members left the group
Source: Calculated on the basis of field survey, 2013

Reasons for leaving: The main reason for leaving the groups are problems arising from their family, no proper support from the Banks and the government and some of them are not interested after learning the concept of SHGs, no group cohesiveness and no livelihoods support. Among the poor

performing SHGs, the main reason for leaving the groups are problems arising from their family and some of them are not interested after learning the concept of SHGs, no support from Banks and the Government as presented in figure 5.

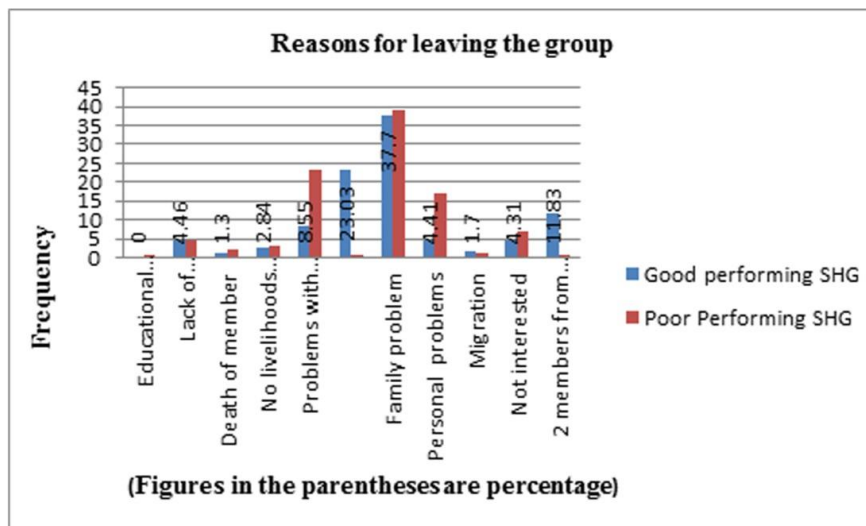


Figure 5: Reasons for leaving the group
Source: Calculated on the basis of field survey, 2013

Norms of leaving the group: Different groups have different exit norms among the Good Performing SHGs. The most common norms are: Members can leave the group but not allowed to get back her contribution with whatever interest accrued; members can leave the group with contribution only without claiming any interest from her contribution.

Among the poor performing SHGs, the most common norms are: Members can leave the group but not allowed to get back her contribution with whatever interest accrued; members can leave the group with contribution only without claiming any interest from her contribution as presented in figure 6.

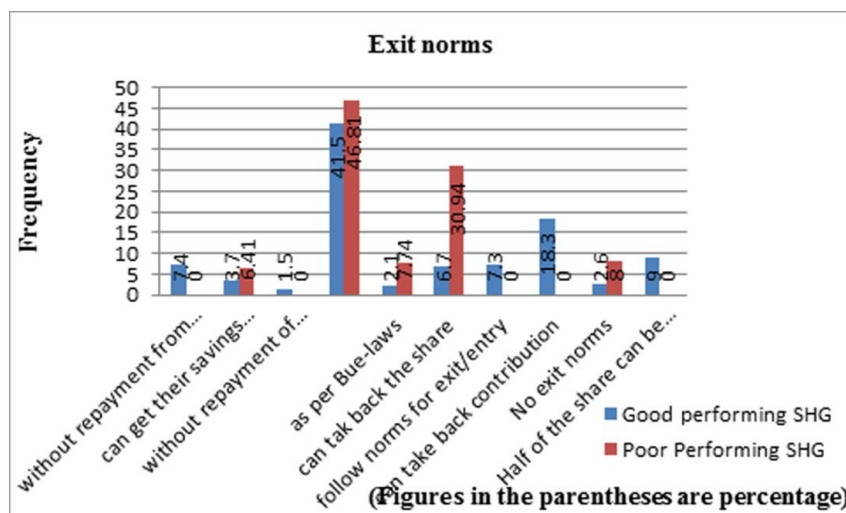


Figure 6: Exit norms
Source: Calculated on the basis of field survey, 2013

Selection and Term of Leaders: One member of the group needs to take a lead. Different groups have different norms of selection of leaders. Out of the total 208 samples surveyed among the good Performing SHGs, 3.09% have the norms of selecting their leaders where Promoters have nominated for them, 46.78 % practiced nominating their leaders and 50.14 % elect their leader which is presented at Figure 7. And the terms of leaders also vary among the groups. The data shows that 84.71% have one year leadership tenure

while 8.66 % have 2 years leadership tenure and 6.63% have 3 years leadership tenure as shown in figure 8.

Out of the total 208 poor performing SHGs samples surveyed, 3.64% have the norms of selecting their leaders where Promoters have nominated for them, 59.26% practiced nominating their leaders and 37.11% elect their leader which is presented at figure 7. And the terms of leaders also vary among the groups. The data shows that 77% have one year

leadership tenure while 6.64% have 2 years leadership tenure and 16.38% have 3 years leadership tenure as shown in figure 8.

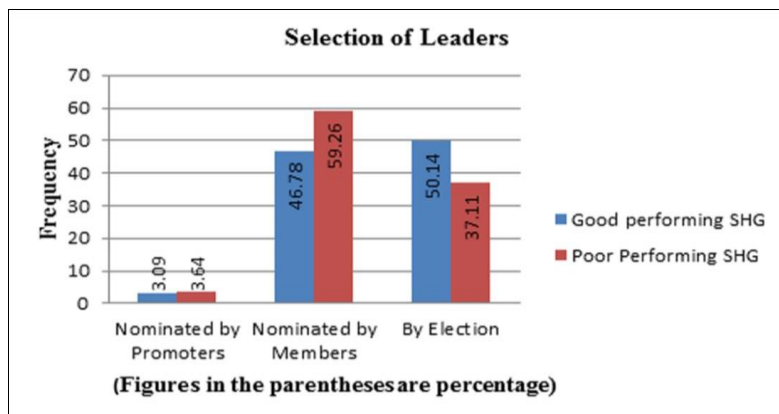


Figure 7: Selection of Leaders
Source: Calculated on the basis of field survey, 2013

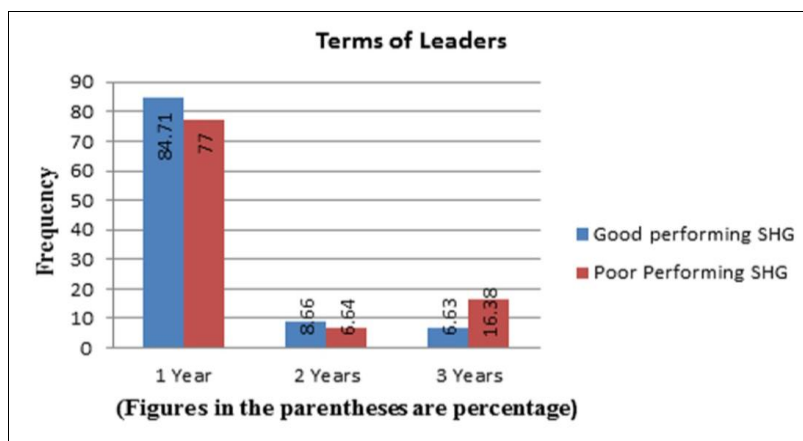


Figure 8: Terms of Leaders
Source: Calculated on the basis of field survey, 2013

Promoters of SHG: Out of the 208 Good Performing SHGs surveyed, 60.59 % are promoted by Government (BDO), 22.51% are promoted NGO under various sources, 6.31 % are promoted by Bank (Mizoram Rural Bank), 8.1% are promoted by themselves and 2.49 are promoted by others. Figure 9 presents SHGs promoted by different organizations.

Out of the 208 poor performing SHGs surveyed, 49.69 % are promoted by Government (BDO), and 26.35% are promoted NGOs, 10.73% promoted by Banks, 7.14% promoted by them and 6.11% promoted by others as presented in figure 9.

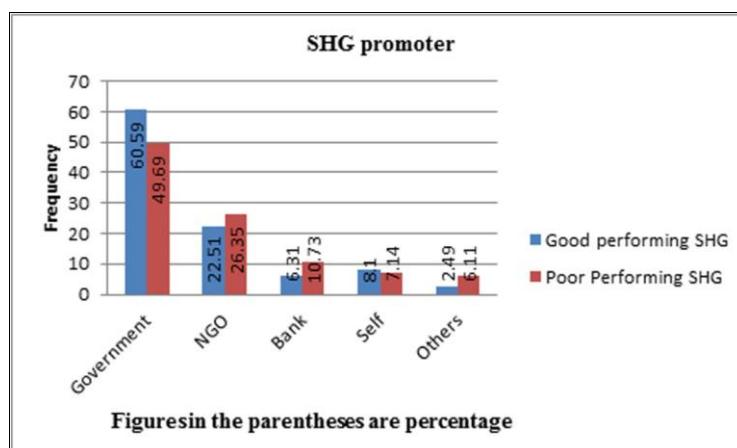


Figure 9: SHG promoter
Source: Calculated on the basis of field survey, 2013

Affiliation to Federation: The SHG Federation is a network of several SHGs and a structure evolved by SHGs

members consisting of representatives from different geographical settings with a motive of supporting members to

attain the goals of economic and social empowerment of women members and their capacity building, while Federation in Mizoram is formed only as a preparation for the rollout to NRLM fold. The Promoters advised/initiate the formation of SHGs into federation but the level of federation is the Block level which is not very appropriate for the federation structure in Mizoram. Also no activity is performed by the so-called federation except the election of leaders and contribution at the time of joining the Federation by the SHGs.

However, the data on whether the SHGs are federated at any level as shown in Figure 10 reveal that out of the total 208 good performing SHG samples surveyed, 55% are affiliated to the Block Level Federation and 45% does not have any affiliation to Federation while among the poor performing SHGs, out of the total 208 poor performing SHGs samples surveyed, 54.49 % are affiliated to Block Level Federation and 45.53 % does not have any affiliation to Federation

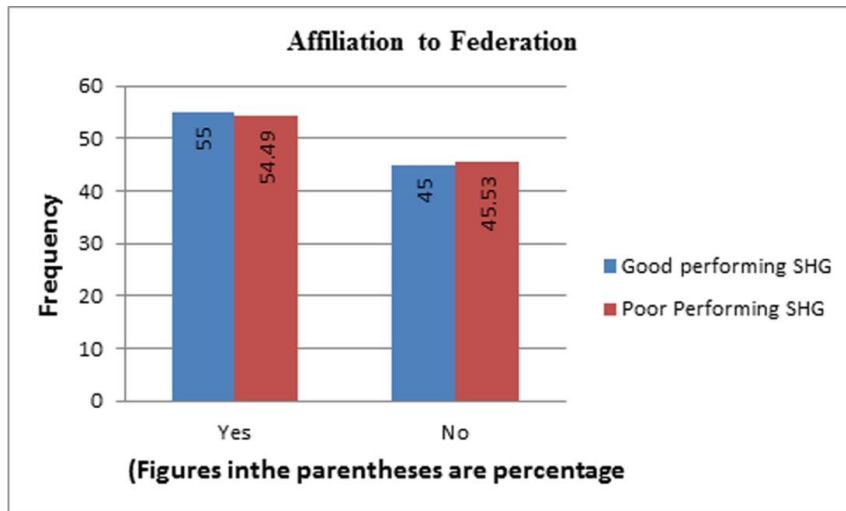


Figure 10: Affiliation to Federation
Source: Calculated on the basis of field survey, 2013

Group Meeting Frequency: A strong and cohesive group meets regularly. The members slowly learn to decide subjects for meetings. They learn to conduct meetings. They understood the value of records and documents. They want to remain together and help each other. The regular meeting is very important to be a cohesive group. The data shows that out of the 208 Good Performing SHGs samples surveyed, only 16 % have weekly meeting, 17.6 % have bi-weekly meetings, and 40.10 % have monthly meetings, 11.4% have Bi-monthly

meetings, 1.3% reported that they do have meetings at all and 13.7% have no report of meetings which is presented at Figure 11.

Among the poor Performing SHGs, 15.91% meet weekly and 19.54 % meet bi-weekly, 40.80% have monthly meetings, and 4.39% have Bi-monthly meetings. 1.21% has no meetings at all and another 18.13 % have no report of meetings.

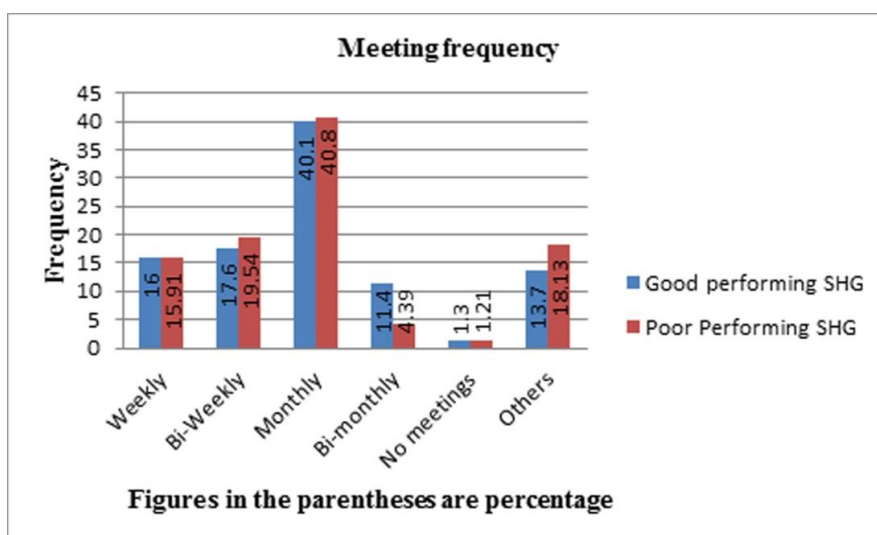


Figure 11: Meeting frequency
Source: Calculated on the basis of field survey, 2013

Group Meeting Dates: Self Help Groups choose the day of the week and venue for conducting their meetings. Figure 12 presents the norms followed in choosing the Group Meeting

Dates. The data shows that among the good performing SHGs 51.14% fixed dates while 48.78 % meet as per their conveniences without fixing the dates. Among the poor

performing SHGs, 26.77% fixed dates while 73.19% meet as per their conveniences.

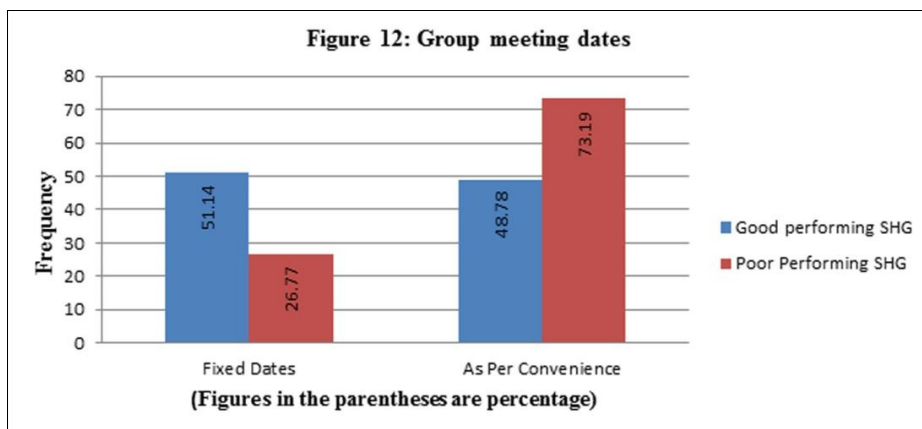


Figure 12: Group meeting dates
Source: Calculated on the basis of field survey, 2013

Average Attendance in the Meeting: Figure 13 presents the average attendance in the meeting. Majority of the good performing SHGs sample surveyed 69.11% reported an average attendance above 75% while 16.94 % reported 50-

75% attendance and 13.95% reported an attendance below 50%in the group meeting.

Among the poor Performing SHGs 11.4 % have below 50 % attendance, 28.74 % have 50 %to 75 % attendance, 59.85 % have above 75% attendance.

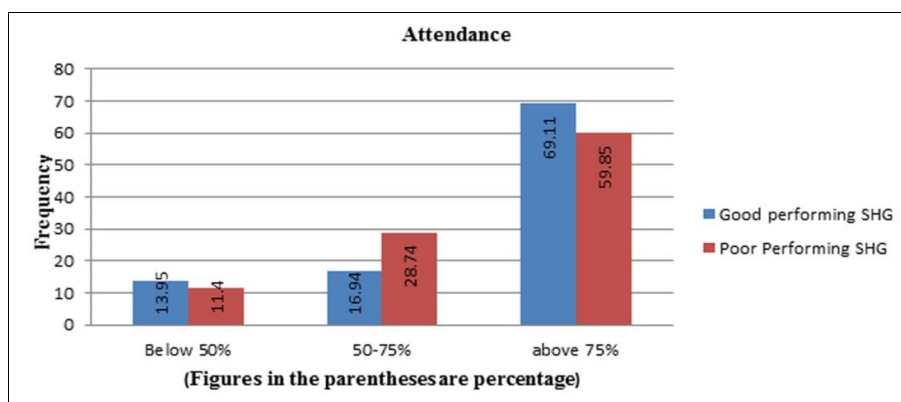


Figure 13: Attendance
Source: Calculated on the basis of field survey, 2013

Penalty for Absence from Meeting: Figure 14 presents the data of Penalty for Absence from Meeting without prior information. Among the good performing SHGs 41.74 % impose penalty for absentees from meeting without any specific reason while 58.26 % do not impose any penalty.

Among the poor performing SHGs 33.79 % impose penalty for absentees from meeting without any specific reason while 66.21 % do not impose any penalty.

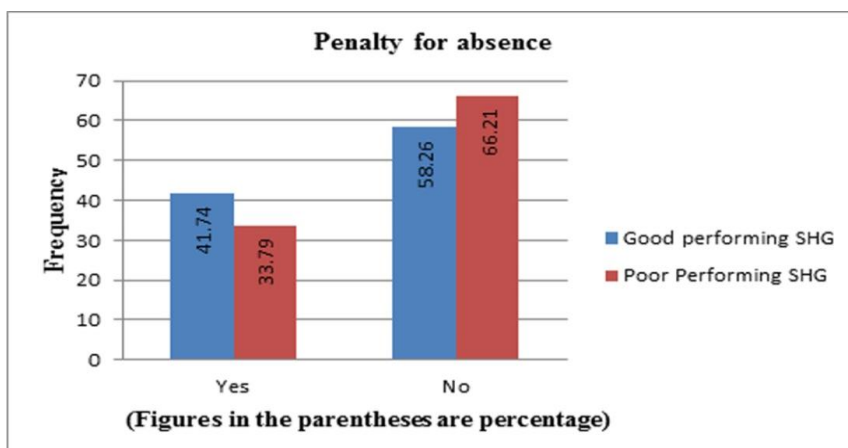


Figure 14: Penalty for absence
Source: Calculated on the basis of field survey, 2013

Group Savings Frequency: The amount may be small but savings have to be regular and continuous habit with all the members. Savings first-credit later should be the motto of every group leader. Group members learn how to handle large amount of cash through savings which is very useful when they use bank loans. Figure 15 presents the data on the frequency of group savings contribution. The data shows that among Good Performing SHGs, majority of the group (78.84%) save monthly while 7.06 % save weekly and another 12.10 % save bi-monthly and 2% save as per their convenience. Among the

poor performing SHGs 13.34% save weekly, 22.09% save Bi-weekly, 37.46 % save monthly and 27.13% save as per their convenience.

Further information on amount of group savings contribution per member at the time of group formation and at present are collected, the average amount of savings contribution per member at the beginning of group formation is Rs. 10/- while the amount at present is increased to Rs, 500/- in both the good and poor performing SHGs which is present at figure 15.

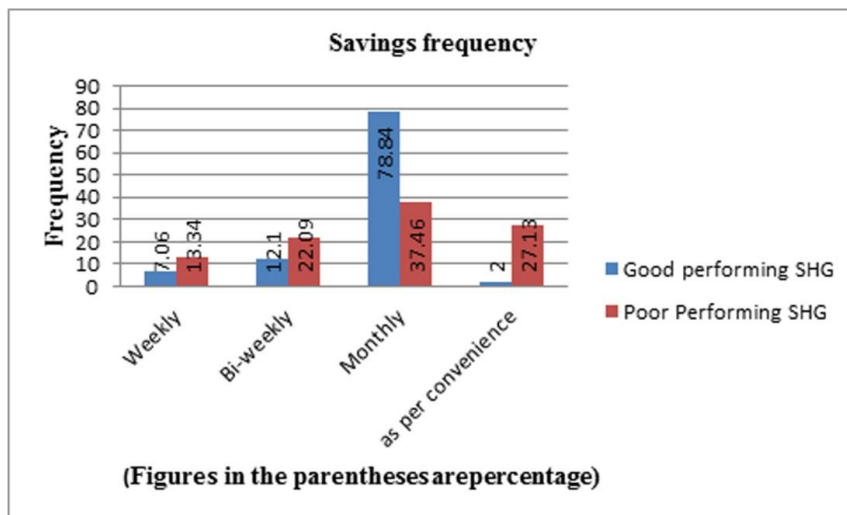


Figure 15: Savings frequency
Source: Calculated on the basis of field survey, 2013

Books of Accounts: Proper Maintenance of Books of Accounts is one of the five Basic Principles that the Self-help Groups needs to follow as Non-Negotiable for their functioning. Followings are the main Books of records that the SHGs usually maintained.

Attendance Register: Figure 16 present the data that among good performing SHGs, 52.47% maintains Attendance Register while 42.26% of the surveyed samples do not maintain proper Attendance Register while among the poor performing SHGs, 46.61% maintains Attendance and 53.38% do not maintain Attendance Register.

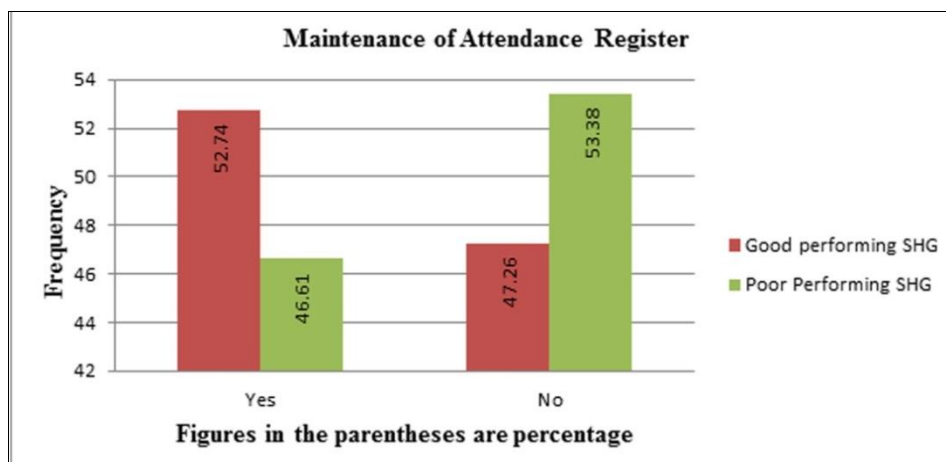


Figure 16: Maintenance of Attendance Register
Source: Calculated on the basis of field survey, 2013

Bank Pass Book: All the surveyed SHGS maintained Bank passbook in both the cases as presented in figure 17.

General Ledger: None of the surveyed samples maintains General Ledger on both cases as presented in figure 17.

Minute Book: All the surveyed SHGS maintained Minute Book in both the cases as presented in figure 17.

Who maintained the books: In all the surveyed samples, all SHGs maintained Books of Accounts themselves in both cases as presented in figure 17

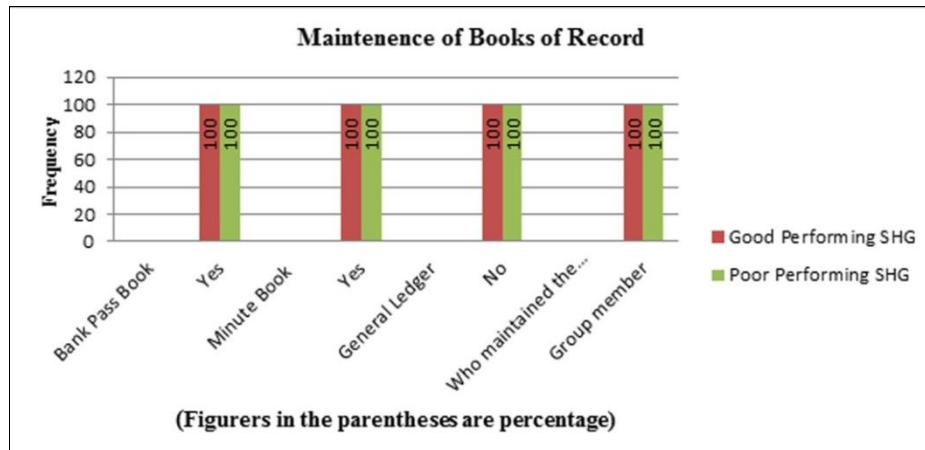


Figure 17: Maintenance of Books of Record
Source: Calculated on the basis of field survey, 2013

Individual Pass Book: The data from figure 18 reveals that among good performing SHGs, 18.16% only have Individual Passbook while 81.84 % do not have Individual

Passbook. Among the poor performing SHGs 43.25% maintains Individual Passbook while 56.88% do not have Individual Passbook.

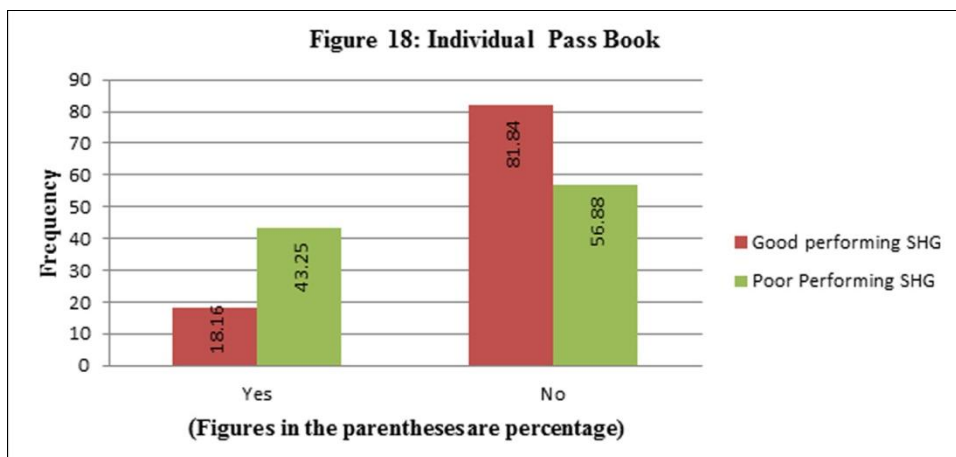


Figure 18: Individual Pass Book
Source: Calculated on the basis of field survey,2013

Individual Saving Ledger: The data from figure 19 reveals that among good performing SHGs, 7.18% have Individual Saving Ledger while 92.83 % do not have Individual

Saving Ledger while among the poor performing SHGs, 18.44% have Individual Saving Ledger and 81.56 % do not have Individual Saving.

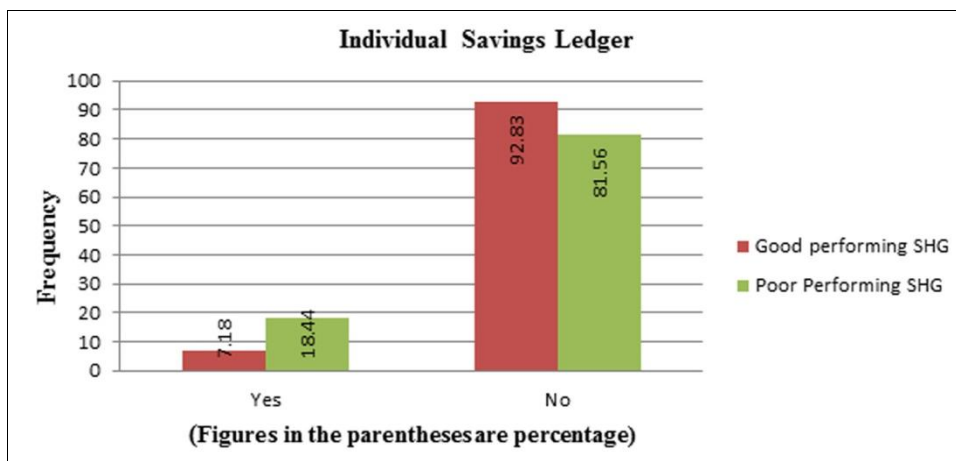


Figure 19: Individual Savings Ledger
Source: Calculated on the basis of field survey,2013

Individual Loan Ledger: The data from figure 20 reveals that among good performing SHGs, 6.33% have Individual Loan Ledger while 93.68 % do not have Individual Loan Ledger while

among the poor performing SHGs, 1.98% have Individual Loan Ledger and 98.01% do not have Individual Loan Ledger.

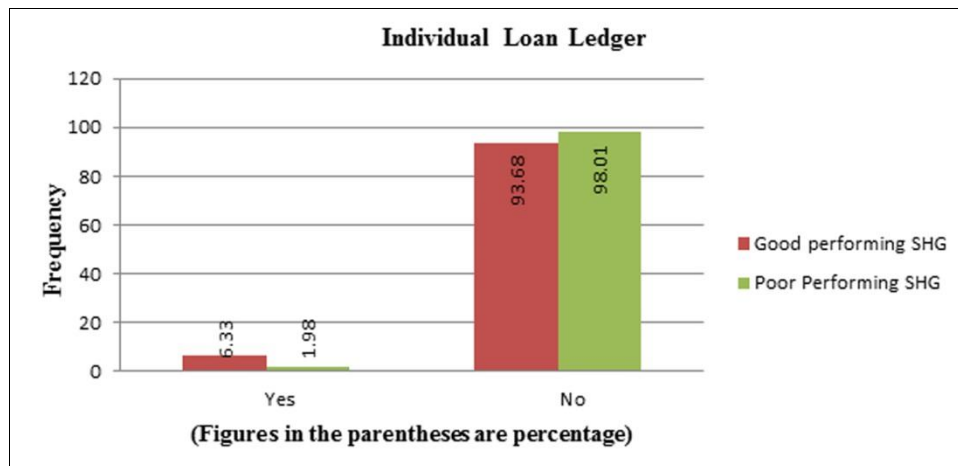


Figure 20: Individual Loan Ledger
 Source: Calculated on the basis of field survey, 2013

Cash Book: Among good performing SHGs 70.1 % maintained Cash Book while 29.9% do not have Cash Book while among the poor performing SHGs, 66.18% maintained

Cash Book while 33.83 % do not have Cash Book which is available at figure 21.

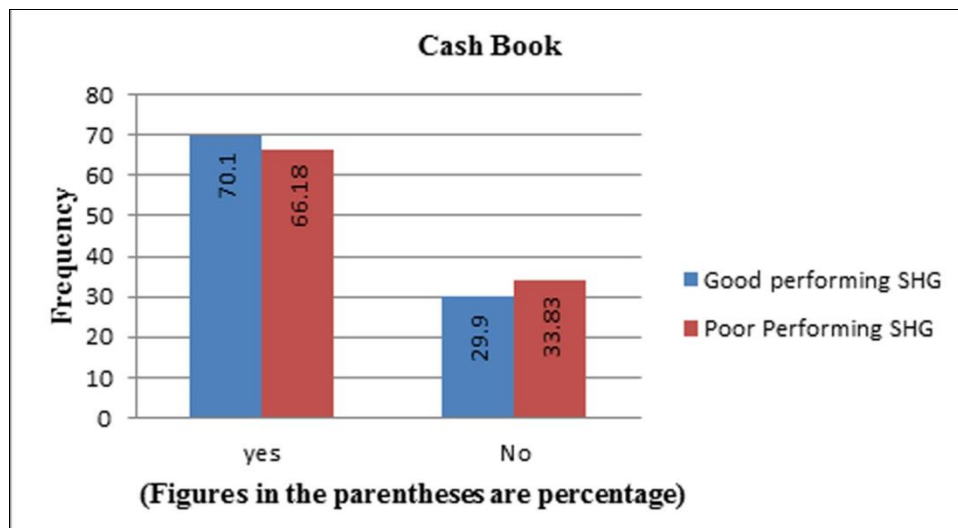


Figure 21: Cash Book
 Source: Calculated on the basis of field survey, 2013

Regular audit of accounts: Among the good performing SHGs, 66.9% are auditing their Accounts regularly by themselves while 33.1% do not audit properly while among the poor performing SHGs, 48.5% are auditing their Accounts

regularly by themselves while 51.5 % do not audit properly which is available at Figure 22. In both the cases, the Books of accounts are audited by the SHGs themselves.

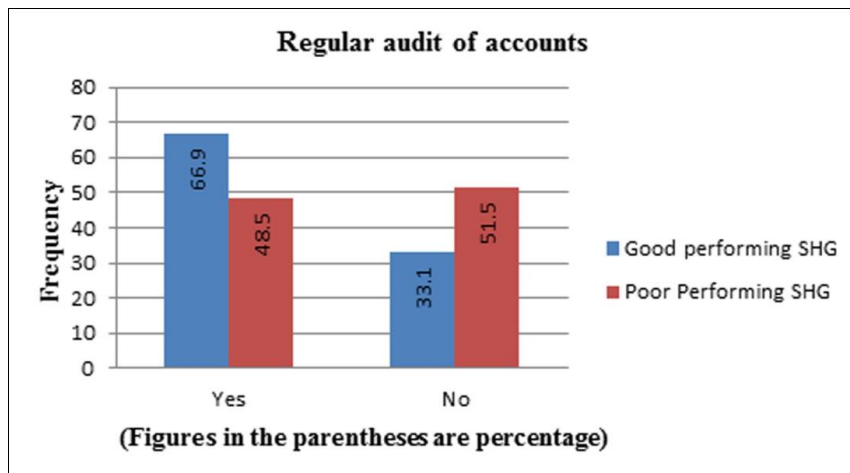


Figure 22: Regular audit of accounts
Source: Calculated on the basis of field survey, 2013

SHG-Bank Linkage: Soon after an SHG is formed, one or two meetings are held where the savings are collected; a saving bank account can be opened in the name of the SHG. Figure 23 presents the information on SHG-Bank Linkage. The data shows that among good performing SHGs, 94.24% of

them are linked (savings linked) to the Bank and 5.76 % do not have linkage. Mostly they are linked to the Mizoram Rural Bank while among the poor Performing SHGs, 80.58 % are linked to the Bank, 18.55% does not have any linkage.

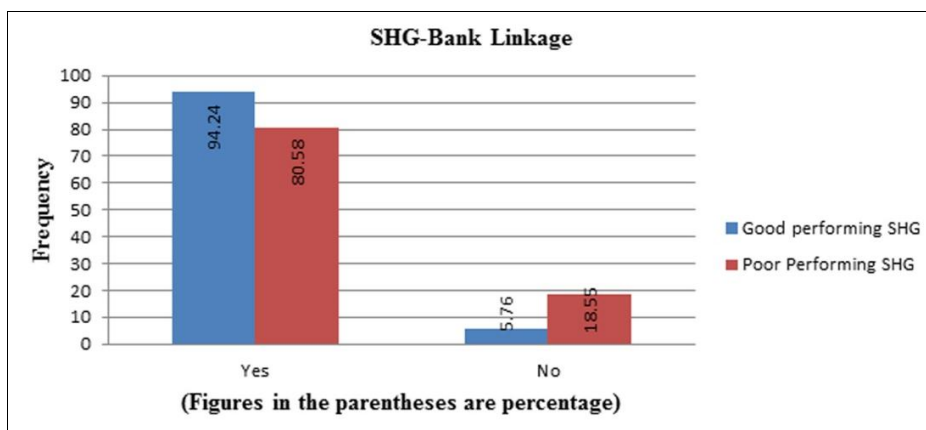


Figure 23: SHG-Bank Linkage
Source: Calculated on the basis of field survey, 2013

Availability of Banks: Further, the SHGs were asked whether Banks are available in their villages which they can access. The results as presented in Figure 24 shows that among good performing SHGs, 60.88 % have Bank in their own villages while 39.13 % do not have Banks in their own

village. And the average distance of Banks is 14.6 kms while among the poor performing SHGs, 69.11% have Bank in their own villages while 31.51% do not have Banks in their own village. And the average distance of Banks is 13kms.

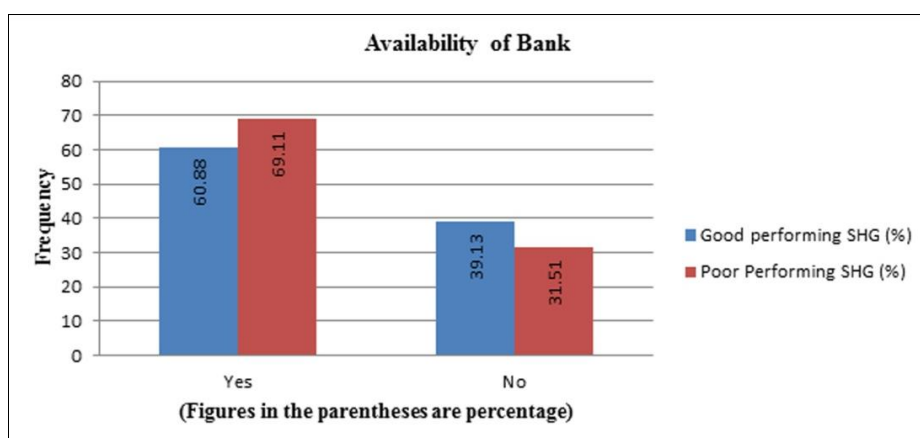


Figure 24: Availability of Bank
Source: Calculated on the basis of field survey, 2013

Mode of Bank Account Operation: Among the good performing SHGs, 17% have opened Single account while 83% have opened joint account. Among the poor performing SHGs,

51.09% opened single account while 48.91% opened single account as presented at figure 25.

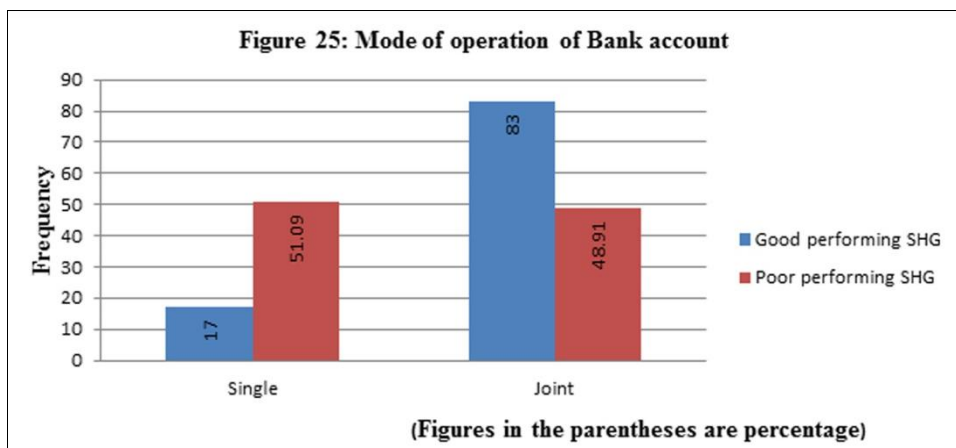


Figure 25: Mode of operation of Bank account
Source: Calculated on the basis of field survey, 2013

Group Savings (Corpus Fund): Once an SHG is formed, they contribute some amount whenever they meet viz. weekly, fortnightly or monthly. This amount of savings is called the Common Fund or the Corpus Fund. On an average, from the

total samples surveyed, majority of the Good Performing SHGs save an amount of Rs.6000/- to Rs 10,000/-while majority the poor performing SHGs save an amount of Rupees less than 1,000/- which is available at table 1.

Table 12: Group saving (Rs)

Amount of Group Savings (Rs)	Good performing SHG	Poor Performing SHG
1000	9.04	25.91
2000	9.35	8.33
3000	6.66	8.39
4000	7.61	8.69
5000	5.98	6.96
6000	10.58	7.13
7000	6.55	4.98
8000	7.90	8.59
9000	6.50	4.98
10000	10.84	4.55
11000	7.44	4.59
12000	4.26	4.36
13000	4.25	1.29
14000	3.09	1.28
15000	100.00	100.00

Source: Calculated on the basis of field survey, 2013

Credit Linkage (Bank Loans/Grants): The main sources of these credits are the Capital subsidy availed from the DBO, DRDA under the SGSY. On the information whether the SHGs avail Capital Subsidy or not, figure 26 reveals that among Good Performing SHGs, only 28.34% have availed Capital subsidy while 71.66% do not avail Capital Subsidy. 35.26 % of those who have availed Capital subsidy repay the loan on time while 45.08 % do not repay on time and another 19.66% do not have

answer which indicates that they do not repay at all as presented in figure 27.

Among the poor performing SHGs, only 22.49% have availed Capital subsidy while 77.51% do not avail Capital Subsidy. 13.49% of those who have availed Capital subsidy repay the loan on time while 40.79 % do not repay on time and another 45.70% do not have answer which indicates that they do not repay at all.

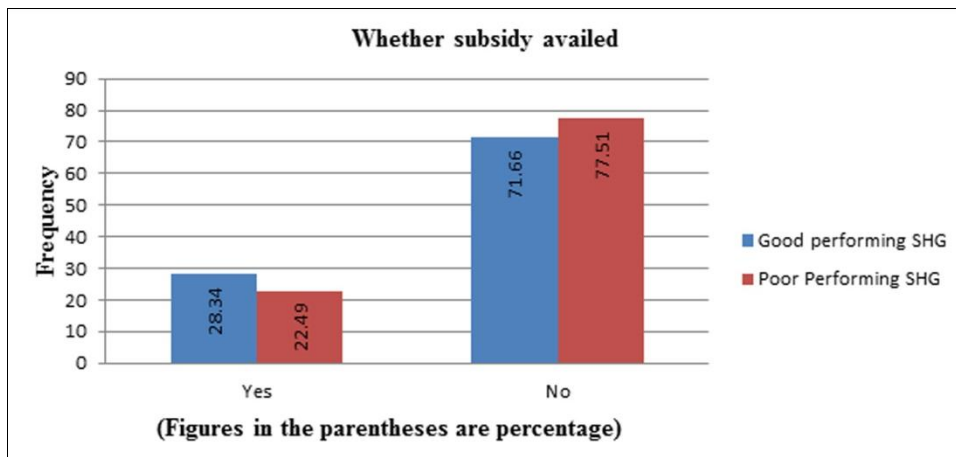


Figure 26: Whether subsidy availed
Source: Calculated on the basis of field survey, 2013

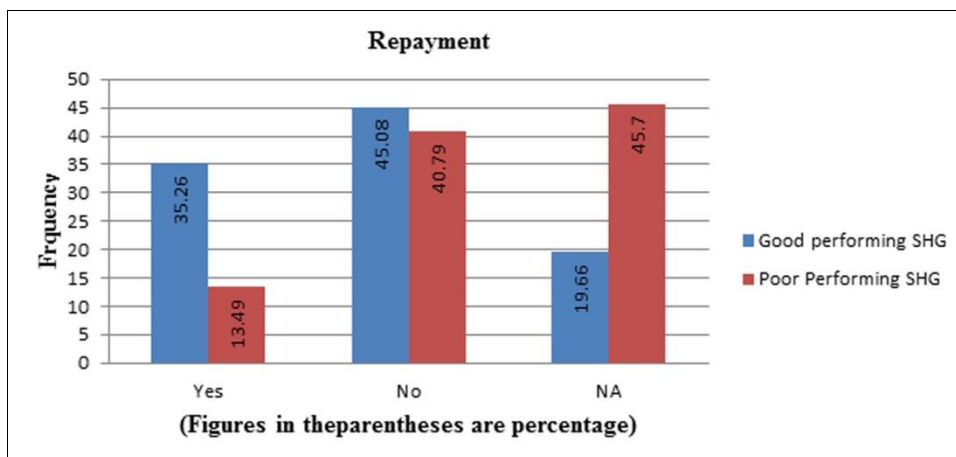


Figure 27: Repayment
Source: Calculated on the basis of field survey, 2013

Amount of Capital Subsidy: Among the good performing SHGs, 60.12% have availed less than Rs. 1,00,000/- and 39.88% have availed capital subsidy ranging from Rs. 1,00,000/- to Rs. 3,00,000/-.

Among the poor performing SHGs, 68.30% have availed Capital Subsidy of less than Rs. 1,00,000/- and 31.61% have availed capital subsidy amount ranging from Rs. 1,00,000/- to Rs. 2,25,000/- as presented at figure 28.

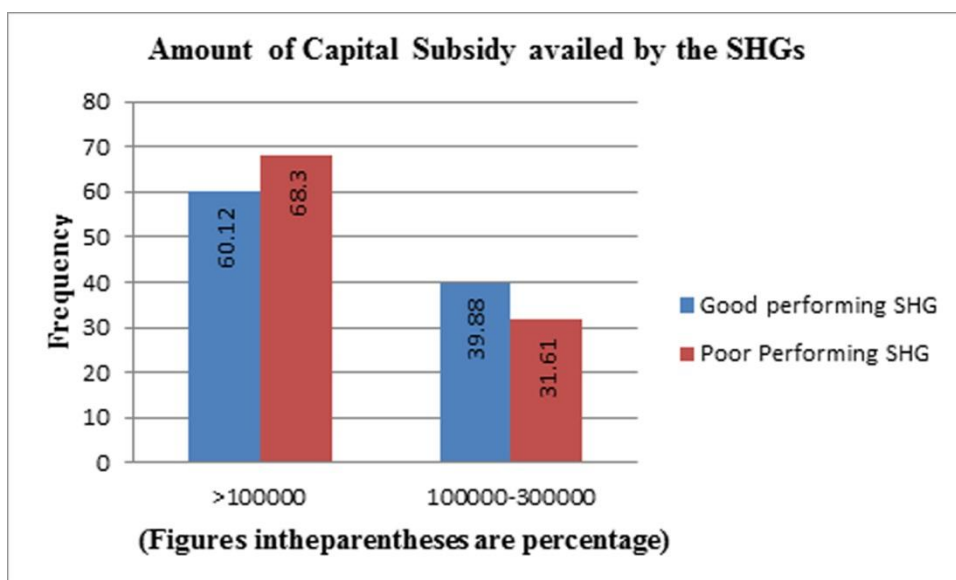


Figure 28: Amount of Capital Subsidy availed by the SHGs
Source: Calculated on the basis of field survey, 2013

Internal Lending: The SHGs savings are to be used as loans for members. The purpose of loans, amount, rate of interest etc. is to be decided by the group itself. SHG are expected to lend small amount of loan to the members from their Corpus fund as loans at a fixed rate of interest having a loan period which is decided by the group. The SHGs were asked whether they practice Internal Lending among members and the results are presented at figure 29. Out of the Good Performing SHGs surveyed samples, 75.5% practiced Internal

Lending while 24.50 % do not practice Internal Lending. And the rate of interest of Internal Lending at the beginning is 2% to 10% which is remarkably high.

Among the poor performing SHGs, Out of the survey sample, 30.49 % practice Internal Lending while 69.05 % do not practice Internal Lending. And the rate of interest of Internal Lending at the beginning is 2% to 10% which is remarkably high.

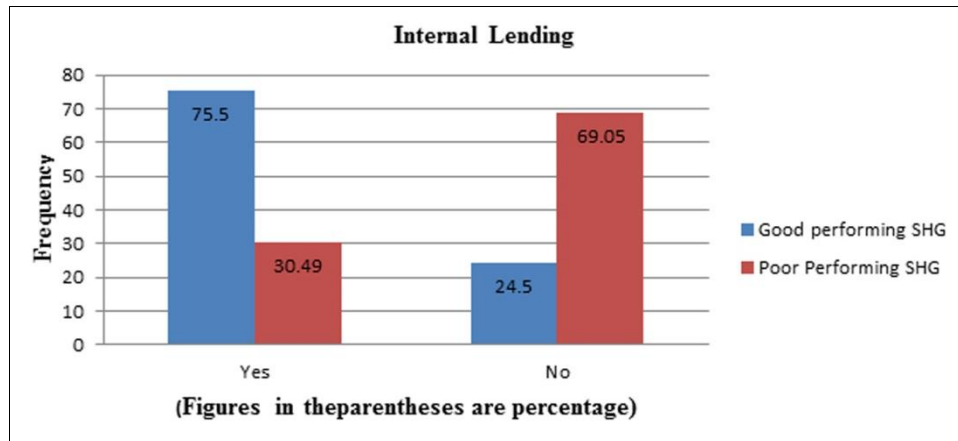


Figure 29: Internal Lending
Source: Calculated on the basis of field survey,2013

Purpose of loan (Internal Lending): Among Good Performing SHGs, the data report that 40.34 % of Internal Loan is for Income Generation, 21.64 % for Household Consumption, 27.59 % is for Both Income Generating & Household Consumption and another 10.44 % have utilized it for other purpose. Among the poor performing SHGs 27.03% of Internal Loan is for Income Generation, 16.19 % for Household

Consumption, 92.9% have utilized it for Other purposes While among the poor performing SHGs, 28.11% have used it for Income generation, 27.03% have used it for Household consumption, 16.19% have used it for Both income generation and household consumption and another 28.68 % have used it for Other purposes as presented at figure 30.

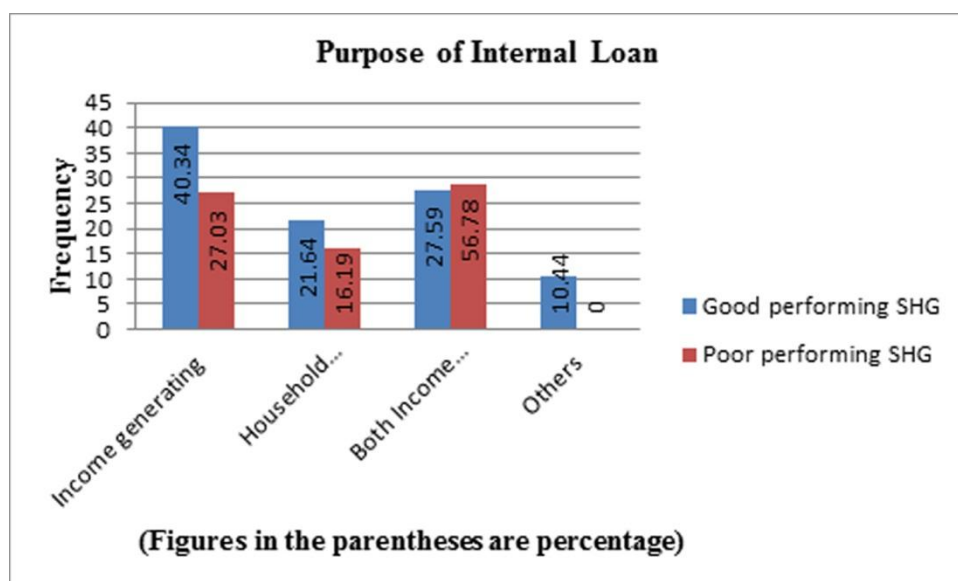


Figure 30: Purpose of Internal Loan
Source: Calculated on the basis of field survey,2013

Repayment of Internal Loan and Recovery Rate:

Among Good Performing SHGs the repayment schedule of Internal Lending is presented in the Figure 31. 39.91% repay monthly, 23.99 % repay quarterly, 14.14 % repay yearly,

15.75% repay as per convenience and 6.19% do not have answer which indicates that they are not repaying properly. Among the poor performing SHGs 24.89% repay monthly, 23.45% repay quarterly, 8.39% repay yearly while

14.93% repay as per convenience and another 28.35% do not have answer which indicates that they are not repaying properly.

Among Good Performing SHGs the recovery rate of Internal Lending is presented in the figure 32, 51.7% have fully

recovered, 24% have recovered above 75%, and another 24.25% have recovered 50-75%. Among the poor performing SHGs 43.09% have fully recovered and 18.84% have above 75% recovery while 6.19% have 50-75% recovery which is available at figure 31 and 32.

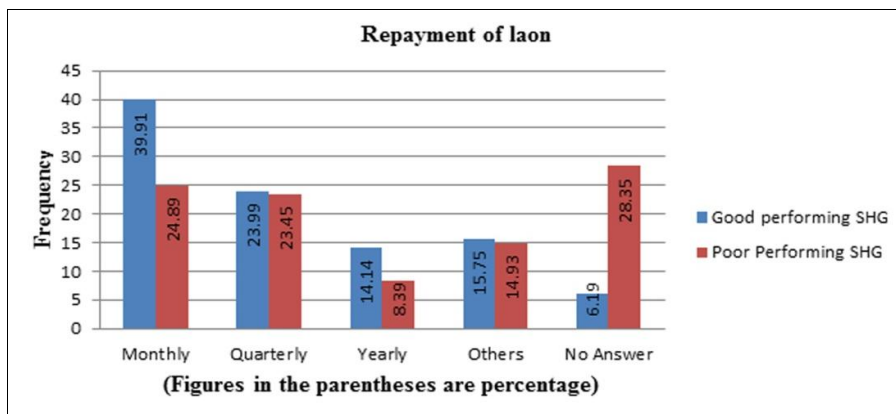


Figure 31: Repayment of loan
Source: Calculated on the basis of field survey, 2013

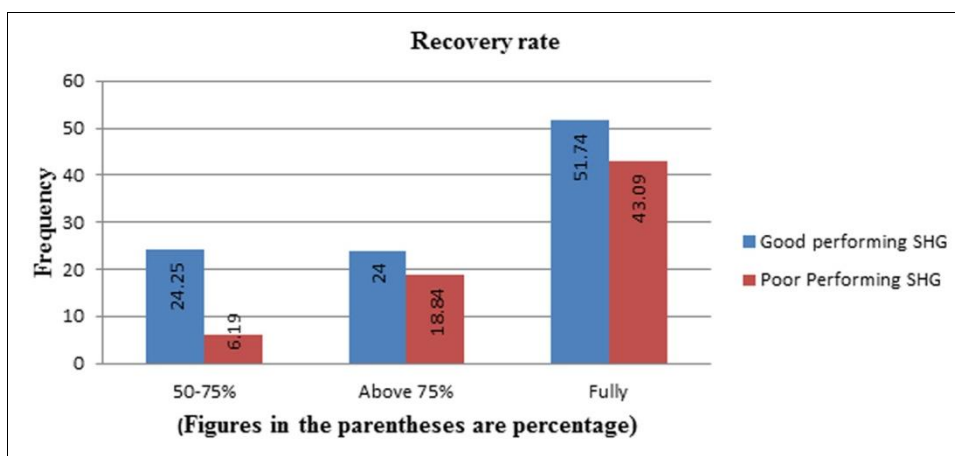


Figure 32: Recovery rate
Source: Calculated on the basis of field survey, 2013

Established linkage with other agencies: The SHGs were asked whether they have linkage with other agencies and the figure 33 presents their participation. Among Good Performing SHGs 33.91% have linkages while 66.09% do not have linkages. 45.04% have reported to participate in community services while 54.96% do not participate in Community services. Participation is usually in the church and

the local women organization. They also have leadership in their organization such as the President and Secretary. While among the poor performing SHGs, 28.46% have linkages and the other 72.04% do not have any linkages. 28.45% have reported to participate in the community services while another 71.55% do not participate in the community services as presented at figure 33.

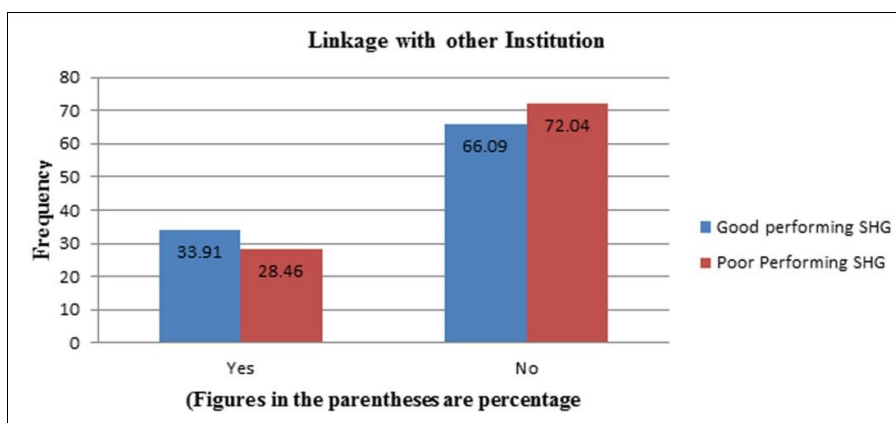


Figure 33: Linkage with other agencies
Source: Calculated on the basis of field survey, 2013

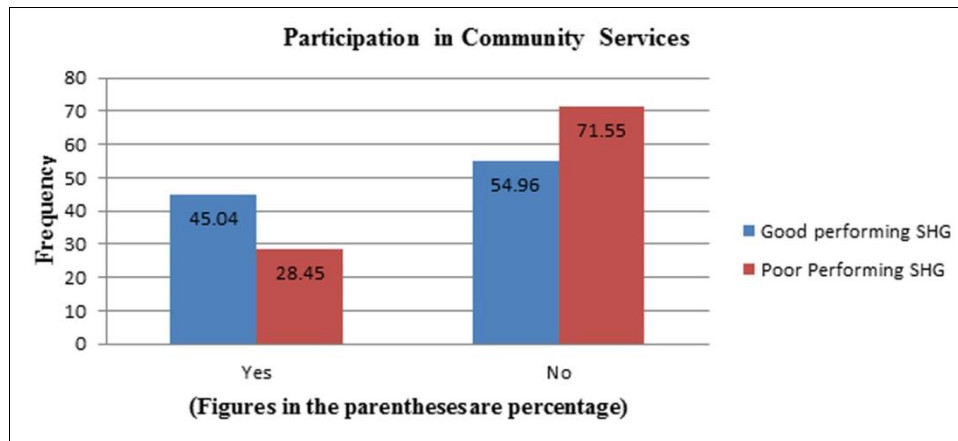


Figure 34: Participation in Community Services
 Source: Calculated on the basis of field survey, 2013

Formation of another SHG: The task of SHG formation is not an easy one that can be achieved over a short period of time. It requires a lot of efforts and commitments. Figure 35 presents whether the SHGs extended help for formation of new groups. Only 18.03% have extended help for formation of new group while

91.98% do not extend help for formation of new group among the good performing group while among the poor Performing group only 6.05% have extended help for formation of new groups while 93.95 % does not extend any help for formation of new groups.

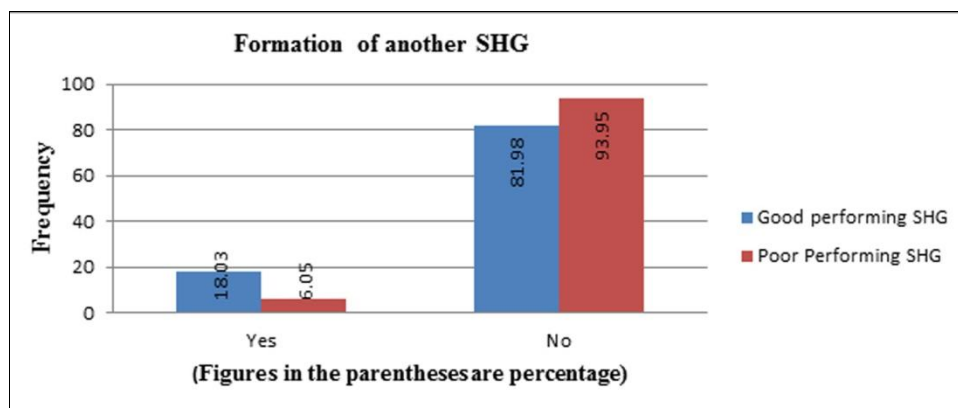


Figure 35: Formation of another SHG
 Source: Calculated on the basis of field survey,2013

Main problems of SHGs: The good performing SHGs were asked the main problems they have encountered, figure 36 presents the problems they faced. First comes the bank, not availability of bank in the village secondly no group cohesiveness followed by no livelihoods support and not enough support from the government and other organization and family. 25.3% have problems with the Banks, 20.7% have problems of lack of group cohesiveness, 19.86% received no proper support from the Government and the promoter, 27.9 %

lacks livelihoods support and another 6.23% have their own family problem.

Among the poor performing SHGs, the problems reported are more or less the same ration like problems with banks, No group cohesiveness, No support from Government, No Livelihoods support and family problem. 16.39 have problems with the Banks, 20.63% have problems of group cohesiveness, 19.08% received no support from the government, 21.76% lacks livelihoods support and 22.18% have their own family problem.

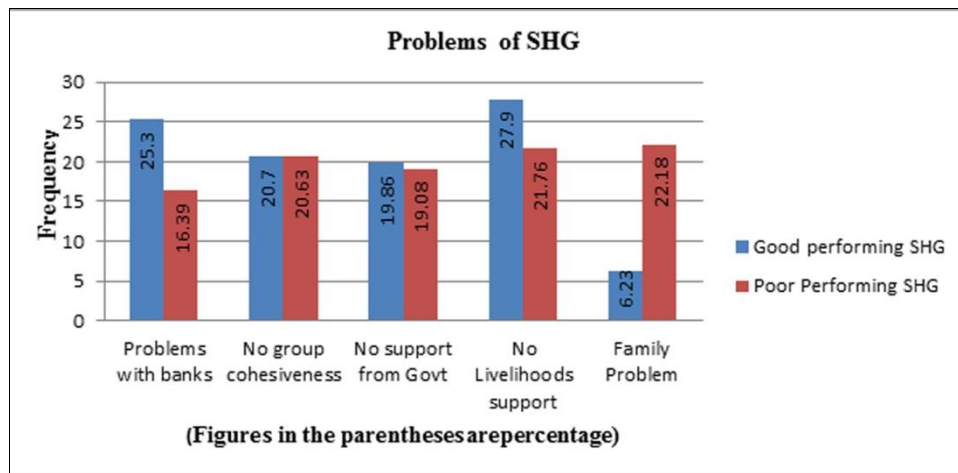


Figure 36: Problems of SHG
 Source: Calculated on the basis of field survey, 2013

The Field Investigators Perception on the SHGs: The Investigators were also asked to give report on their perception on SHG and figure 37-44 presents the report on homogeneity, cohesiveness, motivational level, maintenance of records, maintenance of accounts, Self Reliance in Managing Groups, Self Reliance in Managing Economic Affairs and Reliability of Information Provided by SHG etc. The Good performing SHG are better off almost in all of the observations made by the Field Investigators.

Observation on homogeneity: According to the Field Investigators perception, among the Good performing SHGs, 20.04% were rated very high on homogeneity, 44.84% rated high on homogeneity, 26.06% were rated medium on homogeneity and 9.06% were rated low on homogeneity while among the poor performing SHGs, 13.12% were rated very high on homogeneity, 48.25% were rated high on homogeneity, 25.17% were rated medium on homogeneity and 13.48% were rated very low on homogeneity as perceived by the field Investigators as presented at figure 37.

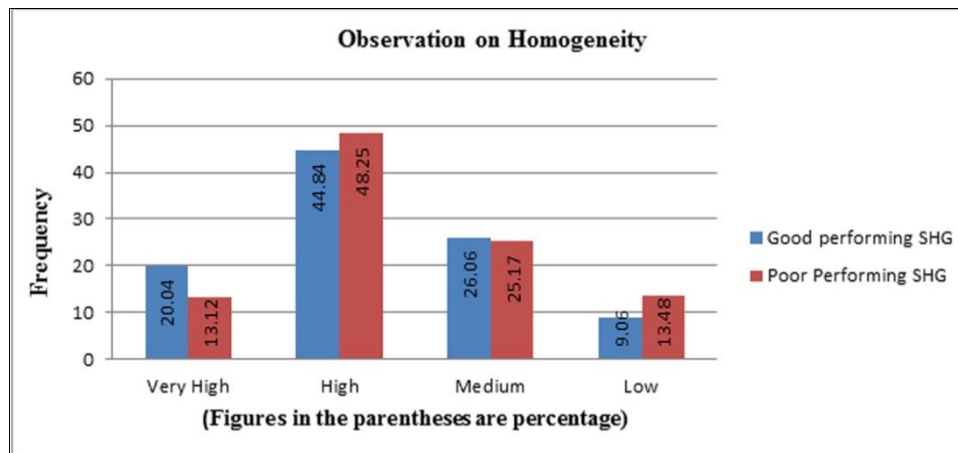


Figure 37: Observation on Homogeneity
 Source: Calculated on the basis of field survey, 2013

Observation on Cohesiveness: According to the perception of the Field Investigators, 22.54% were rated very high level on group cohesiveness, 43.28% high level, 25.16% medium level of group cohesion, 3.96% were rated low on group cohesion and 5.1% were rated very low on group

cohesiveness. While among the poor performing SHGs, 17.7% were rated very high. 39.27% were rated high, 35.2% were rated medium on group cohesiveness and 7.73% were rated low on group cohesiveness as presented at figure 38.

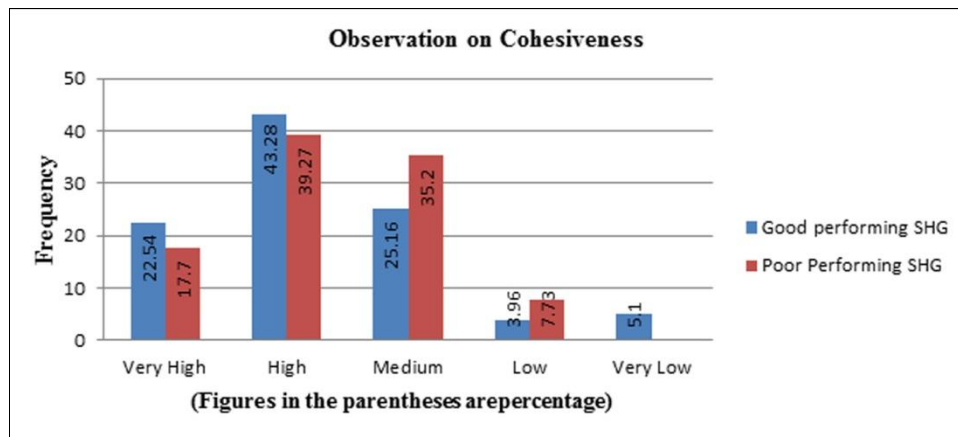


Figure 38: Observation on Cohesiveness
 Source: Calculated on the basis of field survey,2013

Observation on Motivation: According to the field Investigators, among the Good performing SHG, 19.96% were rated very high on motivational spirit, 43.1% were rated high, 24.78% medium, 10.72% low on motivation and 1.44% very

low on motivation. While among the poor performing SHGs, 29% are rated high on motivation, 40.2% are rated medium, 18.74% low level on motivation and 8.62% very low on motivation as presented at figure 39.

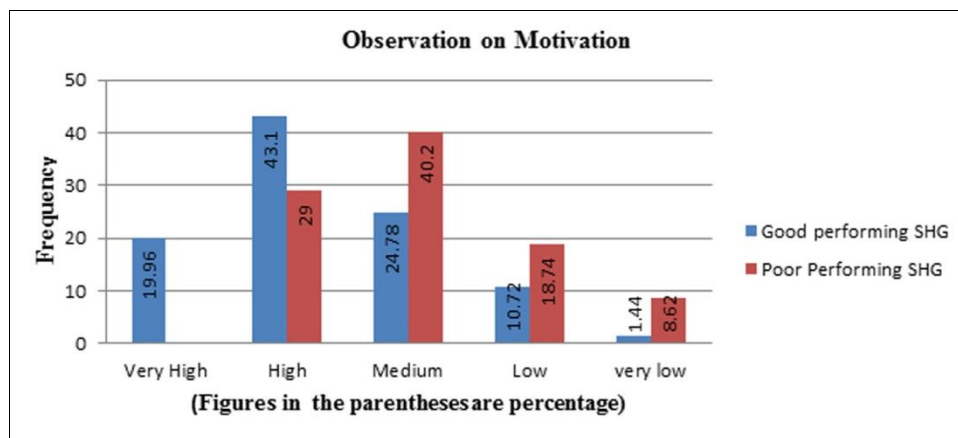


Figure 39: Observation on Motivation
 Source: Calculated on the basis of field survey,2013

Observation on Maintenance of Records: Among the good performing SHGs, 15.96% were rated very high on maintenance of Books of records, 31.9% were rated high, 35.46% medium, 9.7% low on motivation and 6.96% very low on motivation as perceived by the Field Investigators. While

among the poor performing SHGs, 13.8% were rated very high on Maintenance of Books of records, 34.43% were rated high, 20.95 % medium, 18.87% were rated low and another 11.94% were rated very low on maintenance of books of records as perceived by the Field Investigators as presented at figure 40.

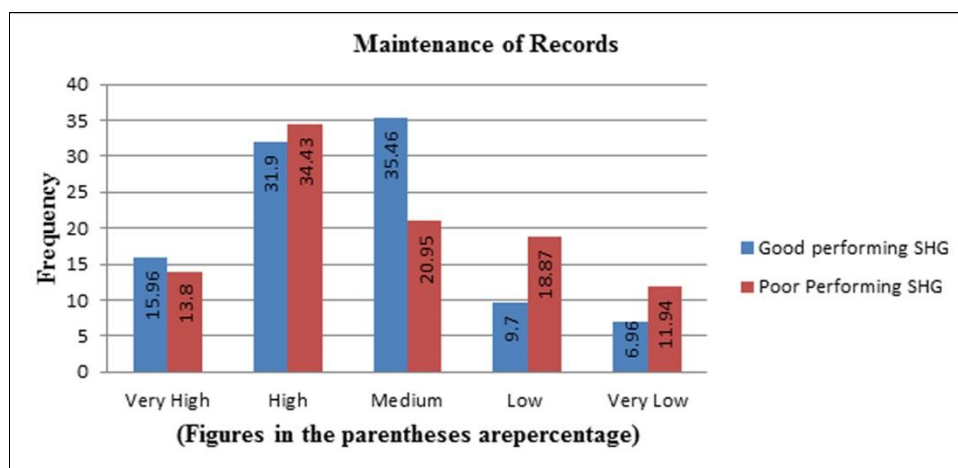


Figure 40: Maintenance of Records
 Source: Calculated on the basis of field survey,2013

Observation on maintenance of Accounts: Books of Accounts include General Cash Book, Passbook, and General Ledger, Individual savings Ledger, Individual Loan Ledger and Individual Passbook etc. Among the good performing SHGs, 18.7% were rated very high on maintenance of accounts, 29.36% were rated high, 26.6% were rated medium level, 19.94% were rated low and another 5.38% were rated very low on

maintenance of Books of Accounts as perceived by the Field Investigators. While among the poor performing SHGs, 13.45% were rated very high on maintenance of Books of accounts, 22.05% were rated high, 15.61% were rated medium level, 6.7% were rated low and another 8.85% were rated very low on maintenance of Books of Accounts as perceived by the Field Investigators as presented at figure 41.

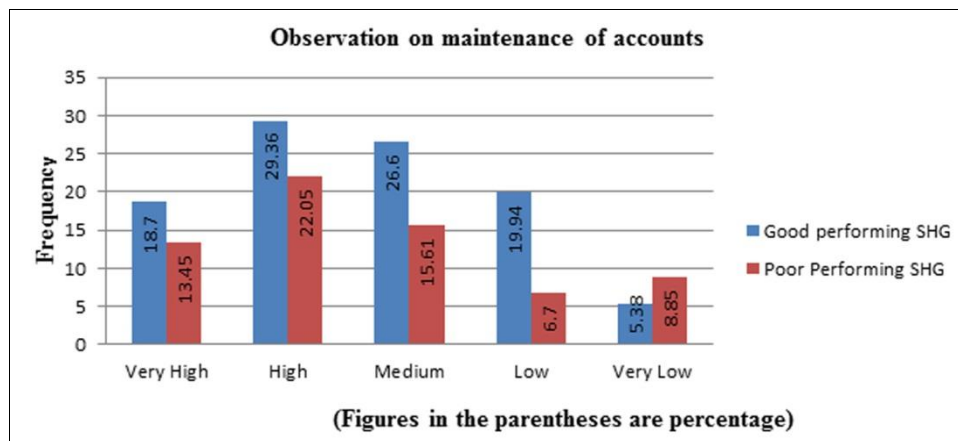


Figure 41: Observation on maintenance of accounts
Source: Calculated on the basis of field survey, 2013

Observation on Self Reliance in managing the group: As perceived by the field Investigators, among the good performing SHGs, 13.92% were rated very high on Self-Reliance in Managing the group, 42.08% were rated high, 16.94% were rated medium level, 21.52% were rated low on self -reliance in managing the group and another 5.56% were

rated very low as perceived by the Field Investigators. While among the poor performing group, 9.12% were rated very high on self-reliance in managing the groups, 24.75% were rated high, 27.05% were rated medium level, 14.23% were rated low level and another 8.18% were rated very low on self-reliance in managing the group as presented at figure 42.

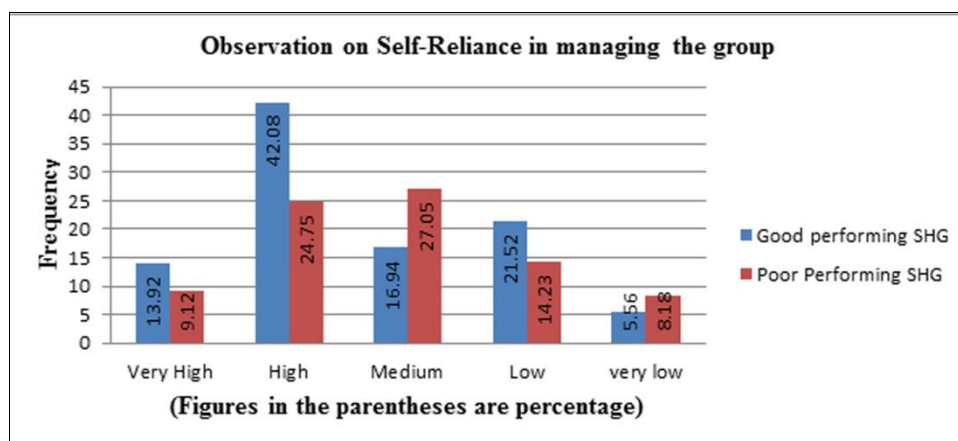


Figure 42: Observation on Self-Reliance in managing the group
Source: Calculated on the basis of field survey, 2013

Observation on Self-Reliance in managing Economic affairs: As perceived by the Field Investigators, among the good performing SHGs, 9.56% were rated very high on Self-reliance in managing economic affairs, 42.84% were rated high, 21.8% were rated medium level, 14.38% were rated low and another 11.42% were rated very low on self-reliance in

managing economic affairs. While among the poor performing SHGs, 7% were rated very high on self-reliance in managing economic affairs, 31.8% were rated high, 23.05% were rated medium level, 12.01% were rated low and another 9.46% were rated very low on self-reliance in managing economic affairs as presented at figure 43.

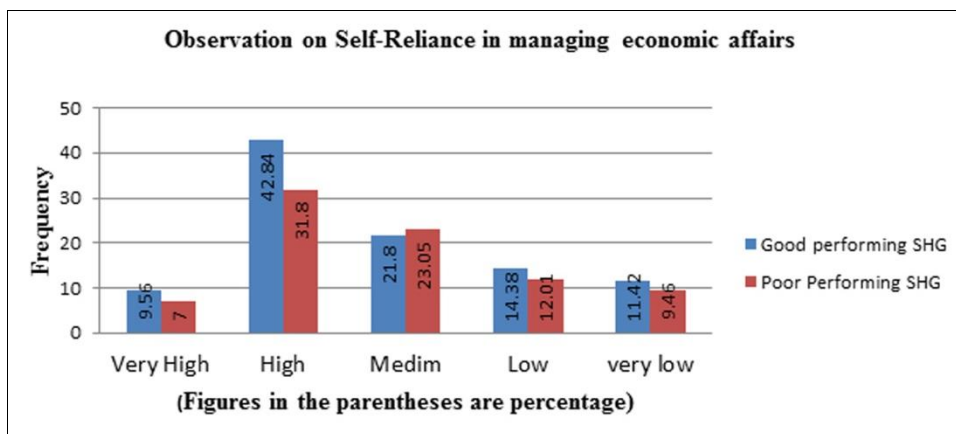


Figure 43: Observation on Self-Reliance in managing economic affairs
Source: Calculated on the basis of field survey,2013

Observation on Reliability of Information provided by the group: As perceived by the Field Investigators, among the good performing SHGs 15.88% were rated very high on the reliability of information provided by the group, 51.36% were rated high 21.04% were rated medium level, 6.96% were rated low and another 4.58% were rated very low on Reliability of

Information provided by the group as perceived by the Field Investigators. While among the poor performing group, 8.75% were rated very high, 28.05% were rated high, 15.61% were rated medium level, 8.2% were rated low and another 6.03% were rated very low on reliability of information provided by the group as presented at figure 44.

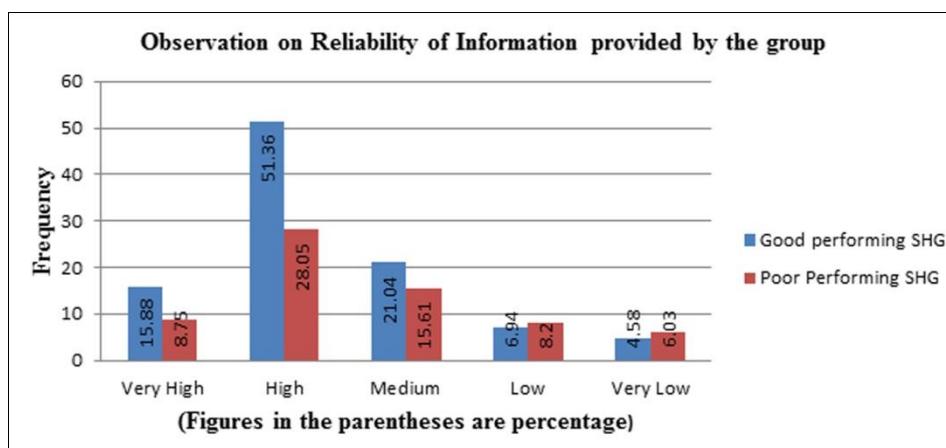


Figure 44: Observation on Reliability of Information provided by the group
Source: Calculated on the basis of field survey, 2013

4. Conclusion

From the Results and Discussion derived from the study it was concluded that those groups (Good performing SHGs) who followed the Five Basic Principles have performed better in all the criteria. Therefore continuous efforts also have to be made in strengthening existing SHGs by way of Capacity Building (based on the Five Basic Principles/Pancha Sutras). Initiatives have to be taken in villages where there is no functioning SHG and forming more SHGs in villages having the SHGs also. It was also observed that there are more SHGs formed in the recent years i.e. 'during 2008-12' and after' which maybe an indication that most of the SHGs formed during the earlier years have not sustained themselves. There is a need to put more efforts towards sustaining the SHGs from the initial stage of group formation.

Most of the existing SHGs are promoted by the Government with few of them promoted by NGOs, Bank and self. It is also important to further identify well-functioning SHGs who may act as Community Resource Person (CRP) to promote new groups and strengthen the existing groups. The identified Community Resource Persons may however require

proper training on organization and management of SHGs. Most of the SHGs who reported to have federation are federated at village level.

The SHGs differ in terms of books maintained by them. The promoter may prescribe and prepare the books required by the SHGs for their day to day functioning to maintain uniformity. All the existing and newly formed SHGs may be asked to adopt the books prescribed for them with proper training on maintenance of the books at the initial stage. It was observed during the field work that many of the SHGs and SHG members interviewed appeared to mixed up a bit in giving the information on credits as it was difficult for them to give a clear cut information on which portion actually belongs to internal loans, subsidy and loans. There is a need to maintain the books of accounts separately to avoid confusion.

There are few SHGs who are not yet linked with banks. As SHG-Bank linkage is the basic and important requirement for the success of SHG movement, efforts have to be made to make sure all the existing SHGs as well as new SHGs are linked with banks at the initial stage. Bank, among many other facilities, is one of the most important facilities required for the

successful performance of the SHGs. Smooth functioning of SHG is a great challenge in a State like Mizoram where banking facility is very limited. Vast majority of the rural villages in Mizoram reported that they do not have banking facility in the villages.

More participation in community services have also to be promoted among the SHGs which will create awareness of SHGs presence in the community and in turn help the SHGs in building their self Confidence. Convergence of Self Help Groups with other development programmes whatever possible will be a great boost in bringing the poor out of poverty.

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