

Microfinance – A Life Saver Tool for Rural Area

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ABSTRACT

Purpose: The main purpose of this research paper is to show the positive impact of microfinance on the people residing the poor areas. There is a growth in the business opportunities, improved standard of living and main fulfilling of the needs

Design/methodology/approach: Secondary Data is being used. As with the help of NABARD financial Report the data is combined and utilized for this research paper

Findings: It shows that there is a growth of microfinance in the various cities including the rural areas where the people were unable to find growth opportunities.

Scope: If the Microfinance is being provided with better platform and market, Then the people who are even residing in slum areas will be able to live healthy and peaceful life. There will be no poverty and starvation and they will be able to grab good working opportunities

Keywords: SHG's, Micro-Finance, Development, NABARD, Rural.

INTRODUCTION

Today, we are living in an era where we are heading towards the development of our economy. Development not only relates with availability of food, shelter and water. But also, the growth in the living standard of the people. People doesn't only relate with those who are residing in urban and metropolitan cities. But also, those who are residing in rural and slum areas. Government is trying their zeal and zest to reach out even the poorer of the poor. But there are people who are residing in the rural areas and are still unaware about the benefits which the government is providing for their development and upliftment. The people in the rural areas are not only poverty ridden but also, they lack employment. Poverty and unemployment is always the pain area for the developing country. If we talk about the rural areas, our mind is always stuck how these people are fulfilling their needs and requirements. How they are getting the funds to start their new venture for the growth and development.

In order to provide them the finance facility, Microfinance has come into existence. Microfinance safeguard the interest of the uneducated person and protects him from the misleading concepts of unorganized sector. Microfinance helps to fulfill the needs and requirements of not only the medium group of people but also take s care about the people residing in the slum and poor areas. The people

who are unaware about the benefits of microfinance are also getting benefits as it is organizing the training workshops for the people. They help to understand the need and requirements of the people by gathering the information through the face-to-face interaction or through interviews. Microfinance is generating the opportunities for the people by generating the provision of fund facility, so that the needy who wants to start any business can get some money in the form of capital and can make the investment and work freely without dependence on any other person or sources.

Microfinance is like the life saver for the poor citizens as when they approach the unorganized sector or institutions for the loan facility or generating sources for capital, they are being told to pay higher in return. Due to which they are always shattered and unable to remove themselves from the poverty line. They remain under the burden of making the payment with the interest. But on the other note, the microfinance is not only providing the provision of funds but they are also not bounded to provide collateral in the case of acceptance of the loan amount. Microfinance not helps in making the development in the social line but also helps to improving the economic development of an economy. The development not only bounded to the development of an individual but also the development of the whole economy.

Microfinance is not only growing globally but also improving the status of the slum areas of Punjab. If we talk about the areas of Punjab, our main focus lies in the origin of cities, Where the development is taking the place at low pace. These cities on the verge of improvement but their status has not shown any improvement. People are still suffering from the poverty. As the inflation increases at the alarming rate, the survival is becoming difficult. But the microfinance has come as a ray of hope for these underdeveloped cities. Microfinance is not only taking care about the needs of the agriculture sector, but also influencing the lives of the women and their household sector. The availability of finance and its proper accomplishment is the main priority upon lending the short-term finance.

CONCEPT OF MICROFINANCE

In the modern era, the word microfinance has become the debatable topic for all but for the Bankers and Financial institutions it has become the puzzled. Microfinance is just not only the word but it has much bigger and spacious meaning. It has power to overcome the sorrow into power, weakness into strength and poverty into the healthy life. Microfinance has not reduced the poverty but has made social and economic empowerment of the poor class (Sriram, 2004). Microfinance, according to McGuire and Conroy (2000), is “the provision of financial services which mainly includes savings and credit opportunities to poor households those do not have access to formal financial institutions.”

Wanchoo (2007) suggest Microfinance term as “any activity that includes the provision of financial services such as credit, savings, and insurance to low-income individuals who either fall below the nationally defined poverty line or fall just above that, with the goal of creating social value”. Here, the term social value means providing the livelihood opportunities of poor, helps in eliminating the poverty, generates the habit of savings among the poor people so that they could easily come out from their miserable life and can focus on their improvement and could easily reduce their future risk.

Dhandapani (2009) describe microfinance as Granting of little amount of funds to the weaker section which also includes the women sector so that she could start her business, can make investment in self-generation opportunities which make an improvement in their value which ultimately leads to the

improvement in living standard. As per Nagayya and Rao (2009), the term microfinance describes wide range of non-financial and financial services which includes the skill improvement as well as poor entrepreneur development.

In the short, we can say that Microfinance means Banking with the poor and Banking for the poor. This facility not only open the doors for the poor and the weaker section but also helps to eradicate the problem related to poverty and generate the self - employment opportunities for them. This segment helps to make a development for those entrepreneurs who were unable to make the development due to lack of capital investment in their dream projects.

Microfinance is considered most important channel because its provisional facility like lending of small amounts of loans, savings, improvement towards the economic and social welfare towards the people residing in rural or slum areas will be fulfilled. They can enjoy their own savings through the investment and development made by them in their own businesses.

Without the provision of microfinance, they have to borrow from the money lenders or their family members which would result in high payment of interest with the principle amount. They have to make the borrowings done even from the banks and financial institutions which would be charging high interest rates and hidden charges, which leads to the failure of their interest towards their businesses.

FEATURES OF MICROFINANCE

- 1) Microfinance helps to provide Loan facility without security
- 2) The lending is given to low background group people.
- 3) The provision of loan is granted for short period of time.
- 4) Loan availed under microfinance is usually in small amount.
- 5) Easy and simple process is followed.

CHANNELS OF MICROFINANCE

There are two channels through which microfinance is being operate in India:

SHG-Bank Linkage programme (SBLP): This channel was initiated by NABARD in the year 1992. The women pay a significant role in this as they come together and form a group of near about 10-15 members. In order to facilitate this channel, they contribute their own savings and tries to help the backward and poor region people. They also help in providing the loan facility for the activities which are being related to income generating.

Self-help groups has come into the existence for empowering and uplifting the standard of women in a society, Due to which it has experienced a lot of achievement in the past so many years. It has been clearly stated that if these self - help group work clearly and achieve their targets then they get provisional support from the government banks such as NABARD, SIDBI and many other non-Governmental Organizations.

Microfinance Institutions (MFIs): The microfinance institutions are the other channels of Microfinance. They are providing the loan opportunity to the borrowers. In the microfinance Institutions, they lend Loan with the wholly concept of Joint Liability Group (JLG) Which is formed in the way of informal group and nearabout 5-10 members are part of it who are seeking loan

Individually and Jointly. These Institutions are granting loan opportunity to the people or groups whose earnings are very low.

Self Help groups in India (Evolution): India is a developing country. It has adopted various methods to improve the standard of living of the people and Self-Help groups are one among them. The Concept which was being adopted by Mohammed Yunus in Bangladesh to improve the social life of the people was being taken over by India Also which is in the form of SHG's. In the manner to eradicate poverty and bring improvement in the Economy, the concept of microfinance was being adopted. With the proper management of microfinance, Self Help Groups and Credit Management, The Economy has seen the tremendous improvement in empowering the women and also has shown impact upon their standard of Living.

For the development of Indian women, Self - help groups have played the tremendous role and reflected the successful network for their growth. NABARD took the initiative in 1992 to design such a Platform where the women can fulfil her dreams and can generate more opportunities for her family members.

NABARD: National Bank for Agriculture and Rural Development (NABARD) is an apex regulatory body for overall regulation and licensing of regional rural banks and apex cooperative banks in India. It is under the jurisdiction of Ministry of Finance , Government of India.

In the beginning of the programmes, very few people got attracted towards the programme. But when the women started seeing the success, many other people who were residing in the rural areas got attracted towards this and became successful with their plains. Many states projects including Mahalir Thittam in Tamilnadu, Kudumbashree in Kerala, Andhra Pradesh with Podupulakshmi programme, Indira Kranti Patham programme of AP, Jeevika Project of Bihar and TRIPTI/ Mission Shakti projects in Odisha were started by the state government for making the development in the poor and the rural areas.

In the year 2018-19, there is an increase in the number of Self-Help Groups by 12.70 Lakhs which also shows the increase in their savings by R3732.36 crore. The savings outstanding of these Self-Help Groups reached to Rs. 23324.48 crore. This also reflects the increase in total Loan outstanding by 15.21% at Rs. 87098.15 which was Rs.75598.45 crore in the previous year.

The chart reflects the recent development in SHG's Journey

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Journey of SHG	Particulars
1987	NABARD partners with NGO MYRADA to pilot SHG Bank linkage
1991	RBI announced to all scheduled Banks a Pilot project by NABARD for financing 500 SHGs
1992	NABARD launches the pilot SHG Bank Linkage Programme
1993	RBI enabled Savings Bank A/c in the name of the SHGs
1995	Working group set up under Chairmanship of Shri S K Kalia, MD, NABARD
1996	RBI mainstreamed SHGBLP as a regular priority sector lending
1998	GoI announced in the Union budget that NABARD would endeavour to ensure credit linkage of 2 lakh SHGs in a period of 5 years
1998	NABARD set up a dedicated department - MCID Announced a shared vision of covering 1/3rd of rural poor through 1 million SHGs in the next decade
1999	GoI launched SGSY holistic programme for purveying credit to all rural poor especially BPL families through the SHGs
2000	Dedicated MFDEF was created with a corpus of R100 crore
2005	Dream of 1 million SHGs achieved in 2005, 3 years ahead
2006	RBI announces use of Business Correspondence and facilitators for Rural Branchless Banking
2006	NABARD implements Micro Enterprise Development Programme with a thrust on livelihood for matured SHG members
2006	JLG Scheme for SF / MF/ landless farmers launched by NABARD
2007	NABARD Support to MFIs for Capital support RFA/Rating
2008	FIF and FIFT funds set up in NABARD with an overall corpus of R500 crore
2008	NABFINS, subsidiary for financial services in microfinance and agriculture established by NABARD
2009	JLG Scheme for Non-Farm activities with grant assistance for promotion of JLGs
2012	Product level changes in SHG BLP launching of SHG -2
2012	WSHG Scheme of DFS, GoI in 150 backward and LWE affected districts implemented
2013	Launching of National Rural Livelihood Mission and implementing of interest subsidy scheme under NRLM for SHGs
2015	NABARD implemented Livelihood and Enterprise programme (LEDP) for end-to-end solutions for sustainable livelihoods for SHGs
2015	SHG BLP Strategic Advisory Board was constituted in NABARD for strategic action plan for SHG BLP growth
2015	E-Shakti portal pilot launched as a pilot for digitisation of SHG records in 2 districts
2016	E-Shakti extended to additional 23 districts in India
2017	E-Shakti extended to additional 75 districts in India
2018	E-Shakti portal leveraged for GoI Social Securities Schemes like PMJDY, PMJBSY, PMJJBY, APY

Table 1: Self-Help Group's Journey

Source: NABARD (<https://www.nabard.org/content.aspx?id=651>.)

Functions of Self-Help Groups

SHGs being the facilitators of social development, they have undertaken multidimensional activities including:

- Proper planning in the development.
- Keeping an eye on effective participation in various activities.
- Proper documentation of the process.
- Appealing in better networking with the help of linkages.
- Help in Promoting the people's organizations process.
- Building Capacity.
- Proper research and Development analysis.
- Proper Observation.
- Easy to access information.
- Improved in Living standard.

Impact of Self-Help Groups on Socio- Economic Development of Rural areas of India

1. **Economic empowerment:** Self Help groups have shown the positive results in the growth and development of the women. More than 51% activities are occupied by the women as compared to the male. The women are growing and on the other hand are taking care of their family and household. They are occupied with other responsibilities which includes cleaning, cooking, fetching fuel and water, collecting the fodder for their cattle, protecting their fields and surrounding from the harmful environment and providing the mutual support to each and every family member.
2. **Social Empowerment:** With the awareness about the Self-Help Groups, the women has got more respect in the society. In early days, the women were discriminated from the family and the society. She had to suffer a lot. But with existence of SHGs, the women have got the strength to fight back her enemies and make development in her life. She has achieved Self Esteem, Self Confidence, and self- respect also.
3. **Savings and Financial Decision:** Making- Many Self-Help Groups has provided the opportunity to the women to earn respect, Confidence and boast her career in any field. She has been provided a platform where she can save and make an investment for her family growth. She is being treated an important part in her family where she is being provided an equal chance in decision making process.
4. **Microfinance Benefits for rural households:** The emergence of microfinance has provided a vital scope of development in the area where the people were uneducated, weak and were suffering income loss. This has provided a chance to these rural people to make a growth and development in their areas.
5. **Bank- SHG Linkage:** The banks have shown a support in these areas also. The banks are providing direct support to NGO's, GO's, Federation of SHG'S. These sections were under the monitoring, Forming and Nurturing from the banks. This not only makes a development in the field of economy but also has put an impact on the social lives of rural areas.

LITERATURE REVIEW

- 1) Gupta K., Gupta S., (2020) reveals the positive impact of microfinance on the people in the rural areas as the poverty has been declined due to the facilities available to them, which results an increase in the income, which provides them more employment opportunities and develops the better standard of living.
- 2) Prathap B N., Dr Mahesh K., and Karthik K R., (2018), reveals that there is a positive impact of microfinance in the development, empowerment and poverty alleviation in the rural areas. This is has shown the tremendous improvement in the living standard of people residing in the rural areas.
- 3) Rao N., & Soni N., (2016) studies that with the help of microfinance the standard of has raised. Microfinance has brought the psychological, social and economic empowerment. It has improved the status of women by giving them independence by awaking them about the advantages of an education and raising skills. Which ultimately removes the domestic violence and brings happiness and peace.
- 4) Das R., 2015, reveal that with the help of self - help groups the women is able to generate her income. It has shown the positive aspect towards the income and generation of employment.

The women after achieving the respect and income attaining the equal rights of a partner from her husband. She equally participates in the income generation and taking the decisions for her family.

- 5) Shettar., 2015, shows that there could a success in women empowerment if the economic and social status of the women could be improved. This can only be possible if there is a proper flow of economic and social policies for the growth and development of the women. The women should be provided with equal rights of education and employment. This policy will bring a change in the social structure of a society.
- 6) Nikita., (2014) reveals that with the effect of SHGs -BLP shows the downfall in the units of SHGs those who's savings were linked with banks. This finds out the increase in the loan outstanding's of SHG's and which was duly responsible for the rise in NPAs. It recommended that there should be a proper evaluation of the programmes which are being launched under the term.
- 7) Ghaliba., Malki., and Imai., (2014), the study shows that microfinance helps in reducing the poverty which has shown the impact on the lives of people. As with increase in income generation opportunities, there is a simultaneous improvement in the health and Clothing sector.
- 8) Choudhary., (2013), reveals about the emergence of SHG's. As this programme reached the household and women has acquired attention. As with the help of SHG's she is being able to save and help her family to grow. With this help she was being able to be part of major decision making in her family which shows the growth in economic development also.
- 9) Mahanta et. al., (2012) study shows that lending the rural or poor people cannot create the end towards their problems but also generate the new beginning. The programmes should be designed in such a manner that there should be a proper Training and guidance to be provided to the rural and undeveloped people so that they can enhance their skills and can do some productive works which will generate an income in future.

OBJECTIVES OF THE STUDY

1. To study the impact of Microfinance on rural sector in light of savings in Self-Help groups with banks.
2. To understand the level of satisfaction of the people with regards to the Microfinance under SHG Loan granted schemes.
3. To study the level of impact of the microfinance services on the lives of the people.
4. To find out the progress of SHG's in the area of Socio- Economic growth of India

RESEARCH METHODOLOGY: The Research is based upon the secondary data which is directly taken from the official site of NABARD financial report for publications. The sources and data is being utilised and accessed with the help of the annual report based upon the microfinance which is being issued by NABARD. The outcome of the research paper indicates that the Microfinance with the Self Help Groups is providing more opportunities for the people who are residing below the poverty line and trying to uplift themselves by fulfilling their requirements.

ANALYSIS AND INTERPRETATION

Table 2: Progress Chart for Self Help Groups – Bank Linkage Programme

Progress under SHG-Bank Linkage Programme (2017-18 to 2019-20)							
Particulars		2017-18		2018-19		2019-20	
		No. of SHG's	Amount	No. of SHG's	Amount	No. of SHG's	Amount
SHG Savings with Banks as on 31st March	Total SHG Nos.	87.44 (1.95%)	19592.12 (21.59%)	100.14 (14.52%)	23324.48 (19.05%)	102.43 (2.29%)	26152.05 (12.12%)
	All women SHGs	73.9 (0.94%)	17497.86 (22.51%)	85.31 (15.44%)	20473.55 (17.01%)	88.32 (3.53%)	23320.55 (13.91%)
	% of Women	84.51%	89.31%	85.19%	87.78%	86.22%	89.17%
	Of which NRLM/SGSY	41.84 (11.76%)	10434.03 (38.15%)	55.8 (33.37%)	12867.18 (23.32%)	57.89 (3.75%)	14312.7 (11.23%)
	% of NRLM/SGSY Groups to Total	47.85	53.26	55.72	55.17	56.52%	54.73%
	Of which NULM/SJSRY	4.25 (-22.10%)	1350.8 (19.87%)	4.39 (3.29%)	1614.42 (19.52%)	4.69 (6.83%)	1523.57 (-5.63%)
	% of NULM/SJSRY Groups to Total	4.86	6.89	4.38%	6.92%	4.58%	5.83%

Sources: NABARD (<https://www.nabard.org/content.aspx?id=651>.)

It has shown that the banks have shown a boost in the saving which are being linked to Self Help Groups to 2.3 lakh in whole Indian level, which shows an overall hike of 2.3 % in the year 2019- 20 as Contrast to 14.5 % for year 2018-19. From the various regions, The Central area states have registered the largest growth of about 6.8 per cent which is more than North Eastern Region which shows a growth of 6.4 per cent, Western Regional states shows a growth of 6.1%, Eastern Regional areas shows 5.9 % and Northern Region states shows 5.2%. Southern Regional states have shown a negative of 3.8 %. From other states/UTs, Haryana, Jammu & Kashmir, Chandigarh, HP, Jharkhand, Madhya Pradesh, Nagaland, Arunachal Pradesh, Uttarakhand, Maharashtra and Andhra Pradesh have shown a good output of SHGs while states/UTs like Gujarat, Karnataka, Pudducherry, Tamil Nadu, Goa, New Delhi and Manipur have shown a down results of SHGs in 2019-20. The downfall in main savings accounts of SHGs is usually due to lack of the interest of the customer as they are not keeping the money in their savings account which leads to the closure of their savings accounts.

Table 3: Progress Chart for Self Help Groups – Loan Disbursal

Progress under Loan Dispersal during the year (2017-18 to 2019-20)							
Particulars		2017-18		2018-19		2019-20	
		No. of SHG's	Amount	No. of SHG's	Amount	No. of SHG's	Amount
Loans Disbursed to SHGs during the year	Total SHG Nos.	22.61 (19.13%)	47185.88 (21.67%)	26.98 (19.33%)	58317.63 (23.59%)	31.46 (16.60%)	77659.35 (33.17%)
	All women SHGs	20.75 (20.92%)	44558.74 (23.42%)	23.65 (13.98%)	53254.04 (19.51%)	28.84 (21.95%)	73297.56 (37.64%)
	Percentage of Women	91.78	94.43	87.66	91.32	91.67%	94.38%
	Of which NRLM/SGSY	12.7 (43.41%)	25055.18 (44.52%)	16.49 (29.84%)	33398.93 (33.30%)	20.49 (24.26%)	52183.73 (56.24%)
	% of NRLM/SGSY Groups to Total	56.2	53.1	61.12	57.27	65.13%	67.20%
	Of which NULM/SJSRY	1.06 (0.17%)	2424.07 (- 9.41%)	1.29 (21.70%)	3419.58 (41.07%)	1.59 (23.26%)	3406.22 (-0.39%)
	% of NULM/SJSRY Groups to Total	4.71	5.14	4.78	5.86	5.05%	4.39%

Sources: NABARD (<https://www.nabard.org/content.aspx?id=651>.)

The savings are the main positive point for each Self-Help Groups. It is the main strength for these SHG'S which moves in the form of Inflow and outflow of the money. As the money enters in these Self-Help Groups, there become a circulation of money, which flows out in the form of credit supply loans. The inflow and outflow are the main concern for any financial institute. There was a tremendous achievement in the outstanding savings as it boosted up to Rs 26,152 crore on march 31, 2020 creating a hike of 12.1 per cent from previous year that is 2018-19. Moreover, the basic reserves according to SHG has made an improvement by 9.6 per cent during the financial year 2019-20 Which was Rs 23,291 in the year 2018-19 to Rs 25,531 Showing a development by 6 % as an average. The record shows that the basic savings was more in Southern Regional areas with Rs 39,848 and on the other side in North Eastern Regional areas it is Rs 8,644 and Northern Regional areas Rs 10,318. The Southern regional states have a number of standardized SHGs which have shown more contribution in the monthly savings mount, otherwise in Northern Eastern regional States and other majority states, in this the required savings contribution is low as compared to the other states. The data shows the hike in minimum to maximum saving are being recorded in Central Region by 20.3%, Southern Regional areas by 18.5 % and North Eastern Regional areas by 12%. The Northern regional area and Western Regional areas have shown a decline in required savings.

Table 4: Progress Chart for Self Help Groups – Loans Outstanding

Progress Chart for Self Help Groups – Loan Outstanding							
Particulars		2017-18		2018-19		2019-20	
		No. of SHG's	Amount	No. of SHG's	Amount	No. of SHG's	Amount
Loans Outstanding against SHGs as on 31 March	Total SHG Nos.	50.2 (3.55%)	75598.45 (22.76%)	50.77 (1.14%)	87098.15 (15.21%)	56.77 (11.82%)	108075.07 (24.08%)
	All women SHGs	45.49 (6.20%)	70401.73 (24.73%)	44.61 (- 1.93%)	79231.98 (12.54%)	51.12 (14.59%)	100620.71 (27.00%)
	Percentage of Women	90.62	93.13	87.87	90.97	90.05%	93.10%
	Of which NRLM/SGSY	27.93 (12.13%)	38225.29 (27.44%)	32.85 (17.62%)	54320.91 (42.11%)	36.89 (12.30%)	67717.07 (24.66%)
	% of NRLM/SGSY Groups to Total	55.63%	50.56%	64.70%	62.37%	64.98%	62.66%
	Of which NULM/SJSRY	2.9 (- 8.58%)	5350.63 (29.45%)	2.25 (- 22.41%)	4110.73 (- 23.17%)	2.67 (18.67%)	5466.87 (32.99%)
	% of NULM/SJSRY Groups to Total	5.79	7.08	4.43	4.72	4.70%	5.06%

Sources: NABARD (<https://www.nabard.org/content.aspx?id=651>.)

As the chart itself shows the progress related to the outstanding loans against the SHG's

The total loan which was granted in the year was 75598.45 which is overall 22.76%. But in the year 2019-20, It has increased to 108075.07 which is overall 24.08%. This shows that with the increase in awareness among the public the requirement has also been increased and the people have started trusting the Self-Help Groups and making their career. It shows the effect on the women sector as earlier the women dependency was less which is 70401.73 (24.73%). But the passage of time. It has improved to 100620.71 (27.00%). That means there is an increase of 5% in this area. When we talk about the opportunities. SHG's are grabbing more trust and loyalty from the public.

Gap: The Concept of microfinance came into existence for uplifting the level of women. With the passage of time, the growth rate has been improved. The women is being able to live a standardized life with the efforts of Self Help group. With the improvement in savings, there is an improvement in Socio Economic lives of the people. With the combined efforts of all the sources, there is a tremendous progress in Self -help groups also.

The given chart itself shows the progress done by the SHG's in the area of social and economic region of India.

Table 5: Progress Chart for Self Help Groups- Savings

Progress Chart for Self Help Groups overall Growth			
Sr. No.	Particulars	Physical (No. in lakhs)	Financial (in crore)
1	Total number of SHGs saving linked with banks as on 31 March 2019	100.14	23,324.48
(i)	Out of total SHGs - exclusive Women SHGs	85.31	20,473.55
(ii)	Out of total SHGs- under NRLM/SGSY	55.8	12,867.18
(iii)	Out of total SHGs -under NULM/SJSRY	4.39	1,614.42
2	Total number of SHGs credit linked during the year 2018-19	26.98	58,317.63
(i)	Out of total SHGs - exclusive Women SHGs	23.65	53,254.04
(ii)	Out of total SHGs – under NRLM/SGSY	16.49	33,398.93
(iii)	Out of total SHGs – under NULM/SJSRY	1.29	3,419.57
3	Total number of SHGs having loans outstanding as on 31 March 2019	50.77	87,098.15
(i)	Out of total SHGs - exclusive Women SHGs	44.61	79,231.98
(ii)	Out of total SHGs - under NRLM/SGSY	32.85	54,320.91
(iii)	Out of total SHGs - under NULM/SJSRY	2.25	4,110.73
4	Average loan amount outstanding/SHG as on 31 March 2019 (in Rs) *		171,543.15*
5	Average loan amount disbursed/SHG during 2018-19 (in Rs) *		216,119.29*
6	Estimated number of families covered upto-31 March 2019	1224	
7	No of Banks and Financial Institutions submitted MIS (in number)	459	

Sources: NABARD (<https://www.nabard.org/content.aspx?id=651>.)

The above chart reflects the analysis of SHG's in the Social and Economic Development of India. The linkage of SHG's savings developed with the bank have been increased. The Status of women is also being increased as she is been able to develop her status with the availability of work opportunities and her saving habits which are being utilised for the growth and development of her family members. There is an improvement in the overall of status of rural areas as compared to the previous areas.

FINDINGS

After going through the growth prospective of the Self-help groups we have found out that Microfinance is tremendous efforts to make an improvement in the standard of people, generating job

opportunities and creating the career development opportunities for the women. Sector. The women are now living a happy life as she is been able to do savings, generate income and making all the possible ends meet. She is not only focussing on her family life and surroundings but also taking care about her own needs. As the result shows that the people are making an improvement towards the loan dispersals and making an investment for the growth in their career. The study has revealed that the participation of the women is more as compared to the men towards the Self- help Groups. This shows that Microfinance is playing an immerse role for the development of the rural areas.

RECOMMENDATIONS

There should a proper rules and regulations for safeguarding the interest of both lender and the borrower. The charges which are being connected with the loans and saving should be transparent so that while taking the loan should not be creating any trouble for both the parties. There should be a proper utilization of the resources as the technology is being used for accessing the facilities should be designed in such a format that every individual should be adjustable with it. There should be proper counselling facilities for the people that how they can get the loan facility and how they can make the repayment without any loss. Proper monitoring and tracking system should be designed which could easily remove the burden on both the parties.

CONCLUSIONS

Microfinance has become most important tool for the development of the nation. It has shown its effect by making the tremendous growth in the rural and poor areas. It has not only connected the poverty ridden people but also attracting the young minds for achieving the success in their careers and make their living standard a worth. It has not only started providing loan provision but also taken care of the other projects like Jan dhan yojana etc which has shown growth to the rural people. The joint efforts of the government, Banks and Corporates has achieved the rise in the development towards the nation.

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