

# **CHAPTER – IX**

## **IMPACT MEASUREMENT**

## 9.1 Introduction: What is impact?

The term impact is used to denote the outcome / influence of a system. Every system / project is introduced to reach its optimum result. Impact has been defined as 'change that can be plausibly associated with involvement in a microfinance programme'. Several studies have been conducted all over the world in different occasions in order to assess the degree of change that has been made by the microfinance programmes. Different decision variables have been used by the researchers to assess the impact of microfinance. All impact studies that have so far been carried out have introduced several variables to assess two main aspects; - 1) Economic Impact and 2) Social Impact.

The stakeholders of all programmes are interested about the out come of the system for which they are responsible. All the concerned entities are usually interested to gauge the extent of the mission, objective and goals achieved. This feedback is a sine-qua-non for policy makers in order to ensure control mechanisms in future. It helps to reshuffle the policy variable which play vital role in improving the quality of service and effectiveness of the system.

The major areas where academicians and practitioners have focused their research are in the purviews of outreach of microfinance programmes, impact of the programmes and sustainability of these programmes. Impact assessment in microfinance has received more attention than in any other area of microfinance research. It is now generally accepted that impact assessment is a critical element in further improving microfinance services and promoting innovation. Existing impact assessments have made an important contribution to understanding some of the complex interaction between microfinance interventions, livelihoods and different dimensions of poverty reduction and empowerment.

The main focus of existing impact assessments has been on current microfinance users. It is clear that impacts vary between different target groups. Understanding these differences is however not a simple case of sex desegregation or comparing broad income categories, but looking at differences between different types of economic activities, different types of household structures, differences in access to

complementary services and so on. Impact assessment have focused on changes in income and wealth levels and show socio- political empowerment of women beneficiaries at the household level, at the individual level, at the enterprise level and at the community level.

## **9.2 Review of studies conducted on impact of microfinance programmes.**

Microfinance has been extensively examined over the past 10 to 15 years, and the resulting literature is now very large. A focused review of the literature was conducted to evaluate recent publications regarding the impact of microfinance on poverty reduction.

The effectiveness of feedback and control system for microfinance delivery system are no less important than monitoring of policy variables for other poverty amelioration programmes. Since, the mission is to uplift the downtrodden, especially women, both economically and socially, investigations into outreach and impact of microfinance programmes provides the essential information which help in redesigning the models for microfinance delivery systems.

The impact of microfinance on poverty alleviation has recently gained a prominent position on the microfinance agenda. Donors, practitioners, and academics have realised that microfinance institutions (MFIs) must concern themselves with more than their ability to reach institutional self sufficiency and concentrate more on the results of what has been delivered.

Especially in the past few years, the number of rigorous studies of client outreach and impact has grown considerably and spurred in part by the development of monitoring tools like CGAP's Poverty Assessment Tool, Cashpor Housing index, SEF's Participatory Wealth Ranking, and USAID's AIMS Tools. The outcomes of these studies show that:

- The tools are relatively inexpensive and practical to use, and they yield useful data for both programs and donors.

- Average loan size is an easy indicator of impact and it is easy to collect these data but proves to be unreliable when measuring depth of outreach. Minimal extra effort in data collection can yield much richer information for marketing and evaluation.
- Microfinance institutions (MFIs) demonstrate considerable diversity in their ability to reach poor populations.
- Outstanding financial performance does not imply excellence in outreach to poor households.
- At the same time, reaching the poor is not at odds with maintaining outstanding financial performance and professional business exercises.
- Programs that make poverty reduction an explicit goal and make it a part of their organizational cultures are far more effective at reaching poor households than those that value finance above all else.
- These lessons point to natural evolutions in the microfinance sector. World Bank Report (1998) stated “many MFIs have tended to focus foremost on their own financial survival, and have generally been reluctant to invest substantially in evaluations. Currently, the majority of MFIs neither determines the composition of their clientele upon intake nor evaluates the effectiveness of their program in terms of poverty reduction. The development and use of the new tools for market analysis and evaluation suggests that failure to monitor and evaluate can cut costs in the short-run at the expense of achieving long-term social and economic goals.

A wide range of literature on impact assessment of microfinance will be reviewed in the following section as evidence.

There is extensive evidence that microfinance has a positive impact on the first Millennium Goal: that the number of people living in extreme poverty (defined as those living on less than \$1 per day) will be reduced by half between 1990 and 2015.

Hulme and Mosley (1996), Mosley and Hulme (1998), Hulme (2000) and Navajas et al., (2000), Fujita (2000) and Meyer et. Al, 2000) have viewed that the result

of the performance of new microfinance programmes of the world are reasonably supportive as an efficient means of reducing poverty, but not of extreme Poverty. Khandkar, S. (2001) found that microfinance participants do better than non-participants in per capita income, per capita expenditure, and household net worth. In a different impact study Remenyi & Benjamin (2000) observed that household income of families with access to credit is significantly higher than for comparable households without access to credit. In Indonesia a 12.9 per cent annual average rise in income from borrowers was observed while only 3 per cent rise was reported from nonborrowers (control group). In Bangladesh, a 29.3 per cent annual average rise in income was recorded and 22 percent annual average rise in income from no-borrowers. Sri-Lanka indicated a 15.6 rise in income from borrowers and 9 per cent rise from nonborrowers. In the case of India, 46 per cent annual average rise in income was reported among borrowers with 24 per cent increase reported from non-borrowers. The effects were higher for those just below the poverty line while income improvement was lowest among the very poor.

Hossain (1988) observed that Grameen Bank members had incomes about 43% higher than the target group in the control villages, and about 28% higher than the target group nonparticipants in the project villages. World Bank in collaboration with the Bangladesh Institute of Development Studies, and cited by Hashemi and Morshed (1997) showed that the Grameen Bank not only reduced poverty and improved welfare of participating households but also enhanced the household's capacity to sustain their gains over time. Kamal (1996) noted higher rates of per capita income among Microcredit programme borrowers compared to those who did not borrow. Chowdhury et al. (1991) asserted that women (and men) participating in BRAC sponsored activities have more income (both in terms of amount and source), own more assets and are more often gainfully-employed than non-participants”

Mustafa et al. (1968) confirmed this (above for BRAC) and noted that “members have better coping capacities in lean seasons and that these increased with length of membership and amount of credit received. Mustafa et al. (1969) also noted an increase in assets of 112% for those who had been members for 48 months or more and increase in household expenditure of 28%.

Hashemi and Morshed (1997) cited a study conducted by the World Bank in collaboration with the Bangladesh Institute of Development Studies, which showed that the Grameen Bank not only 'reduced poverty and improved the welfare of participating households, but also enhanced the household's capacity to sustain their gains over time.

Todd and Gibbons worked with Grameen members who had been borrowing for a decade in Tangail. They concluded: 'Perhaps their most significant finding was that, compared with 18% of non members, 58% of the Grameen borrowers had crossed over the extreme poverty line. Chowdhuri and Bhuiya (1998) suggest a significant decrease in severe malnutrition closely associated with the length of BRAC membership

The existing evidence on the impact assessment of micro-credit on poverty in Bangladesh is contradictory. Khandkar (1998) in his work suggests that access to credit has the potential to significantly reduce poverty. On the other hand there is also research which Morduch (1998) argues that micro-credit has minimal impact on poverty reduction. The evidence on reducing vulnerability is somewhat clearer. Hashemi et al (1996), Montgomery et al (1996), Morduch (1998) and Husain et al (1998) viewed that the provision of micro-credit has been found to strengthen crisis coping mechanisms, diversify income-earning sources, build assets and improve the status of women.

Dunn, E. (1999) concluded in a study conducted in Lima and Peru that only 28 percent of clients live below the poverty line compared to 41% of nonclients. The average income was over 50% higher. Borrower households spent 20% more on education than non-client households. Rachel, Porter and Harper (1999) viewed that Microfinance clearly contributes to improvements in children's welfare through increased incomes and thus: improved nutrition, housing, health and school attendance, and reductions in harmful child labour. Versluysen, E. (1999) concluded in his study that poor households that have had access to microfinance services show significant increases in asset accumulation, providing them with both a safety net against misadventure as well as resources for self-help investments. Increased household income improves nutrition, and improves the probability that poor children from poor families will go to school.

In a Uganda study, Barnes, Gayle and Gary (1998) showed that borrower households spend 38% more on education than non-client households and have on average an extra year of education. Clients in the FOCCAS microfinance program in Mbale receive instruction in breastfeeding, disease prevention (including AIDS, diarrhea, and malaria), and family planning practices. Of those who had learned about improved health and nutrition practices, 95% of clients compared to 72% of nonclients had tried a practice related to improved health or nutrition of their children. 32% of clients compared to 18% of non-clients had tried an AIDS-prevention practice.

On the other hand Hossain (1988), Remeny (1991), Otero & Rhyne (1994), Holcomb (1995), Schuler et al (1997) Khandkar (1998) and Bangladesh Institute of Development Studies (BIDS) (1990) argued that microfinance has very beneficial economic and social impact. Although Adams & Pischke (1992) Montgomery (1996) Rogally (1996) and Wood & Sharrif (1997) cautioned against such optimism and point to the negative impact that microfinance can have.

The study of Paul Mosley (2001) reveals that the Bolivian achievement in microfinance has been impressive and Bangladesh and Indonesia are the only other countries in the world which can reasonably claim to have reached a similar level of creative, but not always vulnerability and not extreme poverty. Navajas et al. (2000), in their studies on microfinance in Bolivia, identified that most of the poor households reached by the microfinance organisation were near the poverty line – they were the richest of the poor. Hossain (1988), Hulme & Mosley (1996), Todd (1996) and Khandkar & Choudhury (1996) have conducted studies on Grameen Bank and have in general shown a positive change in the income of the beneficiaries. Although, outcomes of all their studies are likely to suffer from recall bias since all these studies used recall method.

Specifically, various studies on *reaching the poorest* show that there is no evidence of an inverse relationship between a client's entrepreneurial ability and his /her level of poverty. Zaman (2000) argues that borrowing patterns and the inclination to save have been found to be similar across clients at different levels of poverty.

Khandkar (1998), Gibbons and Meehan (2000) and Churchill (2000) argued that financial performance of MFIs targeted to the poorest clients could be comparable to those of MFIs that do not reach the poorest. In another study Robinson (2001), Hulme and Mosley (1997) and Zaman (2000), stated that there is little evidence that clients with existing microenterprises or employment (often defined as “the economically active”) are the only ones that can benefit from microfinance and the little evidence that exists here is subject to debate about methodology.

Different studies on ‘Targeting’ have been demonstrated that the poorest can improve their socio economic conditions; researchers have pointed to several general issues that make microfinance work for the poorest:

Wright (2000) stated that, even a well-designed microfinance programme is unlikely to have a positive impact on the poorest unless it specifically seeks to reach them through appropriate product design and targeting. Navajas et al (2000); Simanowitz, F (2001) stated from their experience that unless there is a targeting tool, the poorest will either be missed or they will tend to exclude themselves because they do not see the programs as being for them, do not have the “correct” clothes, etc. Navajas et al (2000) showed that, there is a strong tendency to move to the top of the clientele group, and to give little attention to the needs of the poorest, with the end result that their proportion diminishes over time.

There is general consensus that modern microfinance is based on three main pillars –Microcredit, Microsavings and Microinsurance. Therefore savings is important, because there is a high demand for it among the poorest and because savings play a role in protecting against the seasonality of cash flows and fulfilling an insurance function. Chen and Snodgrass (1999) and Fruman (1998) have identified that MFIs that focus on savings more than credit tend to reach a smaller proportion of the poorest, have a lower and slower impact on poverty reduction, and are therefore less conducive to reaching the Millennium Goals by the target dates. While the savings-first institutions are easier to finance by donor agencies (far less start-up capital required), the few comparative studies available show that borrowers fare better than nonborrowers

It is clear from the wide range of evidence that modern microfinance facilitate to implement other government sponsored schemes like-rural sanitation, rural housing, provision of mid day meal, family planning etc. There are strong potential synergies between microfinance and the provision of basic social services for clients. The benefits derived from microfinance, basic education, and primary health are interconnected, and programs have found that the impact of each can increase when they are delivered together.

If the infrastructure for microfinance is already in place the marginal cost of catering education or basic health information can be substantially reduced. In this regard UNICEF (1997), MKNelly and Dunford (1999) and Marcus (1999) argued that services provided need to be relevant to the needs of the target group and not just an add-on that is of poor quality.

Very few studies in the world directly compare alternative interventions. Most researchers concluded that it is difficult to segregate the impact of a specific development tool as each contributes to the others. While the question of which development tool gives the “biggest bang for the buck” is legitimate in principle, in practice it is difficult to compare the benefits achieved by different interventions.

The new paradigm of microfinance emphasises on the women in order to improve their living standard by empowering them in all respect. Modern microfinance has great contribution to empower the rural women. World wide different studies provide sufficient evidence in this regard.

A number of studies have been carried out to assess the impact of microfinance on women empowerment. Zaman (1999) argued that greater access to resources via micro credit enhanced a women’s control over her assets. The control which a women has over her assets is measured by, amongst other things, her ability and right to sell assets on the basis of her own personal choice. Carloni (1987/42) found that credit programs were more successful than income-generating projects in having a genuine impact on women’s economic status.

Amin and Pebley (1994) suggested that BARC’s loans contributed to an increase in a women’s household decision making power, her control over household

resources and physical mobility outside the home. They made the interesting observation that women believed that receiving microcredit loans reduced their chances of abandonment. Their husbands regarded these women as a valuable resource, to two goods lose. Banu et al., (2001) found that BRAC had been able to bring about considerable changes in the lives of its female beneficiaries by facilitating their material, perceptual and relational pathways to empowerment, both at the individual and households levels. Not surprisingly and consistent with Amin & Pebley the study by Banu et al (2001) also concluded that husbands learned to value women more because they were now perceived to be an avenue to loans for capital investments by the household. Carr, Chen and Jhabvala (1996) argued that the lives of women changed partly because microcredit loans took them outside the household and required their participation in BRAC village organizations. Thus women developed links to wider community group. In another study of impact assessment, Hashemi, Schuler and Riley (1996) claimed that involvement in the Grameen Bank's or BRAC's credit programmes certainly empowered women by increasing their physical mobility, their ability to make purchases and major household decisions, their ownership productive assets, their legal and political awareness and participation in public campaign and protest. They also pointed to a reduced incidence of violence against women as result of female involvement in microcredit programmes.

There is ample evidence to support the positive impact of microfinance on poverty reduction as it relates to fully six out of seven of the Millennium Goals. In particular, there is overwhelming evidence substantiating a beneficial effect on income smoothing and increases to income. There is less evidence to support a positive impact on health, nutritional status and increases to primary schooling attendance. Nevertheless, the evidence that does exist is largely positive.

### **9.2.1 Methodologies used in impact measurement studies.**

A practical Impact assessment may be defined as an inquiry to estimate the amount, pattern, or direction of change that can be probably associated with an intervention. This is different from mere academic impact research that seeks to measure change accurately and attribute it to an intervention with a high degree of

confidence. Impact assessment generally is lesser in size and scope, uses less complex measures, and applies simpler investigative techniques. It may entail a combination of methods including surveys, case studies, focus group interviews and other quantitative methods. It generally compares two points in time (usually before versus after intervention) and uses sample groups with and without the intervention to ascertain likely association. Instead of proving impacts within precise and statistically definable limits of probability, practical grass root research on IAs seeks to understand intervention processes and to identify and estimate the value of impacts that stand the test of plausible association.

For an IA to be reliable it is vital to have clearly stated objectives that indicate the types of impacts that will be examined and the intended use of the findings. It should have a small set of key hypothesis, some of which have proven valid in previous IAs. The IA should be designed to establish probable association between identified changes and the microfinance programmes.

It should have a sample size large enough to ensure effective use of control variables, account for drop outs, and allow for invalid data issues, but small enough to fit the budget. Here is where trade-offs are required between the number of variables, margin of error, confidence interval, and budget. Data gathering instruments that are well designed and clearly documented can improve the credibility of an IA further. Relevant background information on the institution and program, and the identification of key context variables that influence the program and its clients, are also important.

Wide range of literature evident that microcredit programme has significant impact on the socio economic status of rural women. Majority of the impact studies in the world have introduced identical variables to assess the impact of microfinance. Impact study mainly uses following decision variables;

- i) Income generation.
- ii) Banking habits of the members.
- iii) Standard of living.
- iv) Mobilisation of Savings.

- v) Asset Creation.
- vi) Entrepreneurship development.
- vii) Social awareness generation.
- viii) Women empowerment.
- ix) Child education and reduction of drop out. etc.

All the impact studies uses different above mentioned policy variables to assess three main aspect of modern microfinance programme. i.e. outreach, sustainability and empowerment .

Different impact studies have used various methodologies to assess the effects of microfinance. Some of these studies will be cited here. Copestake, Bhalotra and Johnson (2000) had conducted an impact study on Zambia. This study had used case study method to assess the impact of mf on poverty. Another impact study conducted by Frances Sinha and the impact assessment team EDA Rural Systems Pvt Ltd in 2003. This study had used a mix of quantitative (survey, questionnaire based) and qualitative (focus group discussions, case studies, semi-structured interviews). A summary of different impact studies in India is highlighted below.

**Appendix III**

<b>Context</b>	<b>SEWA</b>	<b>FWWB</b>	<b>NABARD</b>	<b>MYRADA</b>	<b>BASIX</b>	<b>SHARE</b>	<b>ASA</b>	<b>CDF</b>
Registered status	Cooperative Banks	Apex MFO-society	Apex bank	Society	NBFC	NBFC	MFO-society	Trust
Types of clients	Individual savers and borrowers	MFO partners	Banks who lend to SHGs	SHGs linked to banks	Mainly individual borrowers also lending through intermediaries and SHGs	Grameen model groups of borrowers	Grameen model groups of borrowers	Thrift and credit cooperatives
Approach	Banking service plus gender empowerment	Loans and capacity building of MFOs	Refinancing	SHGs capacity building, empowerment of poor people	Micro-and other finance, with technical assistance and support services	Micro finance	Microfinance plus community empowerment	Enhancing women's skills for cooperative management
Commencement of Microfinance	1974	1991	1992	1984	1996	1993	1993	1990
Date of Study	1998-99 & 2000-01	2001	1999-2000	2001	1999	2000-01	2000	1995-96
Outreach: members at time of study	120000	NA	1.9 million	77500	10200	84000	12000	12500
Methodology of study	Questionnaire ; case studies; panel data	Case studies; focus groups; questionnaire	Questionnaire	Participatory assessment; questionnaire	Questionnaire; focus groups	Questionnaire	Practitioner - led AIMS tools; case studies	Case studies
Sample	Clients: 600 Control: 300 Panel: 800 Case studies: 12	Case studies: 20 Survey: 125 clients	560 members of more than 220 SHGs in 11 states	(ii) 6 groups ii) 64 groups	187 clients	125 mature clients; 104 new clients	40 clients	2 primary coops

Basis for poverty assessment	(ii) 'Local' poverty line ii) US \$ 1/day	Income but poverty level not specified	'Official poverty line	(ii) Participatory wealth ranking ii) 'Official poverty line'	Poverty line index	Poverty index (Survey based)	NA	Not applicable-open membership
Poverty outreach % of sample	By (i) ~10% By (ii) ~45%	46%	42%	100%	52%	100%	----	-----
Poverty reduction	Increase in average household income by 14%	Graduation to a sustainable or increased level of income less likely than providing a 'safety net' and reducing vulnerability	22% moved above poverty line increase in assets, savings, annual income	75% have improved status to middle or upper poor after three years (ii) 86% cross poverty line after five years	61% report some increase in income at household level and 29% report some increase in employment but magnitude not estimated	38% no longer poor; 38% shifted from very poor to moderately poor; high correlation with number of household earners and sources of income.	Increased income through new/ expanded income-generating activities; increase food intake; improved housing condition; purchase of household assets.	-----

Financial services	Clients' informal debt continues at similar levels; overall debt increases by borrowing from SEWA	More than half of MFO clients continues to borrow from money lenders	Decline in average interest rate in borrowings; improvement of repayment of bank loans	Groups interestingly linked to banks, or ready to be linked	Increased volumes of credit to client households, with 4% reduction in overall cost of credit; 20% now access formal credit	-----	Client suggestions for MFO services from separate 'client satisfaction' focus group discussion	Women appreciate easy access to money at reasonable rates; helps to reduce interest rates of formal credit
Empowerment	Women have personal savings accounts and plans for the future; Overall self image same for clients as for control groups	-----	Attitude changes (self worth ability to communicate) Object to; alcohol and wife beating, Decline in domestic violence	Group increasingly involved in social problem solving and maintaining village infrastructure; members elected to local Panchayats; Increase in self confidence, Increased predominance of wives in household decisions in economic matters	-----	-----	Improved self confidence (ability to plan, decision for self and family) Access to medical facilities, Take action on social issues, Increase in inter caste interaction	Women can spend on own needs, Able to manage personal finances better, Self-confidence and respect, Awareness of community issues

### **9.3 Methodology of Formulation of Indices for Impact Measurement**

An evident from the discussion on impact studies and the table given above, impact studies have mostly used a questionnaire supplemented by case studies. While a structured questionnaire helps in objective assessment of the percolation and perception of the benefits of microfinance on an aggregate basis, case studies focus on individual / group level focus on socio-economic upliftment. The findings from the amalgam of these two techniques provide an understanding of the impacts at the grass-root level and help in designing better operating systems for microfinance programmes

In this study, a combination of the questionnaire method and case studies has been made. The responses from the questionnaire have been used to formulate indices of Economic Benefits and Social Benefits using the detail methodology of Babbie (1986). The same methodology has been used by Smith-Sreen (1990) in the context of studying accountability in four development organisations –Self –Employed Women’s Association (SEWA), Lucknow, Mahila Vikas Kendra (MVK), Nauhatta, Sri Griha Mahila Udyog Lijjat Papad (LIJJAT), Jabalpur, Badlao Foundation (BADLAO), Mihijam. For the purpose of the study, minor changes have been made to the weights attached to the scale in few cases taking into context the nature of the microfinance programme under consideration.

#### **9.3.1 Index of Economic Benefits:**

This index shows the level of perceived and actual economic benefits accrued by members through their participation in the group. Index has been formulated from the data generated in the section on economic benefits in the questionnaire. A higher score on the index indicates a higher level of economic benefits accrued. The actual average income earned by the respondents was given a weight of ‘2’ and then cumulative average of the scores of the following ‘six’ indicators was used to create the index.

- a. The regularity of work was given a value of ‘4’ if the work was received every day, ‘3’ if the work was received five days in a week, ‘2’ if the work was

received 3-4 days in a week, '1' if the work was received 1-2 days weekly, '0' if no work was received.

- b. Average annual income earned by the group was given a value a value of '4' if more than Rs 20000, '3' if between Rs10001-20000, '2' if between 5001-1000, '1' if less than Rs5000. This parameter was then given a weightage twice as much as the others as it was conceived that the average annual income earned was one of the most critical element in determining economic benefits received by the group as a whole (The above values became  $4*2=8$ ,  $3*2=6$ ,  $2*2=4$ ,  $1*2=2$ ).
- c. Average actual monthly income earned by the members in each group was given a value of '4' if more than Rs2000, '3' if between Rs 1001-2000, '2' if between Rs501-1000 and '1' if less than Rs 500. This parameter was then given a weightage twice as much as the other as it was felt that the total income earned was the most critical elements in determining economic benefits received by members (The above values became  $4*2=8$ ,  $3*2=6$ ,  $2*2=4$ ,  $1*2=2$ ).
- d. Access to loan through the group was valued by taking into account the average amount of loan received after joining SHG. A value of '5' was given if amount of loan more than Rs 20000, '4' if between Rs 10000-20000, '3' if between Rs5001-10000, '2' if between Nil and Rs 5000, '0' given for Zero loan.
- e. Change in value of the assets of the group member was valued (by taking into account average value) under two different situation e.g., pre SHG and post SHG. In both the situation, '1' was given for increase in value of assets, '0' if there is no change in value of assets, '-1' if decreased.
- f. Members' perception of improvement in economic status was valued as '2' if more better, '1' some what better, '0' no difference and '-1' if decreased.

The possible cumulative score on this index based on the six variables used to create it ranges from 1-27. A score of 1 indicates the lowest economic benefits accrued by SHG members and 27 shows highest economic benefit accrued.

### **Example 1: Formulating the Index of Economic Benefits**

Laxmi Roy, an aged member of Mahamaya SHG in Moulani GP of Malbazar block was interviewed. She spends 3-4 hour every day to sale ready made garments. Therefore, for regularity of work she was given the highest score which was 4. She stated that, her group earned on an average Rs.70000/- per year. This fell in the category of more than Rs 20000/- which was given a code of '4'. However, this category was weighted twice as much, the score on income earned was 8 (4\*2). Her average monthly income was Rs.600/- per month. As a result, the score was given '2'. This category also was weighted twice as much; the score on income was 4(2\*2). Laxmi Roy mentioned that she had received loan from group corpus Rs.15000/-. She was therefore given a score of '3' in the category of access to loans from the group. On the question to whether any change in assets in the post SHG period was perceived she said that, she purchased a golden chain. Therefore, she was given a score of '1'. Laxmi Devi perceived that, her economic status is 'much better'. As a result, she was given a score of '2'. By adding the responses to these six variables (4+8+4+3+1+2), total score become 22 on the index of economic benefits.

### **9.3.2 Index of Social Benefits:**

The social benefits perceived by members from their participation in the group are measured by this index. The index has been formulated from the data generated in the section on social benefits in the questionnaire. A higher score on the index indicates a higher level of social benefits accrued by that group members. Social benefits have been described by increase in prestige, role in decision making in family as well as in the community and self reliance and therefore three variables have been selected and used in this study namely prestige, role in decision making and self reliance for assessing social benefits accrued beneficiaries from participating in income generating activities. These variables are measured through nine separate indicators which are identified and based on the objective of women development.

#### **i) Prestige.**

Perception about the prestige can be described with the following two variables.

- a. Perceived increase in prestige in the community was given a value of '2' if the increase was great, '1' if the increase was somewhat '0' if it was remain same and '-1' if the decrease was somewhat and '-2' if it had decreased greatly.
- b. Perceived increase in prestige at the home was valued'2' if the increase was great, '1' if the increase was some what, '0' if it was same as before, '-1' if the decrease was somewhat and '-2' if it had decreased substantially.

**ii) Role in decision making**

- a. Perceived increase in decision making role at home was given of '2' if the increase was great, '1' if the increase was some what, '0' as it was same as before, '-1' if the decrease was some what, '-2' if it had decrease substantially.
- b. Perceived increase in decision making role in the community was valued as '2' if the increase was great, '1' if the increase was some what, '0' if it was same as before, '-1' if the decrease was somewhat, '-2' if it had decreased substantially

**iii) Self Reliance**

- a. Perceived increase in overall self reliance was given a value of '2' if the increase was great, '1' if the increase was somewhat, '0' if there is no change, '-1' if decrease was some what level and '-2' if it decreased substantially.
- b. Perceived increase in self reliance in household related task was given a value of '2' if the increase was great, '1' if the increase was somewhat, '0' if there is no change, '-1' if the decrease was somewhat and '-2' if it decreased substantially.
- c. Perceived increase in skill and confidence due to participation in SHG was given a value of '2' if the increase was great, '1' if the increase was somewhat, '0' there was no change in perception, '-1' if the decrease was somewhat, '-2' if it decreased substantially.
- d. Perceived improve in quality of living due to participation in SHG was valued as '2' if the respondents were strongly agreed to the statement, '1' if the respondents somewhat agreed to the statement '0' if they can not say anything

about the perception, ‘-1’ if the if the respondents somewhat disagreed to the statement, ‘-2’ if the if the respondents strongly disagreed to the statement.

- e. Perceived increase in self reliance through the participation in cultural and community can be valued as ‘2’ if the respondents strongly agreed to the statement, ‘1’ if the respondents somewhat agreed to the statement, ‘0’ if the perception is remain same as before ‘-1’ if the respondents somewhat disagreed to the statement, ‘-2’ if the respondents strongly disagreed to the statement.

The possible cumulative score on this index, based on the nine indicators used to create it, ranges from ‘-18’ to ‘18’. Thus a score of ‘-18’ signifies low level of social benefits accrued by the members and higher level of social benefits accrued by the beneficiaries indicates by the score of ‘18’.

### **Example3: Formulating the Index of Social Benefits**

Monika Roy is one of the oldest members in Parboti Self Help Group in Kumargram block. When asked if she perceived she was better respected at home by her husband, in laws or children because of her joining in SHG. She replied “before my husband frequently used to object to my going out for group activities, but he has started praising me when I started getting money for household expenses”. This was interpreted as great increase and was given a score of ‘2’. As she participated in the group, she acts as a role model and given a value of ‘1’. By adding the scores of these two variables (2+1) the total change in the perceived prestige is 3.

She has bought a milch cow and a new by cycle for her son from her earning in SHG. Since she able to purchase two assets from her own income from the SHG, her husband has given importance in decision making at their home and so a score of ‘2’ was given. On being asked about changes in decision making in the home Monika said that joining in SHG had made no difference in decision making in the community and score of ‘0’ was given. By adding the scores of these two variables (2+0) the total change in decision-making role is 2.

She stated that her over all self reliance at the household had increased at somewhat level and a score of ‘1’ was given. Overall self reliant in the community had increased to ‘some what level’ thus a score of ‘1’ was given. Monika devi expressed that it was only after joining SHG that she had gained so much self confidence and was able to go everywhere on

her own and a score of '2' was given. When asked about her standard of living she said, it is only after SHG that my standard of living had increased so much. This was interpreted as a high level of increase and so a score of '2' was given. In response to the question about the self reliance through the participation in cultural activities in the community, Monika devi interpreted that after moving with the SHG, people come to consult her for social and activities in the community. This response indicated a change and was thus given a score of '1'. By adding the score of these five variables (1+1+2+2+1) the total change in self reliance was 7.

The index of social benefits is the some total of the scores on the changes in prestige (3), roles in decision making (2) and in self reliance (7), which in the case is 12.

#### **9.4 Impact of SGSY in Jalpaiguri district**

Group based modern microfinance programme implemented in Jalpaiguri district in 1999. Though it has been started with full fledge since 2001-02 in most of the blocks of this district. The level of changes that have been made by group based micro finance during its past eight-year journey in this district will be assessed in the following section. Impact assessment will be described with the help of index of benefits that a beneficiary can enjoy from the modern microfinance.

The most obvious benefit would be the cash income accrued but it may also be necessary to consider other economic benefits such as access to loan, regularity of work received and change in assets possession. Perception of such economic benefits along with the tangible benefits may differ amongst member depending on the socio economic status of the different blocks. Assessment of all of the above factors would provide more clear picture about the economic benefits accrued from the income generating activities rather than considering only income earned. An index of economic benefits has created with the help of aforesaid six variables. The actual and perceived economic accrued by the bonafide members in thirteen blocks of Jalpaiguri district. A higher level of economic benefits accrue by the members is identified by the higher value of index, while a lower value indicated lesser economic benefits received.

### 9.4.1 Economic Benefits

The findings of the study are reported in the following sequence. First, a detailed distribution of each of the factors taken for the formulating the indices has been presented for each of the blocks separately. The factors have then been taken to formulate and report on the economic and social indices for each block and for the district as a whole.

#### a) Regularity of Work

Economic benefits accrued or earned by SHG members from the microenterprises run by them depend to a large extent on the frequency of work done in these enterprises. Some of the microenterprises are temporary in nature in which the members are engaged temporarily to earn seasonal income. Many other microenterprises operate throughout the year in which SHG members are engaged through out the year on a regular basis. Regularity of work depends upon the nature of microenterprises run by the members. It is interesting to note that, nature of microenterprises greatly depend upon the availability of local natural resources, economic status of the local people, amount of loan, market conditions, area of cultivated land, awareness of the members etc. The patterns of frequency of work available to the respondent beneficiaries are detailed out in the following table. The frequencies have been reported for each block separately.

**Table No: 9.4.A**

#### **Distribution of SHG on the basis of regularity of work**

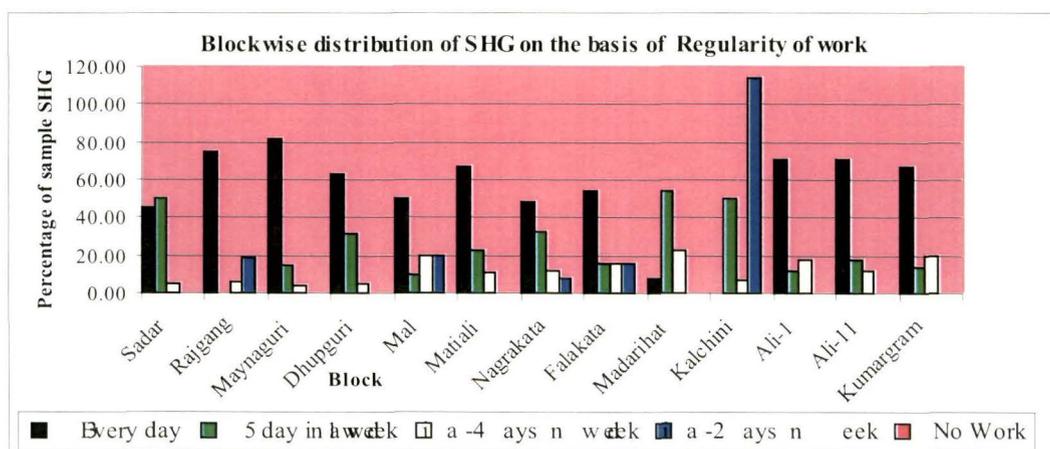
<b>Regularity of Work</b>	Sadar	Rajgang	Maynaguri	Dhupgury	Mal	Matiali
	%of total	% of total				
Every day	45.00	75.00	81.48	63.16	50.00	66.67
5 day in a week	50.00	0.00	14.81	31.58	10.00	22.22
3-4 days in a week	5.00	6.25	3.70	5.26	20.00	11.11
1-2 days in a week	0.00	18.75	0.00	0.00	20.00	0.00
No Work	0.00	0.00	0.00	0.00	0.00	0.00

(Contd)

(Contd)

Block							District
Nagrakata	Falakata	Madarihat	Kalchini	Ali-1	Ali-11	Kumargram	Jalpaiguri
% Of total							
48.00	53.85	7.69	0.00	70.59	70.59	66.67	0.52
32.00	15.38	53.85	50.00	11.76	17.65	13.33	0.25
12.00	15.38	23.08	7.14	17.65	11.76	20.00	0.11
8.00	15.38	0.00	114.29	0.00	0.00	0.00	0.12
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

The above table shows that highest percentage (81%) of respondent in Maynaguri block received work every day from their microenterprises. Whereas 52% of total respondent beneficiaries in Jalpaiguri district received work every day. SHG members of Rajgang and Alipurduar-i & Alipurduar-ii block have started microenterprises on a regular basis. It is important to note that, SHG members of Kalchini block did not start any microenterprises which give regular work to the beneficiaries.



One of the main reasons behind the temporary nature of microenterprises in Kalchini block is that, lions share of the land area of this block is covered by tea gardens and forests. Moreover a significant part of this block is hilly region. Naturally, area of cultivated land is very minimum, which is unable to provide adequate livelihood

for the rural people of this block. Therefore, they use to take different types of micro enterprises to substitute the source of livelihood for themselves. A graphical representation of above table is given below which shows clear picture about the regularity of work of the SHGs of different blocks in Jalpaiguri district

**b) Average annual Income of the group**

Cash income of a group generated from different sources. A good source of regular income is interest on group savings. Another component of group income is interest on interloan among the members within the group. Income from group economic activities forms the main component of group income. In cases where the SHG members individually operate separate microenterprise with the financial assistance from the group, the income of those microenterprises have also considered in this study for the calculation of average annual income of the group. Financial management of group corpus has significant impact on the income generation of the group. Average annual income of the group differs on the basis of nature of economic activities taken up. As stated earlier that, nature of economic activities depend upon various crucial factors. Basically, temporary nature of microenterprises like-seasonal business of agricultural products, development and maintenance of picnic spots, mushroom cultivation etc. are unable to provide steady flow of income for whole year. As a result, average annual income of most the group is not substantial. Level of average annual income of the respondent groups in Jalpaiguri district is given in the following table.

**Table: 9.4.B**

**Distribution of SHG on the basis of average annual income of the group**

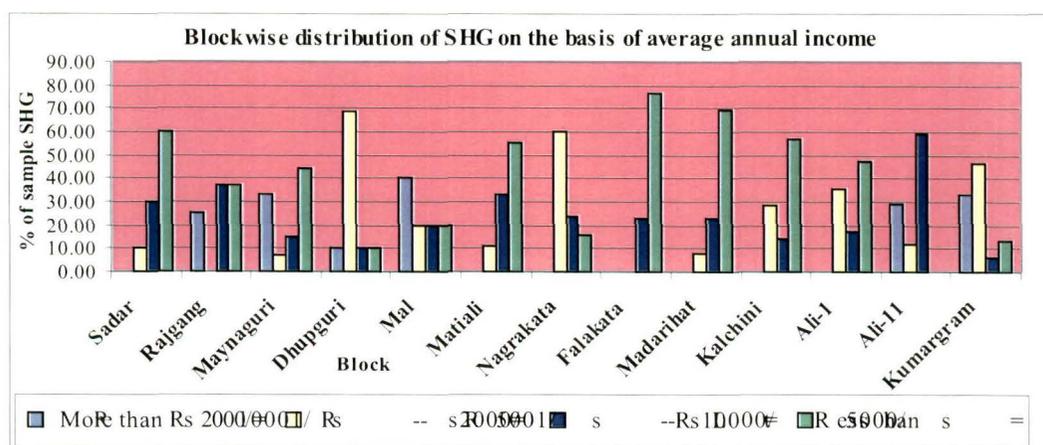
	Sadar	Rajgang	Maynaguri	Dhupgury	Mal	Matiali
	%Of total	% Of total				
More than Rs 20000/=	0.00	25.00	33.33	10.53	40.00	0.00
Rs 10001/-- Rs2000/=	10.00	0.00	7.41	68.42	20.00	11.11
Rs 5001/--Rs10000/=	30.00	37.50	14.81	10.53	20.00	33.33
Less than Rs 5000/=	60.00	37.50	44.44	10.53	20.00	55.56

(Contd)

(Contd)

Block							District
Nagrakata	Falakata	Madarihat	Kalchini	Ali-1	Ali-11	Kumargram	Jalpaiguri
% Of total							
0.00	0.00	0.00	0.00	0.00	29.41	33.33	0.11
60.00	00.00	7.69	28.57	35.29	11.76	46.67	0.25
25.00	23.08	23.08	14.29	17.65	58.82	6.67	0.20
16.00	76.92	69.23	57.14	47.06	0.00	13.33	0.24

Above table shows that average annual income of SHGs in most of the blocks in this district belong to the range of below Rs 5000. In comparison to all other blocks in this district, highest percentage of SHGs in Malbazar block earn on an average more than Rs 20000. Most of the SHGs in Malbazar block have started varieties of microenterprise from where the members earn regular income for whole year. Average annual income of most of the SHGs in Jalpaiguri is approximately 18250. Comparatively highest percentage of SHGs in Dhupgury and Nagrakata block earn on an average Rs 10001-Rs 20000. Most of the SHGs in Dhupgury are engaged in traditional agricultural activities like cultivation of paddy, potato and different types of vegetables.



c) **Actual monthly income of the members**

Full-fledged SHGs movement in Jalpaiguri district started from 2001-02. A substantial portion of total SHGs in this district have passed 1st grading and they are engaged in traditional microenterprises like tailoring, chira muri making, wool knitting, goatery, Piggery etc. Even in most of the cases, members have started these types of microenterprises on their own as sole proprietorship business after taking financial assistance from the group. So naturally, average monthly income of the members is not substantial. Average monthly income of members differs on the basis of types of microenterprises taken over and other economic opportunities available. Blockwise distribution of SHGs on the basis of actual income earned by the members is given in the following table.

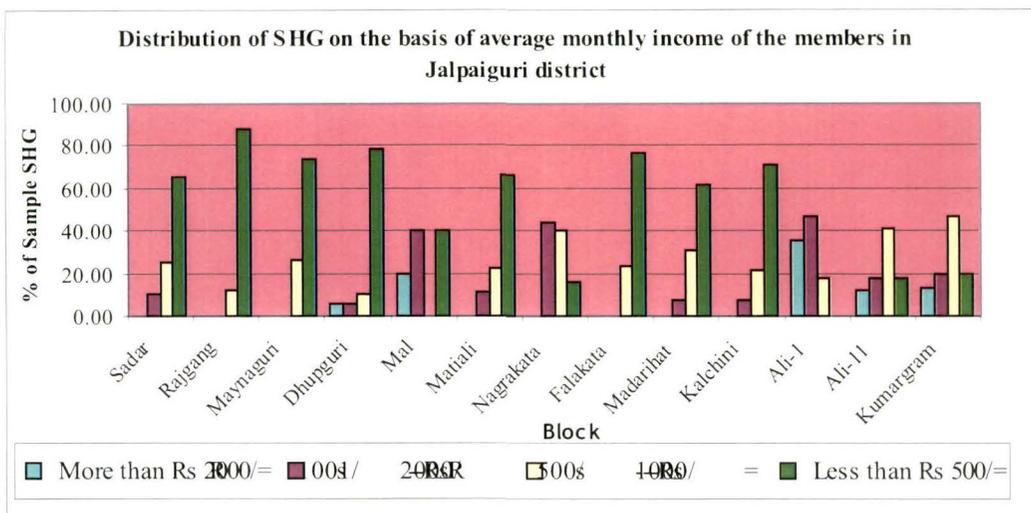
**Table No: 9.4.C**  
**Blockwise distribution of SHGs on the basis of actual income earned by the members in Jalpaiguri district**

Average monthly income of the member	Block					
	Sadar	Rajgang	Maynaguri	Dhupgury	Mal	Matiali
	%of total	% Of total				
More than Rs 2000/=	0.00	0.00	0.00	5.26	20.00	0.00
Rs 1001/--Rs 2000/	10.00	0.00	0.00	5.26	40.00	11.11
Rs 500/---Rs 1000/=	25.00	12.50	25.93	10.53	0.00	22.22
Less than Rs 500/=	65.00	87.50	74.07	78.95	40.00	66.67

(Contd)

Block							District
Nagrakata	Falakata	Madarihat	Kalchini	Ali-1	Ali-11	Kumargram	Jalpaiguri
% Of total							
0.00	0.00	0.00	0.00	35.29	11.76	13.33	0.05
44.00	0.00	7.69	7.14	47.06	17.65	20.00	0.16
40.00	23.08	30.77	21.43	17.65	41.18	46.67	0.23
16.00	76.92	61.54	71.43	0.00	17.65	20.00	0.56

Above table evident that average annual income of 56% respondent beneficiaries in Jalpaiguri district is less than Rs 500. On the other hand, overall 5% of respondent beneficiaries was able to earn more than Rs 2000 per month. Only beneficiaries of Malbazar (20%) and Alipurduar-I (35.29%) block earned on an average more than Rs 2000 per month followed by Alipurduar-II and Kumargram. The main reason behind that, most of the sample SHGs in these blocks have started viable microenterprises like poultry, cement works, dairy handicraft etc. A graphical representation of above table is given below which provided the pattern of income earned by the members in different block in this district.



#### d) Access to Loans

Loan is an essential component of any economic system which motivates people to start enterprises. Loan is a vital source of finance through which an entrepreneur can raise fund to substitute the capital requirement of the enterprise. The new paradigm of microfinance provides multilevel loan facilities to the beneficiaries in order to start and operate vibrant microenterprises for them. The degree to which SHGs helps in enhancing the members access to loan is symptomatic of the degree of economic benefits by that group to its members. Basically rural women are unaware about the formal banking system. They have been treated as unbankable section of the society and also find themselves increasingly marginalised from formal credit on account of a

variety of socio cultural biases and bureaucratic processes. Self Help Group provides interloaning facilities to its members to meet their emergent credit needs. Bank also provides collateral free loan at a low cost to the beneficiaries to start and operate their microenterprises. It is interesting to note that most of the members have taken loan for the purpose of day-to-day survival. These loans have taken initially from local moneylenders at exorbitant interest rates and this further pushes the poor into a vicious cycle of poverty and debt. This trend has improved gradually with the passing of time. Modern microfinance provides multilevel financing to inject the earning potentiality of the beneficiaries. Following table is given to show the amount loan taken over by the beneficiaries of different blocks in Jalpaiguri district

**Table No: 9.4.D**

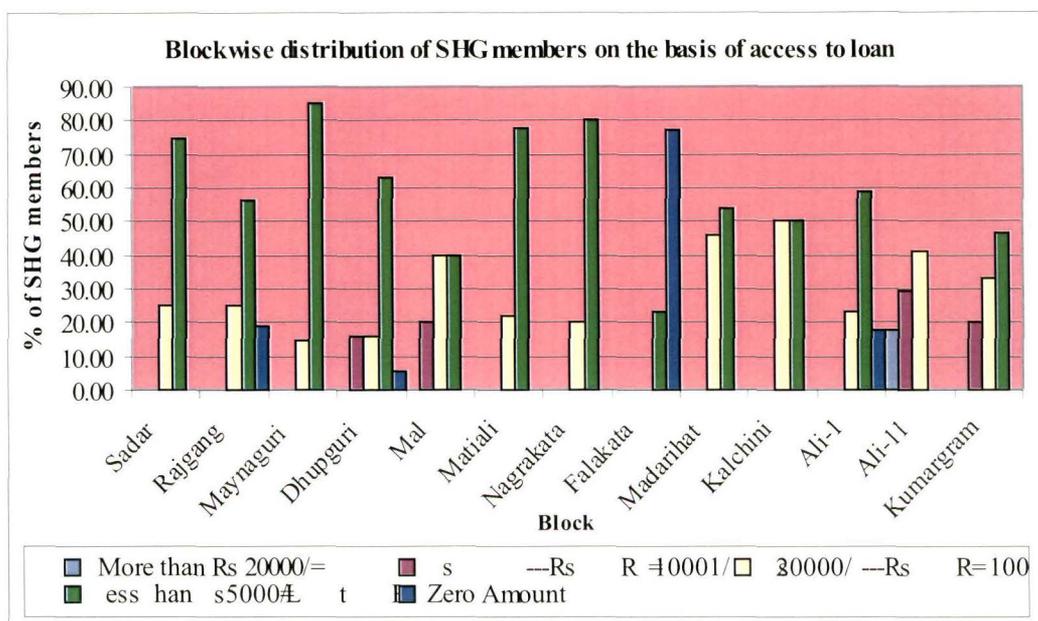
**Percentage distribution of members in different blocks by access to loan**

Access to loan through group						
	Sadar	Rajgang	Maynaguri	Dhupgury	Mal	Matiali
	%of total	% Of total				
More than Rs 20000	0.00	0.00	0.00	0.00	0.00	0.00
Rs 10001/---Rs 20000	0.00	0.00	0.00	15.79	20.00	0.00
Rs 10000/---Rs 5001	25.00	25.00	14.81	15.79	40.00	22.22
Less than Rs5000/=	75.00	56.25	85.19	63.16	40.00	77.78
Zero Amount	0.00	18.75	0.00	5.26	0.00	0.00

(Contd)

Block							District
Nagrakata	Falakata	Madarihat	Kalchini	Ali-1	Ali-11	Kumargram	Jalpaiguri
% Of total							
0.00	0.00	0.00	0.00	0.00	17.65	0.00	0.00
0.00	0.00	0.00	0.00	0.00	29.41	20.00	0.04
20.00	0.00	46.15	50.00	23.53	41.18	33.33	0.23
80.00	23.08	53.85	50.00	58.82	0.00	46.67	0.60
0.00	76.92	0.00	0.00	17.65	0.00	0.00	0.13

The study shows that, most of the members have taken loan on an average less than Rs 5000. Only SHG members of Alipurduar II block have taken loan on average more than Rs 20000. This is because of high demand of loan for their enterprises. DRDC also provided Rs 20000 as 2<sup>nd</sup> dose for the development and expansion of the scale of operation of their enterprises. It is important to note that; a significant portion (76.92%) of SHG members in Falakata block did not get any loan from bank. In those cases, members have taken loan from their group corpus as much as possible. On the other hand, through the interview, it was found that a high percentage of the members had taken credit for one purpose or the other. The member takes loan for their microenterprises. A pictorial representation of above table is given below to show the accessibility of different amount of credit in different blocks in this district.



**e) Perception of Economic benefits:**

Modern microfinance provide financial and non-financial services to support income generation activities with the goal of enhancing the economic status of the beneficiaries. Success of such endeavour is assessed on the basis of numbers of beneficiaries involved and income earned by them. Main aspect of such evaluation is assessing how members perceived those economic benefits which have traditionally

been considered to be quantifiable cash reward. On the basis of individuality and their level of aspiration, it was realised that the same cash benefits could provide different perception of well-being. In order to bring this factor into impact assessment, individual realisation about the economic benefits accrued from the SHGs have taken into consideration. Different levels of perception about the economic benefits for the well being of the beneficiaries of different block in Jalpaiguri district is detailed out through the following table.

**Table No: 9.4.E**

**Percentage distribution of members on the basis of perception about improvement in economic status among the different blocks**

Perception about improvement in economic status	Block					
	Sadar	Rajgang	Maynaguri	Dhupgury	Mal	Matiali
	%of total	% Of total				
Much Better	25.00	12.50	22.22	68.42	50.00	22.22
Some what better	70.00	68.75	74.07	26.32	30.00	66.67
Remained same	5.00	18.75	3.70	5.26	20.00	11.11
Decreased	0.00	0.00	0.00	0.00	0.00	0.00

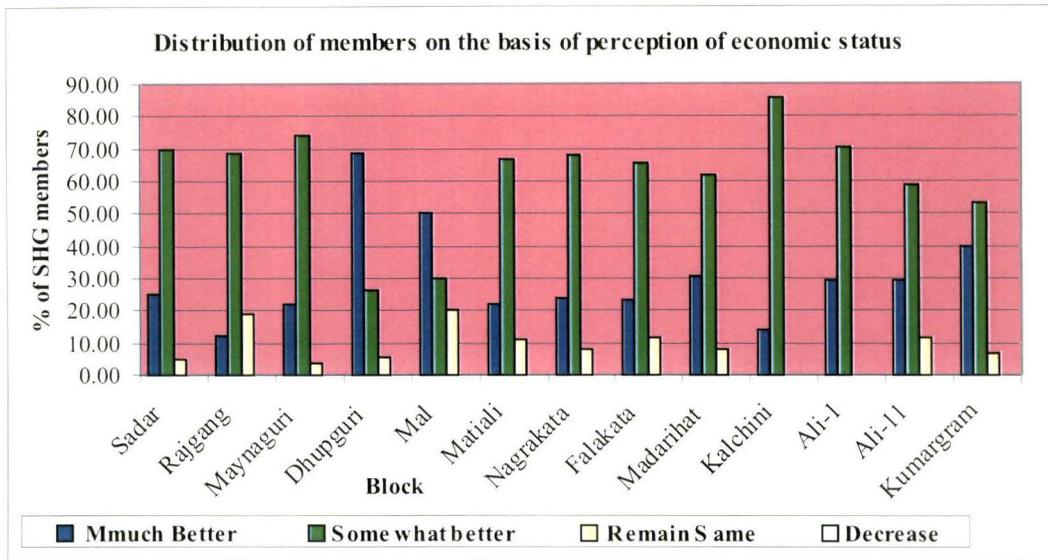
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Block							District
Nagrakata	Falakata	Madarihat	Kalchini	Ali-1	Ali-11	Kumargram	Jalpaiguri
% Of total							
24.00	23.08	30.77	14.29	29.41	29.41	40.00	0.29
68.00	65.38	61.54	85.71	70.59	58.82	53.33	0.63
8.00	11.54	7.69	0.00	0.00	11.76	6.67	0.08
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Above table (No: 9.4.E) shows that beneficiaries of most of the blocks perceived that their economic status have increased after joining in the SHG. They felt that Self Help Groups could provide economic benefits to them. After 8<sup>th</sup> year of SHG movement in this district, economic status of most of the blocks in Jalpaiguri district

Have increased to some extent. It is interesting to note that, there is no member who felt that his economic benefit have decreased due to SHG. A moderate level of improvement in economic status have realized by most of the beneficiaries in this district. A graphical representation of above table is sighted below to highlight the perception about the economic benefit of the members.



**f) Change in Asset possession: -**

It is general phenomenon that assets of rural families owned in the name of male members. In most of the cases, rural women purchase domestic animal like milch cow, goat, poultry bird etc. to earn their livelihood. Rural women usually spent this earning to substitute the consumption expenses of their families. In some cases, those female members used to purchase few assets like jewellery, Television, Cycle etc for personal purposes with their surplus funds after making necessary consumption expenses.

Field survey of this study revealed that, women members of some of the SHGs in Jalpaiguri district were able to buy different assets of small amount. Ruby Barman, a member of Dishari Self Help Group in Dhupgury block, stated that it is after joining SHG I have purchased two milch cows, one television set for my family. Assets purchasing power differs on the basis consumption needs of the families. Extent of this need also depends upon the earning capacity of male members of their families. Where

male member earns a minimum amount as daily wages, female member has to share the responsibility to run their families. Otherwise she can spend her limited earning to purchase necessary asset for their family. To highlight the change in asset position of members' after joining SHG in Jalpaiguri district table No--- is given below.

**Table No: 9.4.F**

**Change in value of assets in post SHG Period of different block in Jalpaiguri**

Change in assets value	Block					
	Sadar	Rajgang	Maynaguri	Dhupgury	Mal	Matiali
	%of total	% Of total				
Increased	75.00	50.00	51.85	78.95	60.00	66.67
Remained same	25.00	50.00	48.15	21.05	40.00	33.33
Decreased	0.00	0.00	0.00	0.00	0.00	0.00

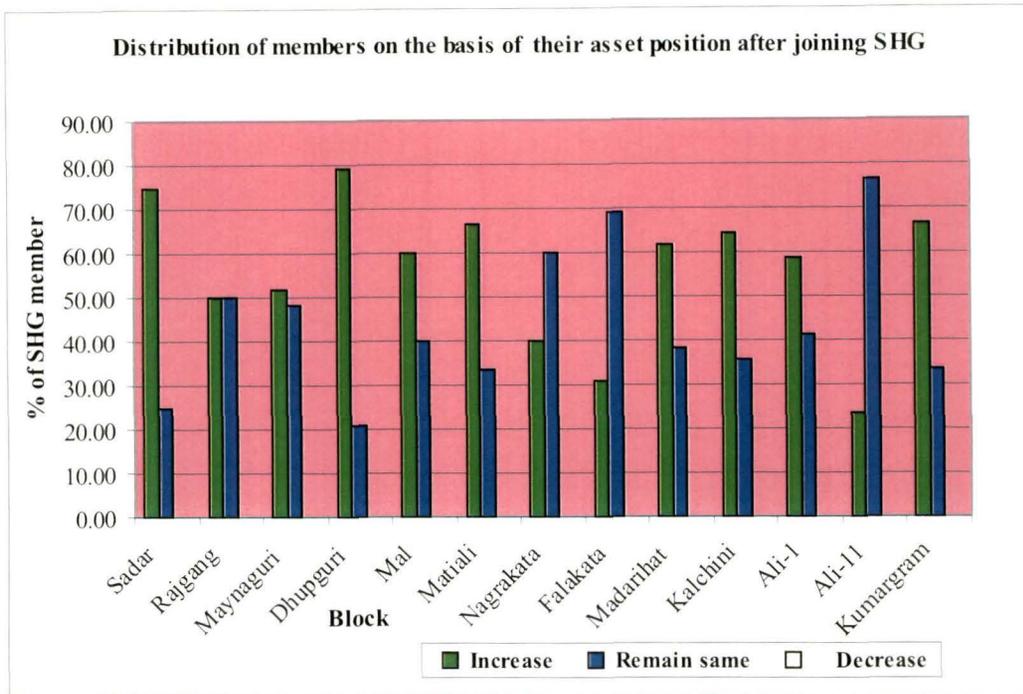
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Block							District
Nagrakata	Falakata	Madarihat	Kalchini	Ali-1	Ali-11	Kumargram	Jalpaiguri
% Of total							
40.00	30.77	61.54	64.29	58.82	23.53	66.67	0.50
60.00	69.23	38.46	35.71	41.18	76.47	33.33	0.44
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Above table shows that SHGs have significant impact on the assets position of members' families. In few cases members were not able to bring any asset for their families after joining SHGs. There is to possible reason the behind said situation. Firstly, male members were unable to run their families due to low income and female members had had to take the responsibility of running the same. In these cases, she spent her limited earning from their group to fulfil the emergent consumption needs. Secondly, members were not able to run their group efficiently, which in turn they were unable to generate any income for them. As a result there is no question of purchasing any assets for them. It is interesting to note that there is no member whose asset position decreased after joining SHG. A pictorial representation of above table is given

Below which highlight the change in asset position of the SHG member in different blocks in this district.



### 9.4.2 Social Benefits

The information on indicators (described in the section on methodology of the indices) was collected from the beneficiaries through the structured questionnaire and is a measurement of social benefits as perceived by the members. Social benefits accrued by the members is indicated by the Index of Social Benefits. Data collected on different indicators social benefits have been used to create this index. A higher value on the index indicates higher level of social benefits received by the beneficiaries and vice versa.

#### a) Perceived increase in prestige:

Prestige is the feelings and perceptions about the status and recognition among others in society or at the home. One major outcome of the modern microfinance programme is considered to be the degree to which a member feels that her prestige has

increased on account of her participation in income generating activities. Rabina Khatun, an aged member of Dipsikha SHG in Rajganj block expressed that, before joining to SHG nobody invited her to any social programmes like marriage ceremony, birthday party or any other rituals of the neighbours. Presently they generate income from the SHG and contributed something towards the society like, distribution of clothes to the poor people in the locality, frequently offer gifts for marriages of neighbours' daughter. Now there is no ritual in the locality where she has no invitation. These feelings of member point to the fact that prestige and social recognition are social benefits accruing from income generating activities. In this context it can be said that SHGs are instrumental to the socialisation process of the destitute people in the vulnerable rural strata. Perception of increase in prestige may vary according to each member. When comparisons are made amongst members who differ not only in their socio economic background, but also belong to different regions, Accounting for difference in perception becomes more complicated. Through the interview with well-structured questionnaires different related information about the two indicators have been collected and quantified for assessing overall increase in prestige. Other than this, dialogue of members related to specific examples of how and why they perceived any change in their prestige have been recorded in order to get better understanding about the change in prestige of the members.

In an effort to gauge the increase in prestige and social status the questionnaire that was administered personally was the main tool. However, in-depth interaction and discussions had to be undertaken to delve into the minds of the beneficiaries regarding these issues.

The first indicator for assessing overall prestige was the members' perception of the increase of her own prestige in her home. Following table depicts that Maynaguri; Malbazar and Rajganj block has the highest proportion (<50%) of members who reported that their prestige had increased substantially at home while in Falakata and Kalchini block this proportion is not substantial. It is interesting to note that overall 30% of the respondent this district reported that their prestige at home due to their involvement in the organisation have increased substantially. Where as overall position

of perception about prestige in this district shows that 50% of total respondent beneficiaries have felt that their prestige has increased at somewhat level.

**Table No: 9.4.G**

**Percentage Distribution of Members according to Perceived increase in prestige at home.**

Statements	Sadar	Rajgang	Maynaguri	Dhupgury	Mal	Matiali
	% Of total					
<b>1) Perceived change in prestige in the Community</b>						
Substantially increased	15	25	59.26	52.63	60.00	33.33
somewhat increased	60	62.5	37.04	42.11	30.00	55.56
remained same	25	12.5	3.70	5.26	10.00	11.11
somewhat decreased	0	0	0.00	0.00	0.00	0.00
substantially decreased	0	0	0.00	0.00	0.00	0.00

(Contd)

(Contd)

Block							District
Nagrakata	Falakata	Madarihat	Kalchini	Ali-1	Ali-11	Kumargram	Jalpaiguri
% Of total							
12.00	7.69	15.38	8.33	52.94	29.41	46.67	0.30
40.00	46.15	69.23	75.00	29.41	58.82	40.00	0.50
48.00	46.15	15.38	16.67	17.65	11.76	13.33	0.20
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

A large proportion of the member in Nagrakata (48.00%) and Falakata (46.15%) felt that their prestige at home due to SHGs was same as before. On the other hand, 7.69% of respondent beneficiaries in Falakata block and 8.33% of respondent beneficiaries in Kalchini block have felt their prestige has increased substantially. It is interesting to note that beneficiaries of Madarihat and Falakata block, 48% and 46.15% respectively have felt that there was no change in prestige at their home after joining SHGs also. The majority of Madarihat and Kalchini block's members felt their prestige at home had improved somewhat because of the organisation.

It is important to highlight various comments of the respondents which give more clear assessment of prestige. A few examples in the words of beneficiaries will provide better result than any analysis.

*Maloti Roy of Ma Durga SHG in Malbazar block said that I feel my family respect me more now that I am working with the group and getting money. My children ask me to purchase books and other concern materials for their education. I feel proud that I can do something for on my own.*

*Rojina Begam of Dipshika SHG in Rajganj block said that my husband is very proud that I am able to earn money from the group activities and able to save something from my own. It is after the SHGs I am able to talk about banking transactions, about social problems in the community like alcoholism etc.*

*Sona Barman of Matongini SHG in Maynaguri block has perceived a significant change in her life after joining SHGs. To express her feelings she told that my mother-in-law does not ask me to do all the housework since I am an earning member. Instead of this she asks my sister-in-law to share the family chores now.*

The second indicator for the assessment of prestige in this study is the members' perception about the increase of her own prestige in the community. It is highly

essential to consider the perception of prestige in all its dimensions in order to ensure that a significant and complete picture would emerge.

**Table No: 9.4.G**

**Percentage Distribution of Members according to Perceived increase in prestige in Community**

Statements	Block					
	Sadar	Rajgang	Maynaguri	Dhupgury	Mal	Matiali
	% Of total					
<b>2) Perceived change in prestige in the community</b>						
Substantially increased	15	25	59.26	52.63	60.00	33.33
somewhat increased	60	62.5	37.04	42.11	30.00	55.56
remained same	25	12.5	3.70	5.26	10.00	11.11
somewhat decreased	0	0	0.00	0.00	0.00	0.00
substantially decreased	0	0	0.00	0.00	0.00	0.00

(Contd)

(Contd)

Block							District
Nagrakata	Falakata	Madarihath	Kalchini	Ali-1	Ali-11	Kumargram	Jalpaiguri
% Of total							
8.00	23.08	15.38	8.33	29.41	29.41	40.00	0.29
72.00	57.69	76.92	70.83	58.82	58.82	46.67	0.55
20.00	19.23	7.69	20.83	11.76	11.76	13.33	0.16
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Above table (No: 9.4.G) depicts that in Malbazar, Maynaguri, Dhupgury and Alipurduar block, a significant portion of beneficiaries has felt that their prestige in the community has increased due to participation in SHGs. In Maynaguri, Malbazar and

Rajganj block has the highest proportion (<50%) of members who reported that their prestige had increased substantially in the community while in Nagrakata and Kalchini block this proportion is not substantial. Where as overall position of perception about prestige in this district shows that 50% of total respondent beneficiaries have felt that their prestige has increased at somewhat level, and 30% of total respondent beneficiaries have felt that their prestige has increased substantially. On the other hand, 7.69% of respondent beneficiaries in Falakata block and 8.33% of respondent beneficiaries in Kalchini block have felt their prestige has increased substantially. It is interesting to note that beneficiaries of Madarihat and Falakata block, 48% and 46.15% respectively have felt that there was no change in prestige after joining SHGs also.

Most of the villages in those blocks is located in remote areas where other economic opportunities are rare, the most common being working as daily labour. In some cases they do live without any job in their locality. As a result they were unable to earn money. Another significant reason behind no change in prestige of the beneficiaries of those blocks is that, most of the groups had passed their 1<sup>st</sup> grading only. They did not get revolving fund and bank loan. So they were unable to start any microenterprise or income generating activities on their own.

Some of the responses of the members in different blocks are being highlighted which will throw more light on the subject.

*Madhumita Roy of Ekta SHG in Malbazar block said that, as we contribute something from the group earnings towards different types of social activities in the locality, every one in our village respects us more now.*

#### **b) Perceived Increase in Role in Decision Making**

Decision means selection of the best course of action out of all possible action. It is the ability of an entity; its quality improves on the basis of experience. One can acquire power in any field through the exactness of his decisions. The degree of control one may have in decision-making at different level is closely associated with the empowerment of any kind. Empowerment of women is the core issue in modern

microfinance. It is an important social benefit that can be accrued by the members with their active decision making role in group activities. It is highly essential to assess the changes in decision making roles of beneficiaries at their homes as well as in the community. It is may not necessary that an increase in prestige lead to an increase in decision making role but is certainly the first step towards that. Very often beneficiaries take varieties of decision like loan decision, investment decision, decision on job schedule for the members etc. Though all members take decision on consensus basis in their group meeting, however due to individual differences, every one is not capable of making proper decision correctly. Since all members enjoy equal right in the group decision making process, so it could assess all possible suggestions of every member in the group meeting are given importance, therefore the group decision making procedure can cultivate decision making ability of every member. This in turn increases the confidence level of beneficiaries in making decisions in their home as well as in the community.

As per perception of the members' any increase in decision making role is assessed on the basis of two indicator-decision making within the household and decision making within the community. Information has been collected from the women beneficiaries through the structured questionnaire by asking if they felt their participation in the organisation had increased their decision making roles. The table (No: 9.4.I) highlights the percentage distribution of beneficiaries in the thirteen blocks according to their level of perception on the increase in their decision making roles.

A family man has to take varieties of decision in their daily life. It is a general phenomenon in the rural illiterate section of the society that male members take every decision in their family. In this case male members feel that women do not have sufficient insight to take any decision. The female members' role in decision making at the home were examined by different kinds of decisions like children's health and education, marriage ceremonies, household expenditures, finance and loans etc. In this respect, women SHG members were asked if they perceived any change in their roles in these decisions due to involvement in SHGs.

**Table No: 9.4.I**

**Percentage distribution of members according to perceived Increase in Roles in  
Decision Making at home**

Statements	Sadar	Rajgang	Maynaguri	Dhupgury	Mal	Matiali
	% Of total					
<b>3) Perceived changes in decision-making role at home</b>						
substantially increased	10	50	55.56	31.58	60.00	22.22
somewhat increased	80	25	7.41	52.63	30.00	44.44
remained same	10	25	37.04	15.79	10.00	33.33
somewhat decreased	0	0	0.00	0.00	0.00	0.00
substantially decreased	0	0	0.00	0.00	0.00	0.00

(Contd)

(Contd)

Block							District
Nagrakata	Falakata	Madarihat	Kalchini	Ali-1	Ali-11	Kumargram	Jalpaiguri
% Of total							
8.00	23.08	15.38	8.33	35.29	17.65	13.33	0.26
72.00	46.15	76.92	79.17	52.94	47.06	60.00	0.52
20.00	30.77	7.69	12.50	11.76	35.29	26.67	0.22
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

The above table (No: 9.4.I) depicts that highest proportion of beneficiaries in Malbazar block have felt that their decision-making role at their home had increased substantially followed by Maynaguri and Rajganj block. Where as 26% of total respondent beneficiaries have felt that their role in decision making at home have increased substantially. More than half of total respondent beneficiaries have felt that their role in decision making at home have increased at some what level. The beneficiaries of Nagrakata and Sadar block has very minimum proportion of

beneficiaries, 8% and 10% respectively, who felt that role in decision making at home have increased substantially.

*Mitali Das of Ma Kali SHG in Malbazar block expressed that, "Now I have decided to purchase a milch cow from my own money without prior permission about this expenditure. Before that I had to get my husband's permission for any purchase and expenditure. As I can contribute something for any purchase, my husband considers my proposals for any expenditure as and when required".*

This comment makes it clear that involvement in SHGs have increased in role in decision making at their home.

**Table: 9.4.J**

**Percentage distribution of members according to perceived Increase in Roles in Decision Making in the community**

Statement	Block					
	Sadar	Rajgang	Maynaguri	Dhupgury	Mal	Matiali
	% Of total					
<b>4) Percent changes in decision-making role in the community</b>						
substantially increased	0	37.5	55.56	26.32	50.00	22.22
somewhat increased	40	25	37.04	63.16	30.00	66.67
remained same	60	37.5	7.41	10.53	20.00	11.11
somewhat decreased	0	0	0.00	0.00	0.00	0.00
substantially decreased	0	0	0.00	0.00	0.00	0.00

(Contd)

(Contd)

Block							District
Nagrakata	Falakata	Madarihat	Kalchini	Ali-1	Ali-11	Kumargram	Jalpaiguri
% of total	%of total	% of total					
8.00	30.77	15.38	4.17	47.06	5.88	60.00	0.27
32.00	46.15	76.92	33.33	41.18	58.82	40.00	0.44
60.00	23.08	7.69	83.33	11.76	29.41	0.00	0.31
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Above table depicts that highest proportion of beneficiaries have felt that role in decision making in the community have increased substantially followed by Maynaguri and Malbazar in that order. Where as overall 27% of total beneficiaries in Jalpaiguri district have felt that role in decision making in the community has increased substantially and 31% of total beneficiaries have felt that the is no change in role in decision making in the community.

Self Help Groups are instrumental in socialisation and gender equalisation in the rural areas. Government has given sufficient impetus to attain its goal. Government has created ambience environment to perform various duties for rural development. To perform activities very often beneficiaries have to take various decisions. Following examples will make it clear that; after joining SHGs, members of SHGs have selected the suitable place for tube-well in the locality, construction of roads in the locality can be supervised by SHGs, guaranteed 100 working day scheme in the locality is supervised by SHGs. So there is the transition that, after joining SHGs women members are being empowered to take above vital decisions for the community development which had previously been taken by the male members in the locality.

**c) Perceived increase in Self- Reliance**

Most important aspect of empowerment is self-reliance. Income generating activities for women would lead to a greater self-reliance which would ultimately lead to higher empowerment. This empowerment can reduce the vulnerability of women. The income generating activities provides individual income for the beneficiaries is

expected to decrease vulnerability. Mobility of women can increase the confidence of women which in turn it will lead to the higher level of self-reliance. Thus, one of the social benefits accrued by the beneficiaries of this districts involved in income generating activities is an increase in self-reliance. Now, the question arises about the indicators of self-reliance i.e. what constitutes self-reliance of the beneficiaries is highly relative and context driven. The constituents provide different results based on different situation and different location. Members in remote area who had no idea about the bank, hospital, block office etc. and they had never moved out of their house alone before would consider going out to the bank, market by themselves as indicators that they are self reliant, where as beneficiaries in city adjacent areas would have very different perceptions of what constitute self-reliance.

Perceptions of an increase in members' self-reliance were assessed with the help of five indicators. Information about these indicators was collected from the beneficiaries through the well-structured questionnaires. Firstly, members were asked if they felt that the self-help group had contributed to their overall self-reliance. The following table (No:9.4.K) shows that overall 24% of total respondent beneficiaries in this district felt that their overall self-reliance had increased substantially. On the other hand, overall 31% of total respondent beneficiaries in this district have felt that they do not have any change in their self-reliance even after long involvement with SHGs.

**Table No: 9.4.K**  
**Percentage Distribution of Members according Perceived Increase in Overall Self-Reliance**

Statement	Block					
	Sadar	Rajgang	Maynaguri	Dhupgury	Mal	Matiali
	% of total					
<b>5) Perceived changes over all self-reliance</b>						
substantially increased	20	56.25	44.44	10.53	70.00	11.11
somewhat increased	60	37.5	33.33	78.95	20.00	33.33
remained same	20	6.25	22.22	10.53	10.00	55.56
somewhat decreased	0	0	0.00	0.00	0.00	0.00
substantially decrees	0	0	0.00	0.00	0.00	0.00

(Contd)

(Contd)

Block							District
Nagrakata	Falakata	Madarihat	Kalchini	Ali-1	Ali-11	Kumargram	Jalpaiguri
% Of total							
8.00	11.54	0.00	0.00	58.82	0.00	53.33	0.24
32.00	53.85	61.54	50.00	35.29	29.41	40.00	0.45
60.00	30.77	38.46	50.00	5.88	70.59	6.67	0.31
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

It is clear from the above table that, Malbazar block has the highest proportion (70%) of beneficiaries who felt that their overall self-reliant has increased substantially followed by Alipurduar-I, Rajgang and Kumargram block in their order. On the other hand, in Kalchini, Madarihat and Alipurduar-II blocks did not have any single respondent beneficiaries who felt her overall self-reliance has increased substantially. Most of the beneficiaries in these blocks are tribal women who had little exposure to the outside world except for the person who involved in small business in the locality. Being involved with the SHGs gave these women more avenues to interact with the banks, block office, GP office, and other line department. As a result rural women is able to know their rights and the official procedure of hospital, banks, GP office and school.

The second indicator of self-reliance is attempted to assess the members' increase in self-reliance in household area. Following table( No: 9.4.L) shows that high proportion of beneficiaries in Malbazar, Maynaguri, Falakata and Alipurduar-I block, perceived an increase on this indicator since their involvement with the organisation. Where as no members in Madarihat felt that their overall self reliance have increased substantially. On the other hand, overall 31% of total respondent beneficiaries in this district have felt that they do not have any change in their self-reliance even after long involvement with SHGs

**Table No: 9.4.L**

**Percentage Distribution of Members according to Perceived Increase in Self-Reliance in household**

Statement	Sadar					
	Sadar	Rajgang	Maynaguri	Dhurgury	Mal	Matiali
	% Of total					
<b>6) Perceived changes in self-reliance in household</b>						
substantially increased	15	37.5	66.67	10.53	70.00	11.11
somewhat increased	65	56.25	22.22	63.16	20.00	44.44
remained same	20	6.25	11.11	26.32	10.00	44.44
somewhat decreased	0	0	3.70	0.00	0.00	0.00
substantially decreased	0	0	0.00	0.00	0.00	0.00

(Contd)

(Contd)

Block							District
Nagrakata	Falakata	Madarihat	Kalchini	Ali-1	Ali-11	Kumargram	Jalpaiguri
% Of total							
4.00	57.69	0.00	0.00	58.82	5.88	46.67	0.30
64.00	38.46	46.15	50.00	35.29	35.29	40.00	0.45
32.00	3.85	53.85	50.00	5.88	58.82	13.33	0.25
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Above table makes it clear that, in Madarihat, Kalchini and Alipurduar-II block, a high proportion of beneficiaries perceived no difference in their level of self-reliance in household since their involvement with the SHGs. Before joining SHGs, the members were busy with their family chores and other activities related with cultivation. As a result they even did not know about the market in their locality. Only

male members use to go market for shopping and perform all other related work. After joining SHGs, they started going to outside- bank, GP office, and block office. Even in some cases they had to attend different types of seminar and workshop for. As a result, after joining SHGs they able to interact with the outside world.

Manosi Roy of Vivakananda SHG in Malbazar block said, “*I am even able to bargain with the shopkeepers to purchase households items*”. This statement implies that microfinance in Jalpaiguri district has been able to increase the self-reliance at their households.

The third indicators attempted to assess the members’ increase in elf reliance through the increase in confidence. The following table (No: 9.4.M) depicts that, high proportion (66.67%) of beneficiaries in Kumargram block perceived an increase on this indicator substantially since their involvement with the organisation.

**Table No: 9.4.M**  
**Percentage Distribution of Members according to Perceived Increase in level confidence due to SHGs.**

Statement	Block					
	Sadar	Rajgang	Maynaguri	Dhupgury	Mal	Matiali
	% Of total					
<b>7) Percent changes in Level of confidence due to participation in SHG</b>						
substantially increased	20	25	11.11	10.53	20.00	11.11
somewhat increased	50	56.25	74.07	63.16	70.00	55.56
remained same	30	18.75	14.81	26.32	10.00	33.33
somewhat decreased	0	0	0.00	0.00	0.00	0.00
substantially decreased	0	0	0.00	0.00	0.00	0.00

(Contd)

(Contd)

Block							District
Nagrakata	Falakata	Madarihat	Kalchini	Ali-1	Ali-11	Kumargram	Jalpaiguri
% Of total							
8.00	3.85	7.69	0.00	0.00	23.53	66.67	0.14
52.00	76.92	53.85	83.33	70.59	58.82	20.00	0.62
40.00	19.23	38.46	16.67	29.41	17.65	13.33	0.24
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Above table depicts that beneficiaries in all the blocks in Jalpaiguri district, except Kumargram block perceived that their confidence have increased at somewhat levels. Whereas 14% of total respondent beneficiaries perceived that their confidence have increased substantially and 62% of total respondent beneficiaries perceived that their confidence have increased at somewhat level. It is interesting to note that 24% of total respondent who felt that their level of confidence was the same as before their involvement with the organisation.

The fourth indicator is used to assess the members' increase in self reliance through the improvement in quality of life due to participation in SHGs. Following table (No: 9.4.N) shows that 10% of total respondent beneficiaries in this district perceived an increase substantially on this indicator since their long involvement with the organisation.

**Table No: 9.4.N**

**Percentage Distribution of Members according to Perceived Increase in quality of living due to SHGs.**

Statement	Block					
	Sadar	Rajgang	Maynaguri	Dhupgury	Mal	Matiali
	% of total					
<b>8) Perceived changes in the quality of living due to participation in SHG</b>						
substantially increased	20	18.75	3.70	10.53	10.00	0.00
somewhat increased	60	62.5	88.89	47.37	70.00	33.33
remained same	20	18.75	7.41	42.11	20.00	66.67
somewhat decreased	0	0	0.00	0.00	0.00	0.00
substantially decreased	0	0	0.00	0.00	0.00	0.00

(Contd)

(Contd)

Block							District
Nagrakata	Falakata	Madarihat	Kalchini	Ali-1	Ali-11	Kumargram	Jalpaiguri
% Of total							
8.00	3.85	7.69	8.33	0.00	0.00	40.00	0.10
20.00	76.92	53.85	75.00	23.53	29.41	53.33	0.55
72.00	19.23	38.46	16.67	76.47	70.59	6.67	0.35
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Whereas, 55% of total respondents in this district felt that their quality of living improved at somewhat level. On the other hand, 35% of total respondents in this district in comparison to Matiali, Nagrakata, Alipurduar-I and Alipurduar-II block who felt that quality of their living was the same as before their involvement with the organisation. It

is interesting to note that high proportion of the respondent beneficiaries of most of the block felt that quality of their life has improved due to long involvement with the SHGs. In most of the cases the respondents could not identify the quality of their life due to their own feelings about their life. Mithu Roy of Dishari SHG in Malbazar block said, *“I have purchased a television, wrist watch with my own income from group”*.

The above statement of Mithu Roy signifies that quality of living of the beneficiaries has improved due to involvement in SHGs.

The fifth indicator attempted to assess the members’ increase in self-reliance through the participation in cultural activities in the community. The following table (No:9.4.O) depicts that after joining SHGs beneficiaries participated in different kinds of cultural activities.

**Table No: 9.4.O**

**Percentage Distribution of Members according to Perceived Increase in self-reliance through the participation in cultural activities in the community**

Statement	Block					
	Sadar	Rajgang	Maynaguri	Dhupgury	Mal	Matiali
	% Of total					
<b>9) Perceived changes in self reliance through participation in cultural activities in the community</b>						
substantially increased	0	6.25	7.41	5.26	10.00	11.11
somewhat increased	40	62.5	74.07	26.32	70.00	33.33
remained same	60	25	18.52	63.16	20.00	55.56
somewhat decreased	0	0	0.00	0.00	0.00	0.00
substantially decreased	0	0	0.00	0.00	0.00	0.00

(Contd)

(Contd)

Block							District
Nagrakata	Falakata	Madarihat	Kalchini	Ali-1	Ali-11	Kumargram	Jalpaiguri
% Of total							
0.00	0.00	7.69	0.00	0.00	0.00	0.00	0.03
20.00	23.08	38.46	25.00	29.41	29.41	66.67	0.40
80.00	76.92	53.85	75.00	70.59	70.59	33.33	0.56
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Overall 43% members in Jalpaiguri block perceived that their participation in village fair, calibration of different Independence Day, birth day of Rabindranath Tagore, Najrul Islam etc. in their locality. A high proportion of beneficiaries of most of the blocks in Jalpaiguri district who felt that their participation in cultural activities was the same as before their involvement with the SHGs

#### 9.4.3 Mean score for the Indices of economic and social benefits

In the above sections the indices have measured the actual and perceived economic and social benefits received by members in all blocks in Jalpaiguri district. A higher value on the index indicates higher level of economic and social benefits received by the members. While a lower value on index indicates lesser economic and social benefits accrued by the members.

As stated before the range of score for economic benefits based on nine indicators could range from (-)18-18 and for social benefits it could range from 1-27. Higher score would signify greater economic and social benefits. On the basis of the computations made in the earlier sections, the mean scores have been calculated for each block.

The mean score for the index of economic and social benefits is given in the table (No: 9.4.P). The table depicts that maximum economic benefits accrued to the SHG members of Alipurduar-ii. High level of economic also accrued by the SHG

members of Malbazar and Kumargram block. Whereas, maximum social benefits accrued by the SHG members of Maynaguri block. High level of social benefits accrued by the SHG members of Rajgang, Malbazar and Kumargram block. Several factors are responsible for the high value of index of economic benefit for the SHG members of Alipurduar block. One of the reasons for this is the fact that in Alipurduar-ii block most of the SHG have taken different income generating economic activities like diary, handicrafts, agriculture, bee keeping, different types of small business etc. which provided cash income through out the year. So regularity of work is the vital factor for high value of index.

**Table No: 9.4.P**

**Mean score for the Indices of Economic and Social Benefits**

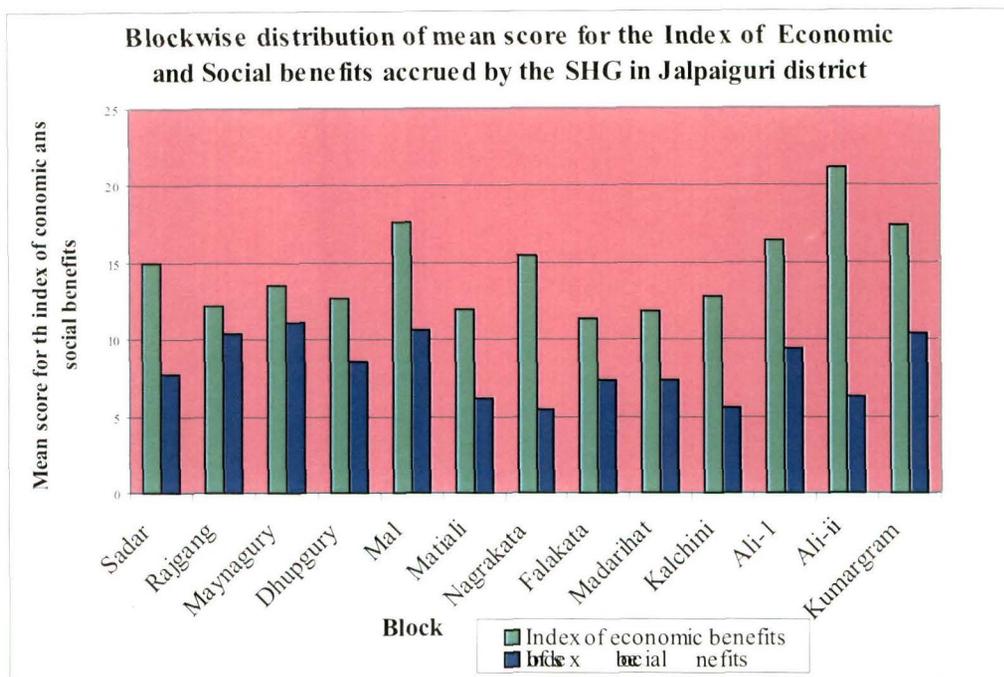
<b>Blocks</b>	<b>Index of economic benefits</b>	<b>Index of social benefits</b>
<b>Sadar</b>	15.000 (5.17)	7.750 (4.08)
<b>Rajgang</b>	12.250 (3.94)	10.375 (4.48)
<b>Maynagury</b>	13.481 (5.85)	11.074 (3.41)
<b>Dhupgury</b>	12.736 (4.24)	8.578 (3.40)
<b>Mal</b>	17.600 (5.87)	10.600 (4.62)
<b>Matiali</b>	12.000 (4.21)	6.111 (3.68)
<b>Nagrakata</b>	15.400 (6.22)	5.400 (2.95)
<b>Falakata</b>	11.384 (4.20)	7.307 (4.05)
<b>Madarihat</b>	11.846 (3.28)	7.307 (3.09)
<b>Kalchini</b>	12.857 (5.27)	5.500 (3.10)
<b>Ali-1</b>	16.470 (6.36)	9.411 (5.22)
<b>Ali-ii</b>	21.176 (5.73)	6.294 (3.33)
<b>Kumargram</b>	17.411 (6.51)	10.400 (4.17)

**\* Figure in-parentheses denote the standard deviation.**

The above table (No: 9.4.P) highlights the mean value on the index of social benefits and economic benefits which provides insight to compare among 13 blocks in Jalpaiguri district. Beneficiaries of Maynaguri block, with a value of 11 on the index,

receive maximum social benefits compared to members in other block. Beneficiaries of Kalchini block, with a value of 5.5, has the lowest value on the index indicating that fewer social benefits are accrued by the beneficiaries, as compared to the other blocks. Beneficiaries in Rajganj and Kumargram block as well as in Falakata and Madarihat block seems to perceive a comparable degree of social benefits on the index which is interesting as the degree of economic benefits are significantly different in the four blocks. Some of the most significant reason behind this disparity is that Kumargram block is covered by fertile agricultural land and most of the families are busy to produce different types of crops throughout the year. At the same time, most of the beneficiaries have started income generating activities immediately after joining in the self-help group. On the other hand, area of cultivated land in Rajganj block is comparatively less than area of Kumargram block. Most of the SHGs in Rajganj block are younger than the SHGs in Kumargram block. As a result beneficiaries in Rajganj were not able to reap the benefit of modern mf scheme. It is interesting to note that; in both Falakata and Madarihat block has same score on index of economic benefits and social benefits. In Alipurduar-II block disparity between its index of economic benefits (21.176) and index of social benefits (6.294) is significant. Field survey revealed that the members come from a conservative tribal background where members are unaware about their economic and social rights. Male members are omnipotent in those families they do not bother about the presence of female members in their families. Alcoholism, gambling and harassment of married women etc. are prevailing in rural families in this block. Members have started varieties of economic activities with utmost care as a result they able to generate substantial income for them. Due to social structure and lack of social awareness female members did not able to reap the social benefits.

Pictorial representation of above table is given below, which depicts the comparison between indices of economic benefits and social benefits accrued by the group members of different blocks in this district.



The table (No: 9.4.P) shows that there was significant difference in mean score of the index of economic benefits and social benefits among the different blocks in this district. It was found that mean score of index of economic benefits ranges 11-21. Where as, it was stated earlier that according to Babbie's methodology the possible maximum score of index of economic benefits and social benefits for this study is 27 and 18 respectively. Therefore, it is evident that the SGSY can lead to higher economic benefits for the beneficiaries. Where as, it has comparatively less impact on the social benefits for the group members. The mean score of index of social benefits is less than 50% in most of the cases. Correlation analysis is conducted to assess the relationship between the index of economic benefits and social benefits accrued by the members in this district. A linear relationship between economic benefits and social benefits accrued dose not, however, provide any evidence for making causal linkages and does not lead to say that higher economic benefits will lead to higher social benefits.

#### 9.4.4 Freedom from moneylenders

The measurement of impact, economic and social, done on the basis of Babbie's method has revealed substantial evidences on the evidences on the effectiveness of SGSY in Jalpaiguri.

However, one of the principal aims of microfinance programmes is to free the rural poor from the clutches of moneylenders and powerbrokers. Since, Babies method does not take this into consideration, a separate attempt was made to assess the situation in a wider perspective. The objective was to assess whether each member of the SHGs could free themselves from the clutches of moneylenders or whether they were getting more involved with them for financing their economic activities.

With this objective question No'8' was aimed to be administered to all members of the sample SHGs. However, this amounted to be a herculean task as all members could never be reached during the time span spent with the groups. On an average 4-6 members of each group could be administered this single question, out of which some refused to respond. The final number of respondents for this question stood at 874, which is sufficient large sample. The question was again on Likert's five point scale where the respondents agreed with the following statement, i.e. (i) Borrowing from moneylenders had stopped after joining SHGs; (ii) Borrowing from moneylenders had reduced after joining SHGs, (iii) They did not borrow from moneylenders either before and after joining the groups, (iv) Borrowing from moneylenders had increased to some extent after joining SHGs, (v) Borrowing from moneylenders had increased substantially after joining SHGs. The statements were tagged with score of 2, 1, 0, -1, and -2 respectively and the mean score was calculated. The results are reported below.

**Table No: 9.4.Q****Analysis about the freedom from moneylenders.**

Statements	Score	Respondents	Col (2) *Col (3)
(i) Borrowing from moneylenders had stopped after joining SHGs	2	542	1084
(ii) Borrowing from moneylenders had reduced after joining SHGs,	1	204	204
(iii) They did not borrow from moneylenders either before and after joining the groups	0	128	0
(iv) Borrowing from moneylenders had increased to some extent after joining SHGs	-1	Nil	NA
(v) Borrowing from moneylenders had increased substantially after joining SHGs	-2	Nil	NA
<b>Total</b>			1288
<b>Mean score</b>			1.47

The above table shows that as per Likert's five-point scale, the mean score of this statement stood at 1.42. As per this scale the maximum score is 2. Therefore, the calculated score is more than 70% of the maximum score on this scale. It signifies that microfinance under SGSY could motivate the members to come out from the clutches of the moneylenders in rural areas who use to charge exorbitant rate of interest.

**9.4.5 Cases of Successful SHGs.**

Impact studies on microfinance have used both quantitative measures and case studies. While quantitative analysis portrays the impact on an aggregative basis, specific case analysis provides a grass root picture of the actual occurrences and transformation phenomenon of the beneficiaries. In this study some case studies or vignettes have been presented (See Appendix-I) to make a **per** picture of how very micro ventures operated through groups have empowered rural women both economically and socially. Though the cases presented are only illustrative and not exhaustive. Yet they spell out the success of groups in a very simple manner. Moreover, these type success stories are being used by SHPI officials for promoting SHGs and motivating members of existing groups for more dynamism. Case therefore be useful in this respect in addition to being indicators of positive impact on beneficiaries.

## 9.5 Conclusion

The effectiveness of any microfinance programme depends on the impact made on the beneficiaries in terms of socio-economic upliftment and empowerment. While impact is not a tangible material that can be gauged with a measuring tape, it is not even a phenomenon, which being intangible, can not be assessed at all. Discussions in this chapter revealed that there has been a diverse manner in which impact assessments have been made by researchers. The use of Babbie's method for formulating indices cover a host of economic and social variables and gives a transparent an objective indicator of impact. The indices formed are important in the context that there are many popular beliefs that SGSY has been able to bring about social transformation in the rural areas. While such beliefs are not entirely baseless, yet they need to be tuned down as the study reveals that social benefits accrued to the beneficiaries are not in parity with the economic benefits. This means that SHGs and SHG clusters need to emphasis more on social activities and social empowerment. The social empowerment process may involve counselling spouses and family members of the beneficiaries if necessary. However, the encouraging evidence of beneficiaries being freed from moneylenders can be said to have a positive socio economic impact and speaks aloud of the success of SGSY in these areas.

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Members of SHGs being trained embroidery and cutting in Khoirdanga village Swambhar Bhawan.



Members of a SHG in - arranging their new materials (threads) for making shawls.