

Performance Of Self-Help Groups In Lakhimpur District, Assam: A Study

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Abstract

Morality is the fundamental essence of civilisation. The entire structure of society is based on moral values. But, unfortunately, in our present communities, moral values have deteriorated in every sphere and corner. Young generations of today become so much self-centred that they are mostly busy serving their interests. There has been a rapid erosion of ethical and moral values among the youth. Most of the younger generations of our society are gradually disregarding these social ethics. Today, the younger generation likes to spend an unrest life, aside from the earlier societal norms. Most of the time, they like to keep themselves with their mobile phone, operating Facebook and WhatsApp or other social means of media. Hence, to establish permanent peace and security in society, we should emphasise moral values. Therefore, from the infant's age, it is essential to build a moral character among the child because the only moral value can save us from becoming criminal and reduces class conflict, isolation, erosion, etc.

Keywords: Moral Value, Deviation, Society, Media, Socialization.

Introduction

Self Help Groups (SHGs) play an important role in the field of socio-economic development of society. The SHGs is a group of rural poor people generally comprising small marginal farmers, landless agriculture laborers, and rural artisan's women folk and the other micro entrepreneurs organized themselves to archive economic development by raising their resources. SHGs normally consist of a homogenous group of rural poor not less than 10 and more than 20 members.¹ They are either sex belonging to similar status background and having common problem and who agree to save periodically a certain amount, create corpus (material substance) of their own, recycle the same among their members for a period at least six availing loan assistance up to four times their own saving in a phased manner.

Every SHGs elect two or more office bearers including president, secretary and treasurers according to democratic process. The SHGs collect and deposit a certain number of amounts from their members per month in bank and lend some amount to the needy members for production purposes and also for subsistence and consumption needs.² The SHGs also take loan from banks, voluntary organization, self

¹ Vijaykumar, Poornima "A Comparative Study on Women Empowerment through Self-Help Groups with Special Reference to Rural Districts of Karnataka, minor research project, UGC, P.5

² Mandal, Sagar, & Ray, G.L., Rural Development, Kalyani Publication, 2007 p. 131

promoting institution to meet the needs of the members. But before starting their grain full activities, the members undergo training imparted by voluntary organization or Agencies such as National Institute of Rural Development (NIRD), State Institutes of Rural Training and Development (SRTD), NABARD, NGOs, etc. The SHGs itself or with the help of the NGOs make assessment of individual credit needs of its members and submit proposal to the bank for sanction of collective loans in its name. The NGOs help SHGs in procuring raw material and also marketing of the product.³

Assam is in the eastern part of India. In the most ancient time, it was known as Pragjyotishpur, and in medieval times, as Kamrup.⁴ Assam is the modern name of the Country, which under the Ahom rule came to be called 'Assam' means peerless or uneven. Whether the name, "Assam" is derived from the word 'Assama' or not, its one meaning 'uneven' is at least a very apt description of the geography of this ancient land. Keeping in view the socio-economic condition of the people, the present study intends to cover the whole State of Assam. However, as it will be vast in nature, the researcher intends to delimit the study area to Lakhimpur District.

The name 'Lakhimpur' is believed to be originated from the word "Lakshmi", the goddess of prosperity. The district is mainly dependent upon agriculture and paddy. As per Lakhimpur District Gazette (1976:4), the district was notified as Lakhimpur District through a proclamation issued by then Governor General on July, 1839.⁵ On 2nd October, 1971 the district was reorganized with two sub divisions viz. Dhemaji and North Lakhimpur. Later it was again reorganized in the year 1980 with two subdivisions viz. Dhakuakhana and North Lakhimpur leaving Dhemaji as a separate district. Lakhimpur district is situated in the eastern part of India and on the northeast corner of Assam. The District covers an area of 2,977 sq. km out of which 2957 sq. km is rural and 20 sq. km is urban. Lakhimpur District falls in the sub-tropical climatic region, and enjoys monsoon type of climate. This district experiences a dry and hot summer season when compared to the other parts of Assam. Summers are typically hot and humid, with an average temperature of 29° C. Average annual rainfall experienced by the district is 2607.9 mm. During March and April every year, flash rains and thunderstorms are at times caused by cyclonic winds, known in local parlance as Bordoichila. The inhabitants of Lakhimpur district are not a homogeneous lot. Rather, they are a mosaic of ethnic groups, and a mixture of diverse types of people. Majority of the people

³ Ibid pp. 131132

⁴ Bharali, Hemanta Kumar. 2005. *Assamkush*. Guwahati: Banlata Publications.

⁵ Lakhimpur District Gazette, 1976

have Assamese language as their mother tongue; and the others also use it, as a *lingua franca*. Other languages spoken are Bodo, Nepali, Bengali and Hindi.

Collection of Data

The data for the present study has been collected from two sources mainly secondary and primary sources. The secondary data has been collected from various publications such as the Basic statistics of the Directorate of the Economics and Statistics of Assam, Basic statistics of North Eastern Region of the North Eastern Council, District Economics and statistics of Office of Lakhimpur, the data of DRDA and Development Blocks of Lakhimpur District. The primary data has been collected on the basis of simple random sampling method. For the study 6 percent SHGs has been collected from one Development Blocks. The data has been collected by using structured questionnaires with the SHGs group members.

Profile of the Sample SHGs

It is necessary to study the Socio-economic background of the members of the sample SHGs to understand their performance in the field of economic development. In this study altogether 86 SHGs (Male SHGs 25 and Femal SHGs 61) selected which represent different sections of people of the society. The sample SHGs were consists with 10 to 15 members. The total number of members of the sample SHGs were 945 out of which 40.6 per cent belongs to General Caste, 27.9 per cent belongs to Schedule Tribe, 19.8 per cent belongs to Schedule Caste and 11.6 per cent belongs to other classes as stated in Table No. I.

Table No. I
Social Distribution of Responds

Category	Sex	No. sof SHGs	No. of members of SHGs	Total Nos. of member
General Caste	Male	10	115	40.7%
	Female	25	271	
SC	Male	4	41	19.8%
	Female	13	136	
ST	Male	7	198	27.9%
	Female	17	74	
Mixed Caste	Male	4	45	11.6
	Female	6	65	

Field study of the researcher

Education Status

Minimum Education is very much essential to the members of the SHGs to execute right and quick action. Because, the SHGs executes various self development works with the help of Panchayati Raj Institutions (PRIs), Bank and other voluntary organization or agencies. Therefore, the educational qualification is essential for the development of the SHGs and better utilization of fund.

Table No. 2

Educational status of the Respondents (in per cent)

MA	BA	HS	HSLC	Below HSLC
1	3	8	19	79

Field study of the researcher

From the above Table No. 2 it is observed that 79 per cent of the SHGs members were below the standard of matriculation (Class 10). 19 per cent members were above matriculation, 8 per cent were Higher Secondary (Class 12), 3 per cent were graduate level and 1 per cent were belongs to Post Graduate level.

Sex Ratio

The woman participation in SHGs is higher than man. It is observed that out of 945 beneficiaries of 86 SHGs, the female participation was 70.3 per cent and male participation was only 29.7 per cent.

Occupation Structure

Socio Economic status of a family mostly depends on its occupation. In the survey it is noticed that 53.4 percent male beneficiaries of the SHGs are directly depend on agriculture and women are engaged as housewife and they generally depend on their husband. Most of the women are engaged in agriculture to help their husbands for agriculture product. It is also noticed that some of the women beneficiaries have some extra ordinary sources of income such as duck and poultry firming and weaving.

Table No. 3

Employment of the SHGs members

Caste	Agriculture	Agri-Labour	Housewife	Fishing	Daily labour
General	190	86	90	--	21
ST	196	53	8	--	15
SC	72	25	59	10	11
Mixed Caste	47	45	15	--	3
Percentage	53.4	21.8	18.51	1.10	5.20

Field study of the researcher

Firm Activities of SHGs

In our study it was observed that the SHGs members were engaged in different firm activities which can be shown in Table No. 4. In the study it is found that most of the beneficiaries were engaged in piggery (19.77 per cent) and 18.60 per cent were in goatery. In Agri-firm 8.10 per cent where as goatery cum mashroom, goatery cum weaving, Agri cum goatery, goatery cum fishing and Agri cum fishery occupied lowest percentage than others.

It is also found that general caste people were engaged almost in all the category of firm activities but SC are not found to engaged on piggery. On the other hand goatery cum weaving and goatery cum fishing only found in SC caste. The ST caste generally highly engaged in the activities of piggery firm.

Table No. 4
Farm activities of SHGs

Category	General	ST	SC	Mixed	All
Piggery	5(14.29)	11(45.83)		1(10.0)	19.77
Goat Farming	6(17.14)	1(4.17)	5(19.41)	4(40.0)	18.16
Agri farm	3(8.75)	1(4.17)	3(17.65)		8.1
poultry		1(4.17)	1(5.88)		2.33
weaving	5(14.29)			1(10.0)	6.98
Fishing	1(2.86)				1.16
others					
Piggery Cum Agri Firm	2(5.71)	1(4.17)	--	1(10.0)	4.65
Piggery Cumweaving	3(8.75)	1(4.17)	1(10.0)	--	5.81
Wage Labour	3(17.65)	1(4.17)	1(10.0)	2(20.0)	10.47
Agri Cum Poultry	1(2.86)	1(4.17)			2.33
Agri Cum Goatery	1(2.86)				1.16

Field study of the researcher

The percentage of income General Caste people from Piggery were 29.57 and the Schedule Tribe were 65.08. On the other hand Mixed caste and Schedule Caste earns more income from Goatery. The percentage of income earns by schedule caste is 38.79 and the percentage of income by mixed caste SHGs is 27.52.

The income from Poultry is negligible to all the categories which is only 0.75 percent of the total income. The income from Piggery is higher (32.44 percent). The researcher observes that per SHGs income from all categories of firm activities is Rs 16503.6 and per capita gross income of all categories of firm activities is Rs 1501.7. It is also observed that per SHGs income from farm activities of General Caste is higher than other category of SHGs.

Net Income from Farm Activities

The Table No 5 shows the distribution of net income of the survey SHGs from their farm activities. It reveals that the per SHGs net income of all the categories were Rs. 9453.08 and per capita income from their farm activities was Rs 860.15. It was also observed that per capita income of general caste is higher (Rs 1067.20) where per capita income of SC was lower (Rs 728.37). On the other hand the per capita income of General Caste was Rs 10704.20, the per capita income Schedule Caste was estimated Rs-7582.35, the per capita income Schedule Tribe Rs.9372.91 and the per capita income Mixed Caste was 8447.50 respectively. The average per capita SHGs income was Rs 9453.08 only.

Table No. 5

Net income from farm activities of SHGs of general caste categories wise 2009-10 (in rupee)

Category	Gross income	Total input cost	Net income
Piggery	194000	82620	111380
Goat Farming	67200	27240	39960
Agri farm	19050	7950	9100
Weaving	52380	17400	34980
Fishing	50000	25000	25000
Piggery Cum Agri Firm	31300	16200	15100
Piggery Cumweaving	6300	2750	3550
Wage Labour	7000	600	6400

Agri Cum Poultry	4200	1500	2700
Agri Cum Goatery	4900	1750	3150
Others			
Total	382600	157650	224950

Field study of the researcher

Income from other Sources

In this part the researcher estimated the income of SHGs from all the sources excluding farm activities. Thrift collection is another important source of income of SHGs. They contribute regularly an amount of rupees fixed by the SHGs according to their ability to pay. The researcher found that majority of SHGs (38.4 per cent) members had contributed Rs 20 per month. On the other hand 25 per cent member contributes to their thrift fund Rs 30 per month and 15.10 per cent of SHGs members contributes Rs 25 and Rs 50 to their thrift. In Table No. 6 the contribution of the SHGs on the basis of community wise also discussed.

Table 6
Rate of thrift collection per month No of SHGs

Rate of thrift collection	No of SHGs				
	General	ST	SC	Mixed	All Category
Rs 20.00	37.14	45.83	41.18	20.00	38.37
Rs 25.00	8.57	12.50	23.53	30.00	15.12
Rs 30.00	25.72	25.00	29.41	20.00	25.58
Rs 35.00	8.57	4.1	5.88	-	5.81
Rs 50.00	20.00	12.50	-	30.00	15.12

Field study of the researcher

At the time of survey, every member of the SHGs reported that they invest a little portion of thrift fund in their respective activities and another portion is used to their consumption purpose. They also give loan to needy members and non members of SHGs from their thrift fund. Observing their record books, it is found that the rate of interest charge within the members of SHGs is 3 per cent or 5 per cent. They also give loan to non members at the interest rate of Rs.5 and Rs.10. The members of SHGs deposit their thrift collection in the nearest bank of their account.

Although the main objective of the SHGs is to earn by investing their fund on farm activities, but in Lakhimpur district it is far from main objective and invest a little amount of fund in farm activities.

Table No. 7
Other Sources of Income of SHGs

Sources	General	ST	SC	Mixed	All category
Income from thrift	156360 (23.4)	83920 (26.5)	54000 (25.1)	35340 (25.3)	329620 (24.5)
Income from interest of loan given out	490650 (73.3)	215400 (67.4)	145200 (67.4)	94200 (67.5)	945450 (70.4)
Others	22500	20380	15850	10000	68730
Per SHGs income	19128.9	13320.8	12650	139540	15625.6
Percapita income	1692.8	1178.7	1216.4	1213.4	1420.5

Field study of the researcher

The SHGs also deposited their income by earning from various activities such as Hariya, Daily Labour and part time labouring in Panchayate Raj works. There is no denying the fact that if the SHGs actually poverty stricken, the members must come forward to tap any source of earning. As shown in the previous section, the observed SHGs have earned average SHGs income from farm activities Rs 9453.08 only. Therefore it is obvious that the rural SHGs supplement their income from farm activities by utilizing a host of other sources. The other utilizing host of income are classified as section as reported by SHGs.

- (i) Income from thrift
- (ii) Income from loan given out
- (iii) Other source of income excluding thrift and farm activities.

In the observation, it is found that all the SHGs at Lakhimpur district have collected almost the same percentage of thrift income and the Schedule Tribe SHGs collects highest thrift (26.45 per cent) than the General Caste and Mixed Caste SHGs (23.35 per cent) schedule Caste 25.1 and mixed caste 25.3 per cent. It is also noted that the total thrift received by General Castes, Schedule Tribe, Schedule Caste, and Mixed Caste are Rs 156360, Rs 83920, Rs 54000, and Rs 35340 respectively as stated in Table No.7.

The general caste occupied a highest position in collection of income from loan given out and that is 73.28 per cent. On the other hand the earning of income from interest by Schedule Tribe, Schedule Caste and mixed Caste is almost the same that is 67.38 per cent. It is also observed that per SHGs income from other source and per capita income from other sources of General Caste is higher than other categories of SHGs which I amounted Rs 19128.9 and Rs 1692.8 respectively. (Table No.7)

Bank Linkage of SHG's

Micro finance includes both credit and micro saving. Micro credit gradually provides to be one the most effective strategies to neutralize poverty. It can effectively generate employment and sustain the income of the SHGs by giving them opportunities of works. The activity for which the loan taken is generally of uncomplicated nature and the repayment schedule is short simple and fixed by members themselves. Thus, credit linkage with bank enables the SHGs to extend loans to more members at regular intervals and also enhance the per capita loan size.

Details of the progress of SHGs-bank linkage in Lakhimpur district of survey areas is shown in Table No. 8. In the table SBI and Assam Gramin Vikash Bank(AGVB) have sanction direct loan without subsidy of Rs 31.53 lakh and 5.43 lakh among 117 and 21 SHGs respectively. On the otherhand bank of Boroda and Assam co-operative apex bank have sanction Rs 121lakh and 45.6 lakh with a subsidy of Rs 69 lakh and 2.10 lakh respectively. It is reported from the respective banks that the rate of interest for all these loan is accounted 12 percent.

Table No. 8
SHGs-Bank linkage Lakhimpur District

Name of the Bank	No. of SHGs Bank linkage programme	Amount of loan sanction	Subsidy	Rate of Interest
SBI	117 (55.19)	3153322	--	12%
Bank of Boroda	35 (16.50)	1210000	69000	12%
Assam Cooperative apex Bank	55. (39.19)	4560000	210000	12%
Assam Gramin Vikash Bank	21 (55.19)	543000	...	12%
Total	221	9466322	279000]	12%

Field study of the researcher

The amount of loan taken by SHGs is vary from one another and it between Rs 10000 to 3 lakh. It is seen that 52.3 percent SHGs have taken loan from banks almost Rs 25,000. Only general caste SHGs is found to receive loan Rs 3 lakh and 1.5 lakh. Although the SHGs has taken loan from bank for the purpose of farm activities but after receiving loan, mast of them used it for the purpose of lending to needy members and nonmembers at the rate of Rs 5 und Rs10 respectively and they said that loan given out is more profitable than invest on farm activities.

Conclusion

The present study has made an attempt to review the performance of SHGs of Lakhimpur District of Assam. In our study it was found that most of the members of the SHGs of Lakhimpur District were educationally and technically backward and they were not skill orientated. It was also found that almost all the SHGs were involved in Goatery and Piggary farming. It is observed that highest number of SHGs (19.77%) engaged in Piggery cultivation because of the demand of the market. It is also found that Mashroom cultivation has the better scope in the district due better demand but due to lack of awareness, the SHGs were not involved in Mashroom cultivation.

The SHGs, formed by the General Caste people earn more money (Rs-106720) than the lower caste i.e. SC (Rs728.37) annually in firm activities. The aggregate net SHGs income from all sources is observed that annual per SHGs income for all categories is Rs 2485160.00. The per SHGs annual income of general caste is higher Rs 29650.00 and lower in mixed caste SHGs (Rs. 29,650.40). The per capita net income of general caste is also found to be higher (2613.90) and lowest mixed caste (Rs. 1774.70). It is also observed that the percentage of income from other sources is highest of all categories than income from farm activities. It is an established fact that all the surveyed SHGs are more interested in invest their income in lone given loan out than farm activities.

The bank within surveyed area have extended loan amount of (Rs. 36.75) Lakhs among 86 numbers of SHGs during the study period. It is observed that 88.57 per cent of general caste SHGs have received loans from banks and lower 80 percent of mixed caste SHGs have received loans from banks. It is an established fact that educational qualification of general caste is higher than other categories and also fulfilled all minimum requirements imposed by the banks.

Oon the other hand it is also observed that only 58.4 per cent of SHGs of all categories have received subsidy from bank under SGSY. It is also observed that 15.1 per cent SHGs of all categories have

received grant from DRDA, Lakhimpur, through Lakhimpur Development block under SGSY. It is an established fact that all grant subsidy have not received by concerned SHGs due the 'red trapisim'.

In study it is found that the repayment of loan of the SHGs is excellent. They recovered their loan in time because of the group pressure, good relationship of trust and confidence between bankers and SGHs. The management system of SHGs is democratic and they select their office bearers such as the President, Secretary and the Treasurer annually from them. They also organised their meeting every month and keep written proceedings of their meeting. They have deposit their thrift collection in their account regularly, for which the bank have easily granted direct loan to the group.

After observing the performance of SHGs of the Lakhimpur District, the following suggestions may be put forward:

1. The SHGs are the grass root level socio-economic institutions of the poor people of the rural area. The members of the SHGs of the study area are not skill and knowledge orientated. So, the Government should provide skill base training the member of the SHGs.
2. Keeping records in written form and maintain cash book poperly is very must essential for the SHGs. But, due to lack of proper education the members of the SHGs would not able to maintain the same. So, the members of the same should provide management training.
3. The red trapezium of the administration and bank should be abolished considering the interest of the SHGs and finencial benefits.
4. The government should organize exhibition-cum-sale programme to aware the members of the SHGs so that they can improve their economic condition.
5. The involvement of the local NGOs and academic institutions should be extend to support SHGs of the District.
6. For smoth communication and transportation and establish linkage in between rural and urban areas, the Government should develop the existing means of transportation and communication.
7. To faciliate the SHGs it is very must essential to establish more branch of the Banks in rural areas.

From the above discussion it is found that the SHGs plays an significant role in the field of socio-economic development of the rural area of the district. The development of the poor community of the same the Government should provide assistance to these groups. Simolteniously, providing skill base training is also essential. The participation of the local NGOs and other academic institutions is alos important. If the Goovernment and the people as a whole can creat a healthy environment in the District

then the socio-economic condition of the people as like as the members of the SHGs will certainly developed.

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