

Self Help Groups -A Financial Model: Perceptions of Stakeholders

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Abstract

In India, SHGs represent a unique approach to financial intermediation and innovation of credit delivery technique to enhance income generating activities. Sa-Dhan (2003) has sort out some of the unresolved issues in the context of quality assessment of SHGs. The main objective of this paper is to assess the opinion of the direct stakeholders (i.e. Promoters, Donors, Financial Institutions and the Group members) of SHGs regarding the issue whether SHG is a financial model. The study is conducted by using multi-stage random sampling method to collect primary data from the selected Development Blocks of Nagaon districts of Assam. From the ANOVA test on overall score of variables on financial model, it is concluded that all four groups' means are not equal. It is observed that there exists enough evidence to conclude that there is significant association in the opinion of the direct stakeholders of SHGs regarding the issue whether SHG is a financial model. Further, it is observed that on thirteen (13) elements relating to financial model construct whose mean value is positive are considered as the key elements that recognise SHGs as the financial model of development.

Index terms— direct stakeholders, financial model, micro finance, perceptions of stakeholders, self help groups.

1 I. Introduction

Self Help Groups (SHGs) are an outcome of the neo-liberal paradigm of development [], where the poor take charge of their lives and fashion new improved future through self-reliant and socially sustainable efforts. SHGs emerge as an important strategy for empowering women and in alleviating poverty. The women SHGs have enhanced the status of women as participant decision makers and beneficiaries on the democratic, economic, social and cultural spheres of life and sensitised the women members to take active part in socio-economic progress of rural India. SHGs in social change imply not only the change of outer form of a community or a society but also in the social institutions as well as ideas of the people living in that society. families that had not been reached by the banking system []; Sinha and Patole, 2002 []). SHG-Banking is a programme that helps to promote financial transactions between the formal rural banking system in India comprising of public and private sector commercial banks, regional rural banks and cooperative banks with informal SHGs as clients. SHGs are financial intermediaries owned by the poor.

They usually start by making voluntary thrift on a regular-mostly fortnightly or monthly basis (contractual savings). They use this pooled resource (as quasi-equity) together with the external bank loan to provide interest bearing loans to their members. Such loan provides additional liquidity or purchasing power for use in any of the borrower's production, investment, or consumption activities. SHGs are currently seen as an essential and integral part not only of financial services delivery, but also as a channel for the delivery of non-financial services within larger objectives of livelihood promotion, community development and women's empowerment. SHGs are potential 'micro-banks', either on their own, or through higher levels of association, capable of using their own resources, grants and borrowed funds for financial intermediation. Apart from accessing funds from the

44 formal financial sector, SHGs can also become a forum for dissemination of development ideas and information,
45 an association for community mobilisation or an organisational unit for linking up with other economic, social
46 and political interventions.

47 To increase the number of SHGs who start to make voluntary thrift on a regular basis is the most essential
48 strategic variable in the Linkage Banking system. About 75% of the SHGs have been formed and are continuously
49 supported by NGO staff not only exclusively to get access to bank loans but also to achieve other development
50 goals through joint actions: educational, health, family planning, access to land and water, forming a social
51 movement of women etc. . Those SHGs formed on the initiative of the Banking System have the overwhelming
52 objective to help SHGs get access to banking (saving and credit) services to improve the economic condition
53 of their members and to wean them away from moneylenders. They may be called financial SHGs . SHGs are
54 initiated by agents (bank clients, volunteers of farmers clubs, social workers etc.) or taken over from NGOs to
55 offer bank services to them. Linkage Banking in India is, therefore, not exclusively working through existing
56 informal SHG-institutions but predominantly with the formal banking system. Thus, SHGs have the feature
57 based on which it may be argued that SHGs are Financial Model of Development.

58 2 II. Operationalising the Concepts: SHG as Financial Inter- 59 mediaries

60 Finding innovative ways to provide financial services to the poor so that they can improve their productive
61 capacity and quality of life is the role of the financial intermediaries in the 21st century. Most formal financial
62 institutions do not serve the poor because of perceived high risks, high costs involved in small transactions,
63 low profitability, and most importantly, inability to provide the physical collateral generally required by such
64 institutions. However, Government of developing economies has made serious effort to bring the 'unreachable'
65 within the formal banking net through the directives and also offered a number of fiscal & monetary mechanism
66 to shorten the credit gap. Despite this progress, as of 2008 (2005 statistics), the World Bank has estimated that
67 there were an estimated 1,345 million poor people in developing countries who live on \$1.25 a day or less (Headey,
68 2011[]).The demand for financial services from these low-income households is substantial, and their demand
69 covers a wide range of products and services (ADB, 2007[]). Most poor and low-income households continue to
70 rely on meager selffinance or informal sources of finance.

71 In India, SHGs represent a unique approach to financial intermediation (e.g. EDA, 2007[]; Solomon, 2010[
72]; Venkatalakshmi & Ambujam, 2012 []). The approach combines access to low-cost financial services with
73 a process of self management and development for the women who join as members of an SHG (Kulkarni &
74 Sonawane, 2012[]). The SHGs are formed and supported usually by NGOs, or (increasingly) by Government
75 agencies and sometimes directly by banks. SHGs are linked to banks first with a group deposit account, then for
76 credit, which is disbursed to the group and in turn distributed to the members. SHGs encourage the saving habit
77 which indirectly enhances the financial ability of the members and ensures prompt repayment. This is a very good
78 substitute for the collateral insisted by the traditional bankers. Micro-finance through its SHG Linkage model is
79 considered as a potential alternative for extending the financial services to the poor for various reasons like the
80 ability of these institutions in providing credit and other financial services to the poor and the weaker sections,
81 help them in overcoming financial shocks, support them in venturing into profitable entrepreneurial activities and
82 encourage small savings. They also provide other financial services like Micro insurance and transfer of funds.
83 SHG as financial intermediaries provides the following financial functions.

84 3 a) Savings Function in SHGs

85 Thrift contributions by members to the group which sometimes mandatory or optional must be perceived as a
86 savings product serving long term financial security needs. Pooled savings are either used for income generating
87 activities or made available to members as per requirements. Such savings are generated by poor households
88 either by refraining from consumption or postponement of their not so urgent needs. The thrift contribution
89 reflects confidence of members on the group and is seen as an index of their stake in the process.

90 4 b) Credit Function in SHGs

91 Providing credit access to members of poor household on sustainable basis is the primary objective of SHG. A
92 well conceived loan programme in SHG viz. one time loan, productive loans etc. are the major elements of credit
93 policy of SHGs which enhance its attractiveness to the members. Loans are often given for various purposes
94 with/ without collateral security. c) Fund Management in SHG Management of fund is an important task. The
95 SHGs generally accommodate funds to the members on need based and only for productive purposes along with
96 a fixed repayment scheduled. Small savings from resource-poor households need operative protection against
97 loss of deposits. Misappropriations in savings and credit groups as well as imprudent lending from internally
98 generated deposits threaten the security of savings programme. They have to be shielded against the financial
99 and non-financial risks.

100 5 d) Record Keeping in SHGs

101 Record keeping is possibly the most crucial function in a SHGs often confined to the periphery. An efficient
102 record keeping assumes significance for promoting transparency in the system considering the need for providing
103 safety of micro-deposits pooled in savings and credit programmes.

104 6 e) Banking Relationship and Shgs

105 SHGs are primarily savings and credit groups and availing savings and credit services from local banks is a logical
106 extension of their growth strategy to meet increasing credit demand from members. Moreover accessing savings
107 services from banks will provide safety to the pooled funds. It is expected that groups will demonstrate desired
108 maturity in terms of group and financial dynamics leading to inculcation of banking habits in the groups. It
109 would also make possible the bringing about of general improvement in the nature and scale of operations that
110 would accelerate economic development.

111 7 f) Promotion of Financial Literacy

112 But lack of information and guidance regarding practices of savings and credit result in women taking wrong
113 financial decisions; this stands in the way of their empowerment. Wise financial practices and right financial
114 decision-making go hand in hand. To achieve this, increased information dissemination, knowledge sharing and
115 promoting the practice of financial planning SHG organises such training. Generally SHGs provides training on
116 budgeting, savings, debt management and other banking services.

117 8 g) Promotion in Financial Inclusion

118 SHGs are financed by bank without any collateral. Here peer group pressure is considered as collateral by the
119 lenders. SBLP also helps to reduce transaction costs facilitates proper monitoring of funds by group members,
120 economic empowerment of SHG members by collective decision making etc. In spite of the increased spread
121 of formal banking network in the recent past, access to basic financial services are still beyond the reach of
122 large sections of society. Saving Bank Linkage Programme (SBLP) model exhibits the potential to provide an
123 alternative mechanism to extend financial services to large unbanked sections of the society.

124 The micro-credit programme in general and SBLP in particular is a unique innovation of credit delivery
125 technique to enhance income generating activities. The programme extends small loans to poor people for
126 self-employment activities, thus, allowing the clients to achieve a better quality of life (Rahman, 1995 IV).

127 9 Objective of the Study

128 The study is pursued keeping in view the following main objectives 1. To examine the perception of the direct
129 stakeholders i.e. Promoters, Donors, Financial Institutions and the Group members of SHGs regarding the issue
130 whether SHG is a financial model. 2. To forward conclusion based on the findings of the study.

131 V.

132 10 Research Hypotheses

133 Given the survey of literature and objectives, the study is pursued to test the following statistical hypothesis:

134 Ho: There is no significant association in the opinion of the direct stakeholders (i.e. Promoters, Donors,
135 Financial Institutions and the Group members) of SHGs regarding the issue whether SHG is a financial model.

136 11 VI.

137 12 Methodology

138 The study uses both primary data and secondary data. Multi-stage random sampling method is used for the
139 present study to collect primary data. As no such study were conducted in the context of Nagaon district of
140 Assam and this study area being the native district of the scholar was purposively chosen for the present study.
141 At the next level, five Development Blocks are selected randomly. In the later stage, three revenue villages
142 from each of the selected Development Blocks are purposively selected. From each revenue village, three SHG
143 members, who are associated actively, are selected randomly. Further, 12 Financial Institutions i.e. nationalised
144 commercial bank and RRBs (operating in the study area); 10 Donors and 34 Promoters including banks, NGOs,
145 NGO-MFI, Farmers Club and Government Departments are also selected randomly who are directly associated
146 with the sampled SHGs (Table 3). Thus, the total sample size is 100 (Considered adequate by researchers
147 like Comrey, 1973[]; Nunnally, 1978[]; Gorsuch, 1983[] and Oppenheim, 1992[]; Coakes and Steed, 1997[
148]). Primary data was collected from the 100 sample respondents using pre-tested questionnaire. The study
149 was conducted during 2012. Secondary data was collected from report on Microfinance Status by NABARD,
150 Branch Banking Status of RBI, NEDFi Databank on Northeast, SBI Local Head Office, Zonal and Regional
151 Offices of Commercial Banks, Head Offices of Regional Rural Banks, Census India, NSSO, Directorate of SGSY
152 (Guwahati-Assam), DRDA (Nagaon-Assam), Government of Assam, Reports of State Level Bankers Committee,
153 Assam and Economic Survey, and literature published by different institutions on micro-finance have been used.

13 A) PROFILE OF THE STUDY AREA

154 The important variables were formulated and the relevant data collected from the field were coded and analysed
155 using SPSS (Statistical Package for Social Sciences) software.

156 Perceptions of direct stakeholders whether SHG is a financial model were expressed based on 5 Point Scale
157 where SA= Strongly Agree (2), A = Agree (1), NAND = Neither agree nor disagree (0), DA = Disagree (-1),
158 and SDA = Strongly disagree (-2). Further, the data collected was analysed using the measure of descriptive
159 statistics like mean, variance, standard deviation, maximum, minimum etc. Further, Cronbach alpha, Normality
160 Test i.e. Kolmogorov-Smirnov Test, and ANOVA were applied in analysing and interpreting the data.

161 13 a) Profile of the Study Area

162 The Central Assam District of Nagaon (spelled by the British as Nowgong) is one of the largest districts of Assam.
163 It sprawls across almost four thousand square kilometers of fertile alluvial plains and thickly forested hills. Nagaon
164 extends from 250-45' to 260 -45' North Latitude and 920 -33' -6" East Longitude. The district is bounded by
165 Sonitpur district and the river Brahmaputra in the north, West Karbi Anglong and North Cachar Hills in the
166 south and East Karbi Anglong and Golaghat district in the east. The mighty river Brahmaputra flows along
167 the northern periphery of the district. Other major tributaries meandering through the district such as Kolong,
168 Kopili drain into the Brahmaputra. Lying at a distance of 123 Kilometers by road from Guwahati, Nagaon town
169 constitutes a vital corridor linking the Upper Assam districts of Golaghat, Jorhat, Sivasagar, Dibrugarh, Tinsukia
170 and the North Assam districts of Sonitpur and North Lakhimpur. Nagaon has covered total area of 3,993 sq.
171 km. The map of the study area is sketched on Figure 2 and the demographic profiles of the study district are
172 briefed in Table 1. The SHG linkage approach operating in the districts of Nagaon is too some extent similar
173 with the state structure. While we undertook pilot survey at preliminary stage in order to examine whether all
174 models exist in practice, we found NGO as MFIs and NGO as financial intermediary did not exist separately.
175 Therefore, Model II A and Model II B have been clubbed together into a single category termed as Model II
176 (NGO as Financial Intermediary). Further, three MFI and fifty four Farmer Clubs have also promoted SHGs in
177 the district. Besides, there are five Cooperative SHGs in the district of Nagaon (Micro Finance Status Report,
178 NABARD 2010-11, and SLBC Report, March 2010). Further, the overall progress of SHGs under SHG-Bank
179 linkage and MFI-Bank linkage in the study district are shown in the above Table 2. In Nagaon district, SHGs
180 are formed and organised less than one or the other umbrella programmes of the Government, NGOs, banks and
181 sometimes, even by the people themselves. The study consists of respondents from all groups i.e. both male and
182 female as shown in Table 4. Out of 44 respondents belonging to Group members, 24 (54.5%) are male and 20
183 (45.5%) are female. Sincere effort is given to cover reasonable number of members from each category so that
184 study is free from gender bias. Further, it is observed from the field report and other secondary resources that in
185 the study area there are ample number of women SHGs. From survey of literature and field study, it is observed
186 that there is no specific boundary regarding the nature and functioning of SHPIs. It is observed that an SHPI
187 can act both as promoter & donor. Similarly, Government departments are also acting both promoter and Donor
188 vis-a-vis financier. Therefore, the investigator collected information from stakeholders separately under different
189 status who performed different tasks.

190 SHPIs, whether Farmers club, NGOs, banks or State governments, have been playing a vital role in promoting,
191 nurturing and sustaining the SHG movement under SBLP in Assam. It is observed that the major promoter of
192 SHGs in the study districts are DRDA (for SGSY scheme), followed by NGOs and Banks. A few NGO-MFI are
193 also promoting SHGs in the study district. In this study respondent as promoter includes some officials of NGOs
194 such as ASOMI, Prochesta-MFI, RGVN-MFI, Commercial banks, SIRD, DDM-NABARD, ASFABC, Agriculture
195 Departments, Farmers Club etc. who are engaged in SHG promotion. In this way out of 100 respondents, 34
196 respondents belong to Promoter category.

197 'Donors and investors' encompasses a range of funding agencies, including bilateral donors, foundations,
198 multilateral development banks, and socially oriented private investors. While NABARD and RMK etc. remains
199 a major donor to NGOs and SHG institutions in India and have been receiving a fraction of required funds for
200 their development. In the study district, NABARD, State Government under SGSY and NGO-MFIs are the
201 major donors of SHGs. In this study respondents belonging to Donor includes some officials of NGO-MFI such as
202 ASOMI, Prochesta-MFI, RGVN-MFI, Dristi Foundation, RuTAG-NE, Srimanta Sankardeb Sangstha; Officials
203 of District Veterinary & Animal Husbandry, NABARD, NERCRMP, SIRD, Agriculture Departments etc. In this
204 way out of 100 respondents, 10 respondents comprises of Donor category.

205 SHPIs include banks, NGOs, NGO-MFIs and state governments. Here in the state of Assam and even in
206 the study district SHPIs acts both promoter and financier. However for the sake of convenience of study, we
207 have collected perceived opinions of different stakeholders on different scale of capacity, i.e. bank is considered
208 financier, promoter and donor. In this study respondents belonging form Financial Institutions includes Officials
209 of nationalised commercial banks including SBI, RRBs i.e. AGVB etc. In this way out of 100 respondents, 10
210 represented from Financial Institutions. Below section below depicts the detailed profile of Promoter, Donor,
211 and Financial Institutions.

14 Nationality of stakeholders

It is observed from the Table 12 below that all the respondents belong to different categories are originated from India. 13. It is observed that majority of respondents comes from other Government agencies (55.9%) and Government departments (20.6%). The share of other promoting organisation includes NGO-Universal (2.9%), NGO-Nation hood (8.8%) and NGO-Region hood (5.9%). Therefore, it may also be concluded that a large variety of institutions that are engaged in the promotion of SHGs in the study districts are basically promoted by other government agencies i.e. DRDA (SGSY) is the major promoter of SHG in the study district. To understand the reliability of the field data Cronbach's alpha test was conducted. The result of reliability statistics on the score on perception of stakeholders about SHG as financial model reveals that Cronbach's Alpha is 0.892 which is assumed 'good' and further denotes that there are the presences of internal consistency (Cronbach, 1951). Content validity was assessed after considering the findings of an extensive review of the literature on SHGs as financial intermediaries, and then discussing it with experts in the field (two academicians and two micro finance practitioners). Some items of the subscales were revised according to appropriate demographic circumstances of the study district. The descriptive scale statistics on the perception of different stakeholders of SHGs as financial model denotes the mean is -3.76, variance 149.578 and standard deviation 12.230 (Table 23). Further, to evaluate the normality of distribution of data on the perceptions of different stakeholders on different variables relating to SHGs as financial model, Kolmogorov-Smirnov test was conducted on the total score on opinion about SHGs as financial model (Table 24). Since the p-value is 0.138 for overall score of variables on financial model, there is no reason to doubt that the data come from population with a normal distribution. Further, the stakeholder-wise descriptive statistics (Table 26) on overall score on SHGs as Financial Model depicts that Promoters shows highest mean value followed by Financial Institutions on overall score on SHGs as Financial Model. The group members reported negative mean on overall score on SHGs as Financial Model.

Since in case of overall score on SHGs as Financial model wherein the means form all four groups are not equal hence, we resorted to find out item-wise analysis on variables relating to financial model wherein the means are not equal (Table 27) which are self explanatory. It is observed from the Table 27 that the direct stakeholders have negative perception on the statements which does not recognise SHGs as Financial model viz. Helps in money transfers (FM 4), Helps in insurance to group members (FM 6), Ability to take financial risk (FM 7), Helps in preparation of cash book and other ledger books (FM 9), Helps in acquiring the skill of cash management (FM 10), Helps in acquiring the skill budgeting (FM 11), Helps in special loan products for women from funding agencies (FM 12), Helps in pre-loan help with business planning by fund provider to the groups (FM 13), Helps in special loan guarantee and collateral arrangements for groups (FM 14). From the above Table 27 of descriptive statistics on item wise perception of stakeholders about SHG as financial model, it is observed that out of 30 elements representing SHGs as financial model, in seventeen (17) elements where mean value is negative and only in thirteen (13) elements whose mean value is positive. Therefore, thirteen (13) elements relating to financial model construct whose mean value is positive are considered as the main elements to recognise SHGs as financial model of development.

15 IX.

16 Conclusion

SHGs emerge as an important strategy for empowering women and alleviating poverty. They are an effective strategy for poverty alleviation, women development and social empowerment. The women SHGs have enhanced the status of women as participant decision makers and beneficiaries on the democratic, economic, social and cultural spheres of life and sensitised the women members to take active part in socio-economic progress of rural India.

In recent year SHGs are emerging as alternative credit source to the poor. NABARD views the SHG as essentially a financial model facilitating a supplementary credit delivery mechanism for poor families that had not been reached by the banking system. A lot of literature are found on the role of SHGs in empowering women and also have cross world evidences that SHGs are helpful in reducing poverty. Economic empowerment through SHGs is in fact different from financial intermediation function of SHGs. A few studies also supported that the SHG is considered as financial model too and ensures low cost means of rural lending in the absence of formal financial institutions.

The one-way analysis of variance (ANOVA) on overall score of variables on SHGs as financial model is used to determine whether there are any significant differences between the means of two or more independent (unrelated) groups. From the ANOVA test on overall score of variables on SHGs as financial model, we have rejected the null hypothesis that all four groups' means are equal. We conclude that at least one of the group means is significantly different from the others (or that at least two of the group means are significantly different from each other).

Since it is statistically proved that the means form all four groups are not equal hence, we resorted to find out item wise analysis on variables relating to financial model wherefrom it is observed that the means are not

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2



Figure 4: Figure 2 :



Figure 5:

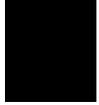


Figure 6:



Figure 7:



Figure 8:



Figure 9:

Figure 10: SHG as Financial Model Savings Function (SF) Credit Function (CF) Risk & Insurance (RI) Financial Literacy and Inclusion (FI) Fund Management (FM) Record Keeping(RK) Financial Relationship Management (FR) 3 5 2 4 9 2 5 FM 1 FM 4 FM 5 FM 2 FM 3 FM 25 FM 26 FM 27 FM 8 FM 15 FM 16 FM 18 FM 9 FM 17 FM 12 FM 13 FM 14 FM 19 FM 24 FM 6 FM 7 FM 10 FM 22 FM 11 FM 23 FM 20 FM 28 FM 21 FM 29 FM 30

1

Figure 11: Table 1 :

1

| | |
|---------------------|-------------------|
| Assam, India | |
| Total | 2,826,006,385,699 |
| Population | 1,440,307(Female) |
| Total ST Population | (Males) 89394 |
| Total SC Population | 215209 |
| Male literacy | 78.19% |
| Female literacy | 69.21% |
| Population Density | 711 per sq. km |
| Total House Holds | 378778 |
| BPL House Holds | 177697 |
| BPL P/C | 46.91 |
| No. of SHG Formed | 24156* |

*Up to March 2011; Source: Census Report 2011 and Microfinance Status Report, NABARD 2010-11

Figure 12: Table 1 .

2

| Promoter | No. of SHG Formed | No. of SHG taken up Economic activity | No. of Women SHGs Formed |
|---|-------------------|---------------------------------------|--------------------------|
| | Total* | Total | Total |
| SGSY | 20590 | 5592 | 12630 |
| Asomi-MFI | 24 | 15 | 22 |
| Prochesta-MFI | 64 | 35 | 37 |
| RGVN-MFI | 87 | 56 | 64 |
| NGO-MFI | | | |
| SK Human Welfare Assoc. Gharoa** | 50 | 27 | 44 |
| Jana Chetana Samity Asom Zeal Thrill | 50 | 10 | 40 |
| Friend-ship Group** | | | |
| Granya US Bank *** | 31 | 11 | 26 |
| Farmer Club /SHG as Cooperative society | 165 | 56 | 132 |
| Others including Govt. Depts. | 258 | 123 | 168 |
| Total | 2725 | 121 | 87 |
| | 24156 | 6098 | 13336 |

*Total since 1 st April, 1999;**Promoted with Banks,

***Reported from SLBC Report, March 2010.

Source: Microfinance Status Report, NABARD 2010-11, and SLBC Report, March 2010

Figure 13: Table 2 :

3

Name Name Revenue Villages Raha Bazar, Rajagaon, Amsoi Ambari, Ruhini Pather, Pachim Jamunaga
 Devel-
 opment
 of
 Block
 Raha
 Bi-
 nakandi
 Dhalpukhuri
 Odali

| | | |
|----------|-------------|-------|
| Lumding | 3 | No. |
| | Derapather, | 2 |
| | No. | kaki, |
| | Narayanpue, | |
| District | Nil | |
| level | | |
| (Nagaon) | | |

Figure 14: Table 3 :

4

| Gender of SHG Member | Gender | | Group Members |
|----------------------|--------|------------|---------------|
| | Count | % of Total | |
| Male | 24 | 54.5% | |
| Female | 20 | 45.5% | |
| Total | 44 | 100.0% | |

Source: Compiled from the Questionnaire

ii. Age composition of the sample respondents
The study consists of respondents from all age groups. Distribution of the sample respondents by age composition is furnished in

Figure 15: Table 4 :

5

Figure 16: Table 5 .

5

| Age of SHG Member in Years | Age | | | Group Members |
|----------------------------|-------------|------------------|------------|---------------|
| | Below 30 yr | 30-40 yr & above | Total | |
| | Count | Count | Count | 11 |
| | % of Total | % of Total | % of Total | 25.0% |
| | Count | Count | Count | 12 |
| | % of Total | % of Total | % of Total | 27.3% |
| Total | Count | Count | Count | 21 |
| | % of Total | % of Total | % of Total | 47.7% |
| | Count | Count | Count | 44 |
| | % of Total | % of Total | % of Total | 100.0% |

Source: Compiled from the Questionnaire
iii. Caste of group members

Figure 17: Table 5 :

6

| Caste & Sub Caste of SHG Member | Caste | | Group Mem- bers |
|---------------------------------|----------------|------------|--------------------|
| | Count | % of Total | |
| | General | 22 | 50.0% |
| | Schedule Caste | 13 | 29.5% |
| | Tribes | 7 | 15.9% |
| | Others | 2 | 4.5% |
| Total | Count | 44 | 100.0% |
| | % of Total | | |

Source: Compiled from the Questionnaire
 iv. Social status of group members
 The study constitutes respondents from different members from all community having different social status, namely, Most Backward Community, Backward Community and Forward Community.
 Distribution of the sample respondents by social status

[Note: C]

Figure 18: Table 6 :

Figure 19: Self Help Groups -A Financial Model: Perceptions of Stakeholders is

7

| Social Status of SHG Member | Social Status | | Group Mem- bers |
|-----------------------------|-------------------------|------------|--------------------|
| | Count | % of Total | |
| | Most Backward Community | 3 | 6.8% |
| | Backward Community | 27 | 61.4% |
| | Forward Community | 14 | 31.8% |
| Total | Count | 44 | 100.0% |
| | % of Total | | |

Source: Compiled from the Questionnaire
 v. Economic status of group members

Figure 20: Table 7 :

8

Figure 21: Table 8 presents

8

| | | Economic Status | | Group Members | |
|-------------------------------|---------------------|-----------------|------------|---------------|--------|
| Economic Status of SHG Member | Below Poverty Level | Count | % of Total | 15 | 34.1% |
| | Green Card Holder | Count | % of Total | 7 | 15.9% |
| | Job Card Holder | Count | % of Total | 9.1% | 18 |
| | Others | Count | % of Total | 40.9% | |
| Total | | Count | % of Total | 44 | 100.0% |

Source: Compiled from the Questionnaire
vi. Duration of membership in SHG of group members

Figure 22: Table 8 :

9

Figure 23: Table 9

9

| | | Duration of Membership | | Group Members | |
|-------------------------------|------------|------------------------|------------|---------------|--------|
| Duration of Membership in SHG | 1-4 yr | Count | % of Total | 17 | 38.6% |
| | 4-5 yr | Count | % of Total | 15 | 34.1% |
| | 5-6 yr | Count | % of Total | 9.1% | |
| | Above 6 yr | Count | % of Total | 8 | 18.2% |
| Total | | Count | % of Total | 44 | 100.0% |

Source: Compiled from the Questionnaire
vii. Literacy level of group members

Figure 24: Table 9 :

10

Figure 25: Table 10

10

| | |
|--|---|
| <p>Education level</p> <p>Group Members</p> <p>Educational Level of SHG Member Total Below 10th Primary Std. 10th Std. Above 10th Std. Source: Compiled from the Questionnaire Count % of Total 20.5% 9 Count 4 % of Total 9.1% Count 11 % of Total 25.0% Count 20 % of Total 45.5% Count 44 % of Total 100.0% viii. Annual income of group members Distribution of the sample respondents by annual income is presented in Table 11. It is inferred from the table that annual income of the majority of the sample respondents ranges up to Rs.50, 000 (56.8%). At the next level, 43.2% of the sample respondents' annual income of the sample respondents ranges from Rs. 50,000 -Rs. 1 lakhs.</p> | <p>2013 ear Y Volume XIII Issue XI Version I) (C Global Journal of Man- agement and Business Research</p> |
|--|---|

Figure 26: Table 10 :

Backward Community (61.4%), while 31.8% of the

Figure 27: A Financial Model: Perceptions of Stakeholders

11

| Annual Income of SHG Member | Annual Income | | Group Members |
|-----------------------------|----------------------|------------|---------------|
| | Upto Rs. 50 Thousand | Count | |
| | | | 25 |
| | | % of Total | 56.8% |
| | Rs. 50-1 lakhs | Count | 19 |
| | | % of Total | 43.2% |
| Total | | Count | 44 |
| | | % of Total | 100.0% |

Source: Compiled from the Questionnaire

b)

'Stakeholders' means the persons or institutions with whom any stake or interest is vested or created to facilitate the promotion of SHG movement, which shall include the regulators, promoters, donor, financier, educators and facilitators of the SHG movement. Major stakeholders in SHGs are, therefore includes all Self Help Promoting Institutions (SHPIs) i.e. Promoter, Donor, Financier and the SHGs itself.

Figure 28: Table 11 :

12

| Nationality | Originality/Nationality of Stakeholders | | Stakeholders Category | | | | Total |
|-------------|---|------------|-----------------------|--------|--------|--------|-------|
| | Indian | Total | Promoter | Donor | FIs | Total | |
| | Count | % of Total | 100.0% | 100.0% | 100.0% | 100.0% | 34 |
| | Count | % of Total | 100.0% | 100.0% | 100.0% | 100.0% | 10 |
| | Count | % of Total | 100.0% | 100.0% | 100.0% | 100.0% | 12 |
| | Count | % of Total | 100.0% | 100.0% | 100.0% | 100.0% | 56 |

Source: Compiled from the Questionnaire

ii. Nature of promoting organisation

Distribution of the sample respondents by

Nature of Promoting Organisation is presented in Table

Figure 29: Table 12 :

13

Nature of Promoting Organisation

| | | Promoter |
|----------------------------------|----------------------|----------|
| Nature of Promoting Organisation | Govt. Depts. | Count 7 |
| | % of Total | 20.6% |
| Nature of Promoting Organisation | Other Govt. Agencies | Count 19 |
| | % of Total | 55.9% |
| Nature of Promoting Organisation | NGO-Universities | Count 1 |
| | % of Total | 2.9% |
| Nature of Promoting Organisation | NGO-Nationhood | Count 3 |
| | % of Total | 8.8% |
| Nature of Promoting Organisation | NGO-Regionhood | Count 2 |
| | % of Total | 5.9% |
| Nature of Promoting Organisation | NGO-Statehood | Count 2 |
| | % of Total | 5.9% |
| Total | Count | 34 |
| | % of Total | 100.0% |

Source: Compiled from the Questionnaire

iii. Place of location of stakeholders

Distribution of the sample respondents by Place of Location of Stakeholders is presented in Table 14. It is observed that majority of respondents belonging to Promoter located in Assam (52.9%), 41.2% of the respondents belonging to Promoter originated from outside North East India while 5.9% of the respondents belonging to Promoter originated from Outside Assam but within NER. Similarly, majority of respondents belonging to Donor located in Assam (60%) and equal number of respondents belonging to Donor originated from outside North East India and from Outside Assam but within NER (20% each). Further, it is observed that majority of respondents belonging to Financial Institutions have functioning at all India level (66.7%) while 33.3% of the respondents belonging to Financial Institutions are originated within Assam. However, majority of stakeholder have originated from Assam (50%), 7.14% respondents from other states of North-eastern region of India and 42.86% respondents whose existence is situated at all India level.

14

| Stakeholders Category | FI | Total |
|-----------------------|----|-------|
| Promoter Donor | | |

Figure 31: Table 14 :

Figure 32: -A Financial Model: Perceptions of Stakeholders

15

Figure 33: Table 15 :

16

| Nature | Financial | Count | % of Total | Stakeholders Category | | | Total | | | | |
|--------|-----------|-------|------------|-----------------------|--------|--------|--------|--------|----|----|---|
| | | | | Promoter | Donor | FI | | | | | |
| Both | | 18 | 52.9% | 16 | 1 | 10.0% | 91.7% | 53.57% | 11 | 30 | 9 |
| | | | % of Total | | | 90.0% | 8.3% | 46.43% | | | |
| | Total | | Count | 34 | 10 | | 12 | 56 | | | |
| | | | % of Total | 100.0% | 100.0% | 100.0% | 100.0% | | | | |

Source: Compiled from the Questionnaire

vi. Recovery percentage of SHG promoted by stakeholders
 Distribution of the sample respondents by Recover Percentage of SHG Promoted is presented in

Figure 34: Table 16 :

17

Figure 35: Table 17 .

17

| Percentage Recovery | Below 25% 50-75% | 25-50% Above 75% | Count | % of Total Count | Stakeholders Category Total | |
|---------------------|---------------------|---------------------|------------|------------------|-----------------------------|--------|
| | | | | | FIs | Donor |
| | | | 10 | 83.3% | 2 | 6 |
| | | | | % of Total Count | | 4 |
| | | | | % of Total | | 14 |
| | | | | | | 40.0% |
| | | | | | | 63.64% |
| | | | | | | 0 0% |
| | | | | | | 2 |
| | | | | | | 9.09% |
| | Total | | Count | | 12 | 10 |
| | | | % of Total | | 100.0% | 100.0% |
| | | | | | | 22 |
| | | | | | | 100% |

Source: Compiled from the Questionnaire

vii. Impact assessment by stakeholders

Distribution of the sample respondents by performing of Performance Assessment is presented in

Figure 36: Table 17 :

18

Figure 37: Table 18 .

18

| Impact Assessment | No Count | % of Total | Yes Count | % of Total | Stakeholders Category Total | |
|-------------------|----------|------------|------------|------------|-----------------------------|--------|
| | | | | | Promoter FIs | Donor |
| | | | 27 | 79.4% | 100.0% | 5 |
| | | | | % of Total | | 12 |
| | | | | % of Total | | 5 |
| | | | | % of Total | | 20.6% |
| | | | | % of Total | | 0% |
| | | | | % of Total | | 5 |
| | Total | | Count | | 34 | 12 |
| | | | % of Total | | 100.0% | 100.0% |
| | | | | | | 100.0% |
| | | | | | | 100.0% |

Source: Compiled from the Questionnaire

Distribution of the sample respondents by performing of Quality Assessment is presented in

Figure 38: Table 18 :

19

Figure 39: Table 19 .

| Quality Assessment Conducted | | | | Stakeholders Category | | |
|------------------------------|----|--------|------------|-----------------------|-------|--------|
| Quality assessment | No | Count | % of Total | Promoter | FIs | Donor |
| | | 23 | 67.6% | 11 | 32.4% | 9 |
| Yes | 11 | 60.0% | 6 | 38.3% | 3 | 67.86% |
| Total | 34 | 100.0% | 12 | 100.0% | 10 | 100.0% |

Source: Compiled from the Questionnaire

[Note: C]

Figure 40: Table 19 :

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 Distribution of the sample respondents by performing of Performance Assessment is presented in

Figure 41: Self Help Groups -A Financial Model: Perceptions of Stakeholders

Figure 42: Table 20 .

| Performance Assessment Conducted | | | | Stakeholders Category | | |
|----------------------------------|------------|-------|------------|-----------------------|-------|--------|
| Performance | Assessment | Count | % of Total | Promoter | FIs | Donor |
| | | 15 | 44.1% | 5 | 41.7% | 40.0% |
| Total | 19 | 55.9% | 34 | 100.0% | 12 | 100.0% |

Source: Compiled from the Questionnaire

ix. Nature of Donor organisation

Distribution of the sample respondents by Nature of Donor Organisation is presented in Table 21. It is observed that majority of respondents comes from Government Departments (50%), while respondents belong to NGO and 30% belong to Trust.

Figure 43: Table 20 :

21

| Nature of Donor Organisation | Nature of Donor Organisation | | Donor |
|------------------------------|------------------------------|------------------|--------|
| | Govt. Dept | Count % of Total | |
| | | | 5 |
| | | | 50.0% |
| | Trust | Count % | 3 |
| | NGO | of Total | 30.0% |
| | | Count | 2 |
| | | % of Total | 20.0% |
| Total | | Count | 10 |
| | | % of Total | 100.0% |

Source: Compiled from the Questionnaire

x. Nature of financial institution

Distribution of the sample respondents by nature of financial institution is presented in Table 22. It is observed that majority of respondents comes from Public Sector Financial Institutions like SBI and Other nationalised commercial banks available in the study district (75%), while 25% respondents belong to Regional Rural bank i.e. AGVB.

Figure 44: Table 21 :

22

| Nature of Financial Institutions | Nature of Financial institution | | Financial Institutions |
|----------------------------------|---------------------------------|------------------|------------------------|
| | Public Sector FI | Count % of Total | |
| | | | 9 |
| | | | 75.0% |
| | RRBs | Count | 3 |
| | | % of Total | 25.0% |
| Total | | Count | 12 |
| | | % of Total | 100.0% |

Source: Compiled from the Questionnaire

Figure 45: Table 22 :

23

Statistic Std.
Error

Figure 46: Table 23 :

24

| | Overall Score on Financial Model |
|---|--|
| N | 100 |
| Normal Parameters a,b | Mean -3.76 |
| Std. Deviation | 12.230 |
| Most Extreme Differences | Absolute.116 Positive.116 Negative.062 |
| Kolmogorov-Smirnov Z | 1.156 |
| Asymp. Sig. (2-tailed) | .138 |
| a. Test distribution is Normal. | |
| b. Calculated from data. | |
| Source: Compiled from the Questionnaire | |
| e) ANOVA analysis on the score on perceptions of stakeholder about SHG as Financial model | |
| Further, from the ANOVA output (Table | |

Figure 47: Table 24 :

25

| | Sum of Squares | df | F | Sig. |
|----------------|----------------|-----|---------|-------|
| Between Groups | 2277.524 | 3 | 759.175 | 5.816 |
| Within Groups | 12530.716 | 96 | 130.528 | |
| Total | 14808.240 | 100 | | |

Source: Compiled from the Questionnaire

Figure 48: Table 25 :

26

| | N | Mean | Std. Deviation | Std. Error | 95% Confidence Interval for Mean | | Minimum | Maximum |
|---|-----|--------|----------------|------------|----------------------------------|-------------|---------|---------|
| | | | | | Lower Bound | Upper Bound | | |
| Overall Promoter Score on Financial Model | 34 | .736 | 10.766 | 1.846 | -3.021 | 4.492 | -14.00 | 26.00 |
| Donor | 10 | .00 | 10.360 | 3.276 | -7.411 | 7.411 | -10.00 | 20.00 |
| Financial Institutions | 12 | .083 | 9.239 | 2.667 | -5.787 | 5.954 | -13.00 | 14.00 |
| Group Members | 44 | -9.136 | 12.576 | 1.896 | -12.96 | -5.313 | -30.00 | 20.00 |
| Total | 100 | -3.76 | 12.23 | 1.223 | -6.187 | -1.333 | -30.00 | 26.00 |

Source: Compiled from the Questionnaire

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