

ISBN : 978-93-92568-70-1



An Insight into the World of **MICROFINANCE**

Dr. Vinita Rai
Dr. Monica Shrivastava
CMA (Dr.) Shilpi Gupta



An Insight into the world of Microfinance

Authors

Dr. Vinita Rai

Assistant Professor

Faculty of management studies
Shri Shankarcharya Technical Campus
Junwani, Bhilai, Durg, Chhattisgarh, India

Dr. Monica Shrivastava

Associate Professor

Department of Faculty of Management Studies
Shri Shankaracharya Technical Campus
Bhilai, Durg, Chhattisgarh, India

CMA (Dr.) Shilpi Gupta

Amity Business School

Amity University

Raipur, Chhattisgarh, India



Publisher :

Aditi Publication, Raipur, Chhattisgarh, India

An Insight into the World of Microfinance

Year: 2024

Edition - 01

Authors

Dr. Vinita Rai

Bhilai, Durg, Chhattisgarh, India

Dr. Monica Shrivastava

Bhilai, Durg, Chhattisgarh, India

CMA (Dr.) Shilpi Gupta

Raipur, Chhattisgarh, India

ISBN : 978-93-92568-70-1

Copyright© All Rights Reserved

No parts of this publication may be reproduced, stored in a retrieval system or transmitted, in any form or by any means, mechanical, photocopying, recording or otherwise, without prior written permission of original Authros.

Price : Rs. 699/-

Publisher & Printed by:

Aditi Publication,

Opp. New Panchajanya vidya Mandir, Near Tiranga Chowk,

Kushalpur, Raipur, Chhattisgarh, INDIA

+91 9425210308

CONTENTS

C.No.	Particular	P.N.
01.	Microfinance in India 1.1 Evolution of microfinance in India 1.2 Growth prospect of microfinance industry 1.3 Common terms & terminology 1.4 Delivery models of microfinance	01
02.	Microfinance: Current Scenario 2.1 India's History and Microfinance development 2.2 Importance of microfinance 2.3 Microfinance function in India 2.4 Goals of microfinance 2.5 Future route	14
03.	Microfinance: Problems and Challenges 3.1 Key challenges faced by MFIs 3.2 Literature review on problems and challenges faced by MFIs 3.3 Factors of microfinance 3.4 Benefits of microfinance 3.5 Final outcome of microfinance	20

04.	Microfinance Products 4.1 Micro savings 4.2 Insurance 4.3 Remittance 4.4 Non-Financial Products 4.5 Investment Criterion 4.6 Joint Liability Group product	37
05.	The Microfinance Financial Reporting System 5.1 Financial Reporting 5.2 Methods of accounting 5.3 Applicability of accounting standards 5.4 Profit & Loss Account (Income and expenditure) format	41
06.	Women and Microfinance 6.1 Women empowerment 6.2 Microfinance & women empowerment 6.3 Microfinance & economic empowerment 6.4 Microfinance & social empowerment 6.5 Microfinance & domestic violence 6.6 Microfinance & psychological empowerment	44

07.	Microfinance's Effect on Women's Empowerment 7.1 Why microfinance institutions target women 7.2 Techniques for leveraging microfinance to promote gender equality 7.3 Vision Underlying To Prioritise Empowerment 7.4 Positive and negative influence of microfinance on women's empowerment	51
	References	59

List of Abbreviations

Abbreviation	Full Form
MFI	Microfinance Institutions
SHG	Self Help Groups
NGO	Non-Government Organizations
NABARD	National Bank for Agriculture and Rural Development
ROSCA	Rotating Savings and Credit Association
JLG	Joint Liability Group
SHPI	Self Help Promoting Institutions
UN	United Nations
SHG-BLP	Self Help Group-Bank Linkage Programme
RBI	Reserve Bank of India
NBFC	Non-Banking Financial Company
IBEF	India Brand Equity Foundation
NRLM	National Rural Livelihood Mission
GSDP	Gross State Domestic Product
RRB	Railway Recruitment Board
NPA	Non Performing Assets
MFIN	Microfinance Institutions Network
CGAP	Consultative Group to Assist the Poor
ANOVA	Analysis of Variance
SC	Scheduled Caste
ST	Scheduled Tribe
IMF	International Monetary Fund
SEM	Structural Equational Modeling

Authors Biography



Dr. Vinita Rai

Dr. Vinita Rai Singh is an enthusiastic and committed Assistant Professor at Shri Shankaracharya Technical Campus (SSTC). She has over nine years of experience working in the education industry. She holds a Doctorate and Master of Business Administration degree in Finance and Marketing from Bhilai Institute of Technology, Durg (Chhattisgarh Swami Vivekananda Technical University). Her interest areas are Microfinance and women empowerment, Behavioral Finance, Digital finance, Corporate finance. Her publications are included in reputable journals of ABDC, Scopus and UGC CARE.



Dr. Monica Shrivastava

With 23 years of work experience, she is working as an Associate Professor in the Department of Faculty of Management Studies in ShriShankaracharya Technical Campus, Bhilai. She is an AICTE Innovation Ambassador and has served as state student coordinator of Computer Society of India for Chhattisgarh. Her interest areas include Change Management, Micro finance, Behavioral Finance, Organizational Development etc. She has published around 50 papers in National, International Journals. She has been member, Board of Studies, Management as well as Mass Communication in CSVTU, Bhilai and has successfully guided 3 research scholars for PhD. She has been actively involved in syllabus designing; expert lectures, as a Reviewer for international Journals, as well as has served as a consultant for a firm for their 2 international projects.



CMA (Dr.) Shilpi Gupta

CMA (Dr.) Shilpi Gupta is currently working in Amity Business School, Amity University Chhattisgarh as an Assistant Professor. She has a keen interest in Research areas like Behavioral Finance, Microfinance and SHG's, Digital Finance, AI in Investments, Stock market of India and Women Empowerment. Her publications are included in reputable journals of ABDC, Scopus and UGC CARE.



Aditi Publication

Opp. New Panchjanya Vidya Mandir, Near Tiranga Chowk,
Kushalpur, Dist.- Raipur-492001, Chhattisgarh
shodhsamagam1@gmail.com, +91 94252 10308



₹ 699