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**CHANGING PATTERN AND CHALLENGES OF INFORMAL MICRO  
FINANCE (IMFS) OF THE APATANIS OF ARUNACHAL PRADESH**

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**ABSTRACT**

The Apatanis are one of the well-known tribes of Arunachal Pradesh among the 26 major tribes of Arunachal Pradesh. They inhabit the Ziro valley, the headquarters of Lower Subansiri District. Originally Apatanis resided in seven villages viz. Bulla, Tajang, Hija, Dutta, Diibo, Hong and Hari. Due to over growing population, the Apatanis have now established more villages. Apatanis are famous for their unique methods of sustainable farming and social forestry. In April 2014, Apatani Cultural Landscape has also been added to the tentative list of UNESCO World Heritage Sites for 'extremely high productivity' and 'unique' ways of preserving ecology. They are famous for the sustainable efficient methods that they have been following to cultivate rice. The farm lands are built on flat lands and therefore, wet rice cultivation is followed along with pisciculture. Even the elevated partition bunds between rice plots are utilised to grow millets. Their farms are uniquely marked with efficient channels and canals for irrigation purposes. There are no farm animals or machines used; instead the focus is on using nature friendly and sustainable methods only. They have also successfully been able to conserve the forests around the valley which serve as water sheds for streamlets flowing down into the fields, thereby helping them in the irrigation system. Their traditional economic system is unique and self-sufficient.

Since the olden time the Apatanis, like other tribes of the state, have been living as a joint and cohesive community by helping and assisting each other in a mutual manner which is clearly reflected in their practice of mutual assistance, joint possession and management of property. In fact, cooperation is intrinsically imbibed in socio-cultural life the tribal people in the state.

Further, the co-operation as a basis of tribal life has proved much effective in dealing with the day to day problem of their life since time immemorial. The tribal generally help each other in constructing house, preparing paddy field and in other agriculture related activity. They are practising a type of team work in performing their work effectively, which is not because of deliberate engagement/plan but because of the ethics of their society. In Apatani tribe

'Patang' is one of such arrangement, which has been called by as 'a gang of agriculture labors' (Hameindorf,1944). 'Patang' is a group of volunteers which helps the person needing extra hands to work in rice fields. They don't charge any consideration for the work, but the work is done in turn basis in the rice field of every member of 'Patang'.

Before the monetization of economy in tribal society, the help other than manual viz. lending and borrowing happened in kind, goods were lent and there was no fixed time period for return of goods, the lending was totally free of cost, with the sole intention of helping the brethren's. But after the monetization of economic activity in tribal society, they felt the need to pool their resources and thus the formation of group type of lending association began. These groups are organized on the basis of clan, lineage, sex (brother and sister's groups) and common interest. The groups may vary from 5 members to 100 members. They collect their subscription on regular intervals, monthly, half yearly, annually or once/twice in lifetime. The subscription amount ranges from Rs10 to Rs 20000.

The basic purpose of formation of such group corpus is to provide money to the members at the time of necessities such as education expenses, medical expenses, and expenses related to customs and rituals etc. The other purpose is to lend the fund at interest, which may vary from association to association, the present rate of interest varies from 3 percent to 5 percent per month. At the end of the year, audit is done, if any member has outstanding amount to pay, then he is asked to pay during the audit. If the group corpus makes profit, the portion of profit is shared among the members in some fund association and remaining portion of profit is retained in group corpus fund. As of now it has been informed that there are about 15 to 20 crores of money in circulation, which are dealt through traditional micro-finance system within the Apatani tribes.

**Key words:** Apatani society, Arunachal Pradesh, Corpus Fund, Informal Micro Finance System (IMFS) Cultural Change , Challenges