

ROLE OF MICRO FINANCE IN POVERTY REDUCTION

Table of contents

1. Introduction:

1. Introduction
2. Rationale of the study
3. Research problem
4. Objective of the study

2. Literature review

1. Introduction
2. Micro Finance
3. History of Micro Finance
4. Principle of Micro Finance
5. Limitations of Micro Finance
6. Poverty
7. Tools for poverty reduction
8. Poverty eradication programmes in India
9. Role of Micro Finance
10. Role of Micro Finance in poverty alleviation across the world
11. Role of Micro Finance in poverty alleviation in India

3. Questionnaire

1. Introduction
2. Questionnaire for Managers
3. Questionnaire for customers or borrowers
4. Questionnaire for credit policy

4. Research methodology

1. Introduction
2. Research means
3. Research design
4. Type of research design
5. Research approach
6. Sampling technique

7. Types of sampling technique
8. Data collection
9. Comparison of qualitative and quantitative data
10. Methods of data collection
11. Methods of Data analysis
12. Limitation of research
13. conclusion

5. Data analysis

- 5.1 Introduction
- 5.2 Expected findings
- 5.3 Hypothesis
- 5.4 Analysis of questionnaire
- 5.5 Questionnaire for credit policy

6. Conclusion

- 6.1 Summary
- 6.2 Evaluation of results

7. Recommendations

8. References

1. Chapter 1: Introduction

1.1 Introduction

What is poverty? Poverty is a hunger. Poverty is lack of shelter. Poverty is being sick and not being able to see a doctor. Poverty is not having access to school and not knowing how to read. Poverty is not having a job, is fear for the future, living one day at a time. Poverty is losing a child to illness brought about by unclean water. Poverty is powerlessness, lack of representation and freedom (Smith and Stephen, 2005). Poverty is a single terminology but it's strange to have a lot many definitions associated with it and along with, it also possess a lot of problems and suffering. From the statistical crunching of figures it is estimated that in the year 2010, there are 925 million hungry people in the world (Sen and Amartaya, 1999). To tumble down this statistical figure, government is opting a lot many programs and schemes which includes the help to the peoples below poverty line by providing fund through Micro Finance Bank.

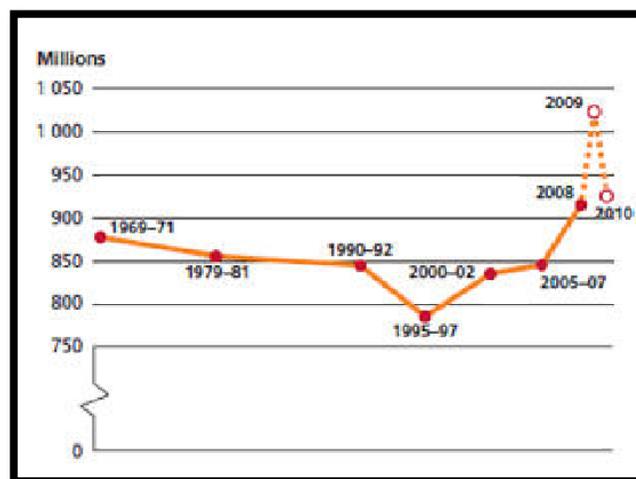


Figure no. 1: Poverty figures around globe (from 1969-2010)

Microfinance is a kind of banking service which provides financial service to unemployed or low income individuals or the type of peoples who possess no other means for gaining financial services (Mutesasira and Wright, 2001). The ultimate purpose of these banks is to provide financial support to the low income people and assist them by providing an opportunity to become self-sufficient by the various means of saving money, borrowing money and insurance. Micro Finance even certainly plays an important role in providing a safety net and consumption smoothing. The research is mainly conducted to understand the role of Micro Finance banks in

alleviating poverty in India. The Global Hunger Index (GHI) Report 2011 ranked India 45th amongst the various leading countries with the hunger situation (Desai, 2003). To tumble down these figure government is launching certain programs which may eradicate the poverty and satisfy the needs of needy by quenching their thirst and satisfy their hunger. The development of Micro Finance Banks is one of the forward looking steps towards the development of poor people by reducing poverty in the fields of income, employment, education and housing. This step of the government is leaving behind the footprints of success of microfinance banks by intensifying the poor's and make them enable enough to become self dependent and self esteemed. With the representation by facts and figure the percentage of population below poverty line is reducing year by year and achieving a new height of development within the country. Sengupta and Somini (2009) explained that despite of government initiatives, corporate social responsibilities (CSR) is also initiated as the way of earning virtue from the poor people as this now-a-days became a good source of marketing their brand and developing a market image of their brand.

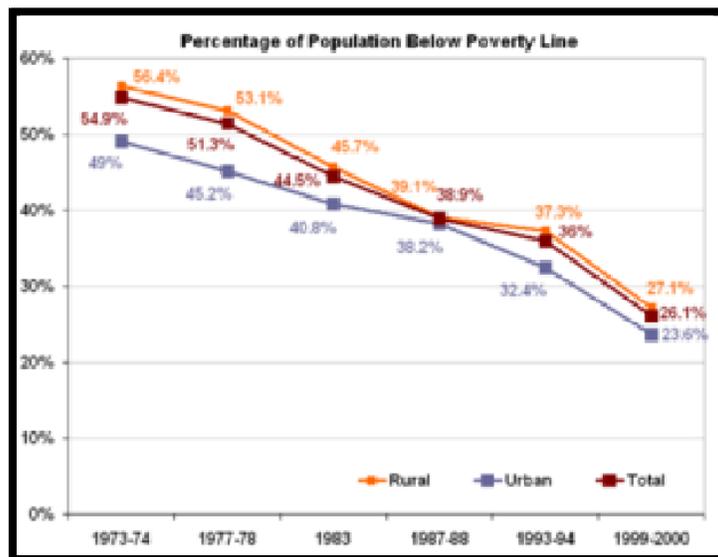


Figure no. 2: Poverty figures of India (from 1973-2000)

1.2 Rationale of study:

The main purpose for conducting such a research is to understand the need of microfinance bank in alleviating poverty. The government is investing a lot much money in such a plan of running

Micro Finance Bank to provide a proper help to the poorer and aggravate the conditions of poor's and to make them self sufficient to better sustain their life. It's the responsibility of the government to understand the needs of every citizen within the national boundary and assist them as and when required. Hence it is also necessary to know that whether the programs initiated by the government works efficiently or not and does it properly works in reducing poverty. This research is conducted to understand the benefits of Micro Finance Banks in favor of poor people that aggravate the hopes of the country. Thus moving apart from the problem of eradicating service gap there may also arouse the problem of security on the part of both the party in different terms.

1.3 Research problem:

The research discussing extensively on the role of the Micro Finance Banks on reducing poverty is basically based on focusing he working and service quality of the banks to satisfy the needs of the customers. Thus the line of the customers in such banks starts with the people whose level of income is low along with it the standard of living is also low, which can sometime makes them difficult to understand the needs and demands. There can also generate the gap level between the two in understanding their customers' needs and also fulfilling the demands of the service provider. Even the customers at such bank are illiterate and handles the low income at their part so there may sometime occurs the gaps (Karlan D and Valdivia M., 2009). The service provider organization may many time unknowingly creates a gap between the themselves and their customer which can be the of understanding, a gap of communication, a gap of service quality between the customer and service provider and the many more gaps which may be regarding the perception of both the customer and the service provider.

1.4 Objective:

Aim and objectives always revolves around the title of the research study. The researcher on his part of success is always involved in achieving success which is backed up by the aims and objectives. The aims and objective of the research is to understand the growth parameter at the whole with the respect of Micro Finance Bank to alleviate the poverty of the country.

The main aim and objectives of the research are:

- To understand the role of Micro Finance Banks in poverty reduction.
- To identify and analyze the factors affecting the working of Micro Finance Bank.
- To identify the customer satisfaction level with reference to the service provided by the Micro Finance Bank.
- To analyze that whether the borrowers became successful in their undertakings.
- To observe the improvements achieved in the reduction of poverty in the fields of income, employment, education and housing.
- To understand the customer's perspective for the innovation in the service of the Micro Finance banks that would reduce the financial strain of the consumers.
- To improvise the Micro Finance programs to eradicate poverty by raising the income levels and broadening the financial markets.
- To provide financial and non financial services to the financially excluded people by Micro Finance Bank.

2. Chapter 2: Literature review:

2.1 Introduction:

Poverty is a miserable, ill-fated and downtrodden phenomenon which tumbles down the social life of those who are scarce of the basic amenities like food, clean water, lodging arrangements, health service, and education and recreation facilities. As well said by Eli Khamarov poverty is like a punishment for a crime you didn't commit. While a rich man is nothing but a poor man with money. Hence every country tries out its best to make an empty poor man a poor man with money.

2.2 Micro Finance:

Micro Finance is the broad category of service which functions mainly for the poor's acting as the banking service provider for the unbankables, also asking for the credit, savings and providing variant financial services essential for the millions of the people who are sometime unable to access the facility (Brix L., 2009). Micro Finance is also referred as Microcredit that belongs to the group of financial service. This term also includes micro savings, money transfer vehicles and micro insurance. These facility acts an innovation for the developing countries. It is particularly a wide range of the financial service like loans, deposits, payment services, money transfers and insurance products where the microenterprises and small businesses are helped out to maintain the poor and low income households to manage in improving their living standards.

Micro Finance is a special kind of banking service developed to provide financial help to the unemployed or low income individuals or the groups including consumers and self employed. The main objective of Micro Finance bank is to provide satisfactory access to the poor's and persons below poverty line with the high quality of financial service (Yunus and Weber, 2007). The service includes not only the credit but it also supports on the part of customers for savings, insurance and fund transfer. These facilities acts as the lucrative pool for the poor people's as the regular banks never provides the loan and credit facility without the guarantors or without mortgaging the property and at such a situation these peoples are left with no other option of rather than lending this money from the local money lenders or zamindars at a high interest rate and deploying them under the condition of inability to pay. Helms B., (2006) stated that under

such a broad category of Micro Finance, Micro credit service is one of the boons for the poor clients to provide them the provision for accessing credit.

2.3 History of Micro Finance:

The history of Micro Finance was being written down when a theorist Lysander Spooner felt the pain of poor peoples and started searching a way out to this problem. They also assist them by benefiting from the small credits to become an entrepreneur. The pain of getting bounded with this problem and approaching to local lenders and zamindars was a kind of punishment to poor's as they charge high interest rate and even on the other hand the zamindars do ill treatment with the borrowers (Paugam and Serge, 1998). This idea of Micro Finance was thought processed in the mid of 1800. Apart from Spooner, Raiffeisen in Germany founded first cooperative bank especially for farmers. This concept has got the Micro Finance in the recent years but in past the concept worked out as chit funds in India, susus of ghana, hands in Mexico, arisan in Indonesia, cheetu in Sri Lanka, tontines in West Africa and pasanaku in Bolivia and many more different names associated with it. All the practices may have different terms, different norms of applying, different policies designed but the purpose to this concept was identical i.e. to help poor's in one or other way. This concept in modern days uses the expression micro financing which was initiated first in 1970 by the Grameen Bank of Bangladesh (Desai, 2003). This service sector provides formal credit and saving facility for the poor's or to the customers who were being neglected by the commercial banks due to the lack of guarantors assets, businesses, salaried employment, savings account in banks, ability to make pre-loan weekly deposit on Special Savings Account which are required as collaterals.

2.4 Principles of Micro Finance:

This service is the access to the provision for poor's to help them providing various financial services. These financial services may include the savings, credit, insurance and money transfer services. This service facility proves the demand for the many areas of developing countries, especially the rural areas. The formal regular banking system is provided under the various norms and polices which are on the other end difficult for the poor's to fulfill hence to provide them a regular access for the short term credit, savings, and much kind of facilities to develop

both productive and consumptive activities (Adams, Dale, Graham and Pischke, 1984). The various principles associated with the Micro Finance are:

- The poor requires a variety of financial services. They provide savings, cash transfers and insurance and credit facility to the poor peoples. These facility are more or less highly flexible, convenient and appropriately priced.
- It is an effective tool for alleviating the poverty and an instrument against the regular banking services. Micro Finance service enables the poor to increase incomes and improve their financial condition by improving their living conditions, accessing better nutrition, and improving the health and education facility for the children.
- The tool of Micro Finance is proved as the building of the permanent local institutions.
- The definition of Micro Finance is itself the one of most important principle discussing the way in which they help in building financial system that serves the poor (Christen, Rosenberg & Jayadeva, 2004). As India is an agricultural country with the majority of the population under the list of poor, the country being stated as the developing country with the lack of access to basic financial services. They probably achieve the full potential of reaching a large number of the poor, microfinance should become an integral part of the financial sector.
- This facility provides the poor the capacity to repay loans, pay the real cost of loans and generate savings.
- They also focus the aspects of the successful Micro Finance in providing loan to the women. And it is researched that the women are the best borrower and they faithfully repay the loans than men.
- Financial sustainability is requisite to approach the significant numbers of the poor people. Due to the lack of the strong financial intermediaries the poor people are not able to access the financial services.
- They aim at providing the financial service to the increasing number of the disabled and disfavored people.
- The poor people access to the financial service is the damage to the interest rate ceilings.
- Micro Finance NGOs and programs shall develop the performance standards which would help them to define and govern the micro finance industry.

- The lack of institutional and human capacity is the key constraint.

2.5 Limitations of Micro Finance:

The financial institutions are usually the purpose for the savings as well the credits, but the service sometimes restricts with the certain category of the people. This class of people is those who are belonging to the low income group. There is disproportionate reliance on the group lending. Main disadvantage is that they deal with too small for the lender to devote ample time and money due to proper diligence. Micro lending depends on an ever increasing number of lenders in order to be successful. The microcredit might provide the governments the excuse to eliminated public programs and aid programs, from a policy standpoint, would privatize anti-poverty programs (Soto, 1989). Transaction costs are exclusive of cost of funds and default costs, and significant to the high interest rates charged to the borrowers while relatively small size of loans and high frequency of transactions. A Micro Finance program may face a problem of striking a balance between the two competing incentives. Micro Finance organizations cannot behave as a charity hence they have to charge a high rate which sometimes acts as the major limitation.

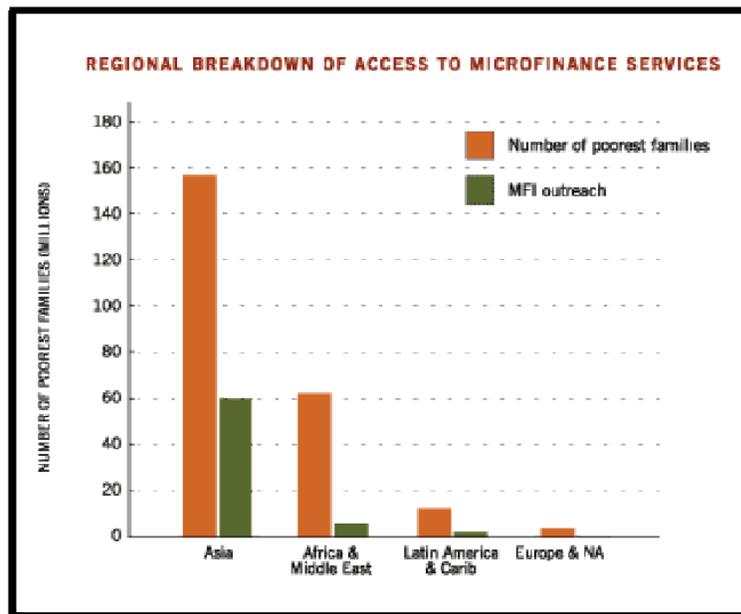


Figure no.3: Stating the regional breakdown of access to Micro Finance services

2.6 Poverty:

Poverty is the state or condition of having little or no money, goods, or means of support. It is the condition of the lack of both money and material. They also face the scarcity of the basic human needs including clean and fresh water, nutrition, health care, education, clothing and shelter. The main five findings were the many factors coverage to make poverty a complex and multi dimensional phenomenon. Another is the lack of what is necessary of material well- beings including the housing, land and other amenities (Frank and Allen, 2004). A poor person defines the reveal important psychological aspect of poverty. They also face the scarcity of infrastructure including the roads, transport, water, and health facilities. And at last the poor people are more focused on the assets rather than income and link their lack of physical, human, social, and environmental assets to their vulnerability and exposure to risk.

2.7 Tools for poverty reduction:

Various effective innovation are required for reducing the poverty to outreach this goal, which may enable the availability of basic human needs and the increment in the disposable income needs to purchase the goods and service. There are various alternatives and modes available for reducing the poverty:

Availability of special poverty funds can be the source for alleviating poverty. Capacity building support can be route for formulating the country poverty alleviation and inclusive growth strategies. Economic freedom to the resident can also be the one of area to provide the growth to the country and reducing the poverty (Borger, 2008). A guaranteed minimum income offered by the government of the country would make them sustainable to make the purchase o basic amenities. Providing financial services like granting them the microloans initiated this step by the Grameen bank, where small amounts of money are loaned to farmers or villages, mostly women, who can then obtain physical capital to increase their economic rewards. Remittance can be an indirect source of help in poverty reduction, where the richer countries provide help to the poorer countries. Increasing the supply of basic needs and amenities by the government at the lower rates, this is affordable to the poor's at those regions (Fuller and Thomas, 2008). Cultural factors can indirectly affect the poverty reduction act in various countries which follows the age discrimination, stereotyping, gender discrimination, and caste discrimination. As this deploys the

economic issues of the country and increases the poverty in the country. By removing the constraints on basic services of government, where one of the basic services is corruption, which a necessary has become a necessary evil of any country. Developing countries has to pay much amount on the debt payment to the developed countries and rather if they invest this money in availing the basic needs and services like health care and education then maximum of poverty may be reduced by providing the facilities at lower cost and reaching to the greater mass. Reversing the brain drain is one of the important aspects which directly lose the intelligent brains of the country and the earning of the country and indirectly loss is urged by the lower section of the country where they lag behind even for the basic amenities. Controlling the birth rate can be a major factor i.e. if the overpopulation within the country is managed then the facilities like land, clothes and foods is equally divided amongst the number of member in the country, while under the condition of overpopulation those stagnant facilities like land is to be shared by the more number of peoples.

2.8 Poverty eradication programs in India:

Poverty alleviation always remains a challenge in front of every developing country across the world, and the same time this is also a greatest challenge in the operation of the Indian government. India is home to 22 per cent of the worlds poor. But still the government of India is under the development stage by reducing the number of poor's in the country. The anti poverty programs were being designed for generating both the self employment and the wage employment in the rural areas, which on the other end supports in the growth of the country. Government of India launched numerous programs and schemes for the upliftment of the poor have and provides them a proper sustainable life (Kumar P. V., 2007). The government of India launched various programs like Swarnjayanti Gram Swarozgar Yojana (SGSY), Jawahar Gram Samridhi Yojana (JGSY), Employment Assurance Scheme (EAS), National Social Assistance Programme (NSAP), National Old Age Pension Scheme (NOAPS), National Family Benefit Scheme (NFBS), National Maternity Benefit Scheme (NMBS), Annapurna, District Rural Development Agencies (DRDAs), Indira Awaas Yojana (IAY), Drought Prone Area Programme (DPAP), Desert Development Programme, (DDP) and Integrated Wastelands Development Programme (IWDP). Different Wage employment Programme are organized for the purpose of developing an anti poverty strategy, which provides the multiple objectives (Satish P., 2005).

These schemes not serve the purpose of employment opportunities but also help at the time of floods, droughts and other natural calamities. They create rural infrastructure which supports further economic activity (Chavan and Ramakumar, 2002). The Food for Work Programme was started in 2000-01 in the states of Chhattisgarh, Gujarat, Himachal Pradesh, Madhya Pradesh, Orissa, Rajasthan, Maharashtra and Uttaranchal. The main aim of the Programme is augmenting the food security through wage employment. Panchayati Raj Institutions (PRIs) has been given much scope for the development of the villages and living conditions of the poor's in the country. The working of the Panchayati Raj is renovated to work at the proper pace.

Yesudian C.A.K, (2007) made the review enlisting the poverty alleviation program introduced by the government in the post economic reform era as to put concern over contribution of this programs which are lean towards reducing the poverty in the country. The poverty alleviation programmes are classified into self employment programmes, wage employment programmes, food security programmes, social security programmes and urban poverty alleviation programs. The suitable parameter used for evaluation comprises of utilization of allocated funds, transit in poverty level, employment generation and proportion of beneficiaries (Satish P., 2005). The main aim of research is to look beyond the economic benefits of the programmes and helps to clarify the impact of these programs on the communities where the poor people resides, and frame the results that too much involvement of government will be treated as negative aspect. As, the community has shown interest and their involvement this made the achievement of the goals of programmes very easy (Chavan and Ramakumar, 2002). This initiative let the reduction in poverty and crated a simple way solution to the economic problems of the poor. Strengthening the panchayat raj institutions is the major factor to alleviate the poverty which leads to economic deprivations and also create social marginalization that affects mostly the poor.

2.9 Role of Micro Finance:

The major role of Micro Finance is not just restricted with its customers or the users of the service but it's also linked with the government which gains indirect benefit, customers which receives direct gains and the benefits urged by the country in terms of economic development of the country. This facility of Micro Finance is working as an efficient army against the poverty, thus making an anti poverty policy. When the poor people are helpless to pay at the critical situation of their illness or at a auspicious occasion of wedding, or even to grow a business of to

fix their roof, they always have to approach the clever money lenders who always befools the poor ill literate people by lending them at the higher rates or capturing their land, gold or any valuables (Feigenberg, Benjamin, Field, and Pande, 2011). The micro finance sector has begun to offer insurance, pensions and remittance products. It is anticipated that with the further deepening and broadening of India's financial and capital markets, more complex financial products will be offered by micro finance organizations. This step towards the facility provision to such products for its customer is an avenue to the growth and development of developing countries under the sector rural banking. Micro Finance played a major role in the activity of changing issues in agriculture, rural development and rural finance. They also act at the part of developing the rural entrepreneurs and fulfilling their demands thus created to bring their entrepreneurial ideas to the real platform of growth. The banks may at the other end also initiate the business development services crucial for both small and micro enterprises in various sectors of economy. They also combines both the financial and non financial services including business development services which at another point acts as the necessary strategy in poverty alleviation and rural development. These programs are also supported by the government as they also work for the upliftment of the women's in the rural enterprises. They also support the self help groups (SHG) in the marginal areas. This sector at the same time plays an important role in the economic growth of the country. The loans can offer the same benefits to major world economies that face growth problems. And even the loans can help lower-income group's setup and grow the small businesses, which generate income and employment that helps their communities and their economies (Mutesasira and Wright, 2001). From the government point of view the Micro Finance plays a major role of promoting financial access, protecting customers and even directly providing the financial services to the weaker section of the society. Recent statistics on the global outreach of microfinance institutions (MFIs) report that as of December 31, 2000, over 30 million families had access to microfinance services, of which more than 19 million qualified as poorest (Gibbons and Meehan, 2002).

Micro Finance is not just converged to the concept of reducing poverty but it has widened its steps to the area of forest management. This concept of discussing the role of micro financing in sustainable forest management was excellently explained by Gondo P.C. (2009). Although the forest does not at the front shows a proper description of local and national economies but still there are some inadequate policy reforms and investment options which supports sustainable

forest management. This management is not directly supported by the government or the local people but it requires a lot much of financial assistance for managing the forest well. The financial resources with the forest department are scarce in nature particularly in developing countries. As the developing countries are always under social and economic constraints they are not properly able to mobilize their funds to these sectors. Even the support of private sector is just constrained according to their needs, in the way they provide conventional extractive industries and the export products. While the financial support may probably lose its significance by the lack of infrastructure, poorly developed domestic markets and a lack of access to finance

2.10 Role of Micro Finance in poverty alleviation across the world:

Dimoso and Masanyiwa, (2003) discussed the role of Micro Finance Bank in poverty reduction in Tanzania which can be proved out to be critical outlook in alleviating poverty in India. They mainly focused Akiba Commercial Bank for this study to understand the effectiveness of Micro Finance Bank. This study was being initiated by various research questions like who access the credits, does the borrowers become successful in their undertakings. They also discussed the efficiency in improving the level of poverty reduction in all the fields of income, employment, education and housing, India is an agricultural country and its most of the economy is fetched by the this sector. And this sector is poor in majority and do not have a proper access to the bank loan because they lack guarantors, assets, businesses, salaried employment, savings account in banks, and ability to make pre-loan weekly deposit on Special Savings Accounts. For this analysis they preferred simple random and purposive sampling technique with the total of 120 respondents (Peralta O.B., 2003). The response from the respondents was collected through the questionnaires, semi structured interviews, observations and documentary reviews. And finally moving towards the analysis and interpretation of data they preferred descriptive statistics and also gave the comparative tables, charts and percentages. At the conclusion part, the researcher has to judge whether the effectiveness of Micro Finance Bank in poverty reduction is reduced or not. But in Tanzania the scheme and service of Micro Finance Banks does not work so efficiently and showed a minimum chance of reduction in poverty. Hence their developed a need of encouraging poor's to borrow by reinvesting the collateral condition and also reducing the interest rate. This step if taken by government would strengthen the condition of poor's and must also establish the independent funds to help the poor's. To increase the usage of banking facility

by customer the service provider shall incorporate the relaxation in the terms and conditions on accessing service especially loans. These banks shall incorporate a flexible payment conditions and payment schedules which would help poor customers to get an ease access to loans availability. Microcredit programs have also, in many cases, increased mobility and strengthened networks among women who were previously confined to the home (Carr et al., 1996). Borrowers build solidarity through their participation in village organizations. This is especially important in Bangladesh, for example, where women's mobility is limited, and weekly meetings can be an opportunity for women to meet outside the home and discuss their problems. There are also studies that suggest even more far-reaching social impact, including decreases in fertility rates, assumed to be linked to increased financial self-reliance (Ruhul, 1994) and more say for women in family matters, including family finances (Hashemi et al., 1996). It is also explained that the role of microcredit shows a success in the program expansion. The major role of microcredit and the need for diversified financial services and complementary non-financial programming aim to build upon the impressive progress of recent years. Repayment and disbursements is one of the major factors and acts as an indicator for the success of borrowers. Poor households and individuals have difficulty proving their creditworthiness because they lack clearly defined property titles and other acceptable collateral (Rajendran, Mehts, and Pattanaik P K, 2007). They seek loans from informal moneylenders or draw on savings, options that are costly and risky. Africa has seen an increase in such services in recent years. Microfinance institutions offer a variety of products.

The study of alleviation of poverty using Micro Finance Banks is also being analyzed in Nigeria by Okpara G. C., (2010), where they studied about the Micro Finance Banks and Poverty Alleviation in Nigeria. In this study they discussed about the critical factor which are the causes of poverty in Nigeria and the help of Micro Finance Bank in reducing poverty. While observing the data from the research on the duration of 1980 – 2004, where the data of the recent years according to their report was indicating that poverty is maximum among the people who under the section of no education. Adeyemi (2008) observes that across the globe, governments of various developing countries have sought to provide finance to the poor through the creation of agricultural development banks, special lending schemes, and the support of the growth of cooperatives and other self-help groups (SHGs). They adapted the data from the National Bureau of Statistics and employed the method of factor analysis for the interpretation of the data thus

collected. They also used the method of regression analysis on a quadratic equation model which was able to define the variation between the two variables (Ehigiamusoe, G., 2008). At the conclusion part result is analyzing five main important factors i.e. low profit, prices of commodities are too high, hard economic times, lack of finance to start or expand their business, and business not doing well (Englama, A. & Bamidele, A., 1997). The major impact of Micro Finance on poverty is explained in two phases. The first phase is stated as the take off stage where they explain that microcredit increases with the increase in the poverty though at the decreasing rate. And in the second phase, persistent increase in Micro Finance credit reduces extremely the poverty index in Nigeria. Presently the Micro Finance credit which reduces the poverty in Nigeria.

Adjei, Arun and Hossain (2009), explained out that the role of Micro Finance in asset building and poverty reduction. They discussed out that the paper evaluates the contribution of Micro Finance in rural and urban sector in asset building and poverty reduction under the case study analysis of Sinapi Aba Trust of Ghana. The case study majorly discussed out the assistance provided to the women's for expanding their business and generating the income to build up their asset by providing them loans. The researcher had used cross sectional data from 547 respondents; the study found out that participation in the Programme has enabled established clients to own savings and to subscribe a client welfare scheme. In discussing the aspect of asset building many of the established clients found a better position to contribute towards the education of their children and to make a sufficient payment for the healthcare. It was also analyzed that the greater effects on the participants is observed when the programs are financially sustainable.

Hulme D and Paul M., (1999), discussed about the Micro Finance institution and its role in alleviating rural poverty in Nepal which indicates the socio economic analysis. The one of the least developed countries of the world, Nepal where majority of its people (86%) are living in rural communities and 38% are categorized as below poverty line. in Nepal agriculture is the primary occupation of the residents of the country where more than 80% are economically active workers who are engaged in agriculture, whereas agriculture is still linked with the traditional style in the major parts of the country, particularly in hills. Major share of the rural communities constitutes the small farmers, tenants and landless poor's. Fulfilling the needs for the basic

amenities like food, shelter and cloth and requirements of cash for the maintenance of growing and grooming of family is a severe challenge faced by the rural Nepal families.

Kiiru and Kenia, (2007) discussed the impact of the rural poor household's income and vulnerability to poverty. Micro Finance plays a very important role in the poverty reduction in the global access to the growth the individual country as well as the whole world. This research was initiated by keeping in mind the understandings of the past which most probably promotes the activity of the poor's if the households of the poor's is enabled and assed in the proper manner to remove their poverty and increase the level of their income. The main objective of the research is to analyze the impact of rural poor household's income as well as measure the household vulnerability to poverty after the access to Micro Finance. The study thus conducted was mainly based on the case study of the Makueni District, where the researcher studied both the participants and non participants of the Micro Finance program. They also developed the innovative Micro Finance programs for the assets building and the wealth creation of their clients. This innovative factor will always target the potential Micro Finance clients and the regulations imposed to protect those clients. Micro entrepreneurship is also promoted by the Micro Finance institution to develop the household income. A policy framework is designed for the micro entrepreneur within the micro enterprise supports the overall growth of the rural economy.

2.11 Role of Micro Finance in poverty alleviation in India:

Chowdhary A., 2009 made a critical assessment on Micro Finance as a poverty reduction tool. He conducted his research on proving out that whether the effectiveness of Micro Finance Bank is useful in universal poverty reduction tool. They question marked the effectiveness of Micro Finance on poverty alleviation as they have made many innovative management and business strategies attempt on the Micro Finance Bank. Micro Finance always plays an important role in providing the safety net and consumption smoothening. The customers of Micro Finance Banks i.e. borrowers are also benefited from leaving by doing and also from self esteem. While on the other the major focus of the public policy was directing towards the growth orientation and equity financing program such as productive employment creation.

Imai, Arun and Annum, 2010, under their research discussed about the Micro Finance and household poverty reduction as the evidence from India. The researcher used the national household data from India and employed the treatments effects model. The researcher also discussed on the argument that the Micro Finance institutions achieve win-win situations under the area of seeking profit and at the same time achieving both the social and commercial objectives (Cull et al., 2009). This model emphasized the role of Micro Finance institutions loans for the productive purpose like the investment in agriculture or nonfarm business on household poverty levels. These models mainly consider the binary treatment effects and sample selection bias. There also aroused some of the multi dimensional limitations along with the working for the poverty alleviation programs which indicates the positive sign of MFI productive loans. The significance of the treatment effects coefficient has been verified by the both Tobit and Propensity Score Matching Models. It is properly observed that the loans for the productive purpose are mainly useful in the poverty reduction in rural areas rather than the urban areas. While in the urban areas the simple access to the MFIs has larger average poverty reducing effects than rather used for the productive purposes. This provides an additional avenue to the area of the service delivery opportunities to monitor the usage of the loans.

Chapter 3: Questionnaire

Under the research topic role of Micro Finance in poverty reduction is to be discussed for both the parties i.e. the user and the provider. To better understand the real depth and knowledge of this topic, researcher has made an eagle watch on both the service provider as well as the customers i.e. borrowers. On the further part of data analysis, it is well decided that the observation of both the service provider and the customer is utmost necessary to understand that, is the Micro Finance Banks are fulfilling their objectives satisfactorily. Because if the Banks will not fulfill their objective then they would not even being able to fulfill the demands and needs of their customers.

This questionnaire is designed for the managers who provide us the information regarding the credit policy being followed by the customers and the problem they face while providing credit to its borrowers. The questionnaire can also be framed for the customers but that questionnaire will only provide the information about the customer's satisfaction level, rather the discussion with the mangers will provide us the depth knowledge about the credit policy working within the bank.

The questionnaire is framed out for the managers and borrowers and another questionnaire is also designed for understanding the concept about secondary scheme customer credit policy.

Questionnaire for Mangers

I am undertaking a study on “Role of Micro Finance in poverty reduction”. The main objective of this study is to identify and analyze the factors affecting the working of Micro Finance Bank.

I would be grateful if you could take a few minutes to respond this survey. Thank you for your kind assistance.

Please mention and tick the best possible response applicable according to you

1. Name: _____
2. Age: _____
3. Sex:
 - a) Male ()
 - b) Female ()
4. Do you feel any communication gap between you and your customers?
 - a) Yes ()
 - b) No ()
 - c) Can't say ()
5. Do you feel that knowledge of regional language is utmost necessary for better communication with the customers?
 - a) Yes ()
 - b) No ()
 - c) Can't say ()
6. Are you getting proper response from the customers?
 - a) Yes ()
 - b) No ()
 - c) Can't say ()
7. Mostly to which occupational class do you provide your financial services?
 - a) Agricultural class ()
 - b) Trader class ()
 - c) Daily wages workers class ()

- d) Others ()
8. Under Micro Finance Bank which financial service facility is mostly preferred by the customer?
- a) Deposits ()
 - b) Loans ()
 - c) Payment services ()
 - d) Money transfer ()
 - e) Insurance ()
9. How would you scale the interest rate policy of your banks in comparison to the commercial banks?
- a) Higher interest rate ()
 - b) Lower interest rate ()
 - c) Similar interest rate ()
 - d) Can't say ()
10. Do you feel that the facility provided by the Micro Finance Bank is leading over the local money lenders?
- a) Yes ()
 - b) No ()
 - c) Can't say ()
11. Due to the increasing demands of the Micro Finance Banks, do you feel its operation must also be expanded?
- a) Yes ()
 - b) No ()
 - c) Can't say ()
12. Are you satisfied with the efficiency and effectiveness of the internal working personnel's or staff?
- a) Very high ()
 - b) High ()
 - c) Average ()
 - d) Low ()

13. What is your perception regarding the satisfaction level of the customers, while using the facility of Micro Finance bank?

- a) Very high ()
- b) High ()
- c) Average ()
- d) Low ()

Questionnaire for customers (Borrowers)

I am undertaking a study on “Role of Micro Finance in poverty reduction”. The main objective of this study is to identify the customer satisfaction level with reference to the service provided by the Micro Finance Bank.

I would be grateful if you could take a few minutes to respond this survey. Thank you for your kind assistance.

Please tick the best possible response applicable according to you

1. Name: _____

2. Age: _____

3. Sex:

a) Male ()

b) Female ()

4. Level of Education:

a) Illiterate ()

b) Can read and write ()

c) Primary Level ()

d) Lower Secondary ()

e) Secondary ()

f) Higher Secondary and above ()

5. Marital Status:

a) Married ()

b) Unmarried ()

6. Type of Family:

a) Nucleated ()

b) Joint ()

7. Do you feel that interest rate policy of the Micro Finance Bank is satisfactory in comparison to the commercial banks?
- a) Higher interest rate ()
 - b) Lower interest rate ()
 - c) Similar interest rate ()
 - d) Can't say ()
8. Does communication skills of Micro Finance Bank personnel's is needed to be improvised?
- a) Yes ()
 - b) No ()
 - c) Can't say ()
9. Do you have the proper knowledge of the new policies introduced by Micro Finance Banks?
- a) Yes ()
 - b) No ()
 - c) Can't say ()
10. Is the branches established by the Micro Finance Banks in the rural areas has proper approach to the public?
- a) Yes ()
 - b) No ()
 - c) Can't say ()
11. Should Micro Finance Banks bring wider groups of peoples under their scale of operations?
- a) Yes ()
 - b) No ()
 - c) Can't say ()
12. Are you satisfied with the services rendered by the Micro Finance Banks?
- a) Very high ()
 - b) High ()
 - c) Average ()
 - d) Low ()

Questionnaire for credit policy

I am undertaking a study on “Role of Micro Finance in poverty reduction”. The main objective of this study is to identify the customer satisfaction level with reference to the customer credit policy provided by the Micro Finance Bank.

I would be grateful if you could take a few minutes to respond this survey. Thank you for your kind assistance.

1. Is the Buyer system for customer credit is manual or computerized?

2. For existing customers, what is the minimum information required to review the creditworthiness of the Buyers?

3. What are your regular contractual terms of payment, e.g. 30 days from invoice date, 30 days from end of month, etc?

4. What credit information is routinely requested to update buyer files?

5. How do you investigate the credit worthiness of your buyers?

4 Chapter 4: Research Methodology:

The ultimate aim of research methodology is to layout the activities of research design and continues with the procedure of data collection which categorize the research approach selection, design of sampling plan, experiment designing, questionnaire designing, exhibit the sample size and designing sampling frame. It is a sequential phenomenon this method states the ways of gathering the information through literature review and survey interview etc. Research methodology combined includes collection of theories, ideas and concepts as they give the complete overview of particular area of discipline. It restricts the use of specific analysis techniques. Research can be means to an end or end in itself.

4.1 Research Design

In order to obtain the answers of the questions and to control the variance Research Design is used to constitute the plan, structure and investigation strategy. Applying of various strategies for handling the various projects and setting of general research approach is as imitated to the same process. The main component of research is its design which is able to satisfy the customers and is essence of any research in planning process. Questionnaires, forms and samples are the various tools for research designing which is helpful for data collection.

4.2 Types of Research Design

Research Design is broadly bifergated into Exploratory and Conclusive:

1. **Exploratory research-** The primary objective of this research designs explains the provision of insights into and comprehension of any problematic situation or any kind of problem faced by the researcher. The characteristic view point for this type of research states that information needed is only loosely defined at this stage, and the research that is adopted is flexible and unstructured. Also the sample chosen is small and non representative and the data analysis is qualitative. This research design is simply versatile and is often the front end of the total research design. For instance, the use of exploratory research to identify the social cause that American businesses should be concerned about. Salient causes regarding are child care, drug abuse, hunger, crime, the environment, medical research and poverty. Once a new idea is pursued or an insight is discovered,

they may redirect their exploration in that direction. The new direction is appreciated till the later possibilities are exhausted or any other direction is found. As the research is a qualitative aspect, it requires creativity and ingenuity. The main methods benefiting exploratory research are expert survey, pilot survey, secondary data analyzed in a qualitative way and the qualitative research. Research explores the tentative results.

- 2. Conclusive research-** This research design assists the decision maker in determining, evaluating and selecting best possible actions to be taken in certain given situation. Testing the specific hypotheses and examining the relationship were the highlighting points for a conclusive research to be conducted. The research requires clearly defined information, where the research process is formal and structured. Sample thus chosen is large and representative and analysis of the quantitative. The findings from this research are considered to be conclusive in nature in that they are used as input into managerial decision making. The conclusive research is further classified into two sub parts as Descriptive research and the Causal research.

4.3 Research approaches:

Descriptive research approach is considered to be the best suited approach to the research. The research is usually based on the market characteristics or functions. This research design is based on the prior formulation with the use of specific hypotheses. It also requires a well preplanned and structured design with the collection of data through questionnaires, being filled by the large number of sample size for the appropriate research conclusion.

4.4 Sampling technique:

Sampling is a method which involves the process of selection of a subset of individuals from the whole group of population. Population is main resources for choosing the sample. Sampling is done as it costs lower; data collection is very quick and faster. If the sample size is small then the accuracy is higher which is further maintained by the homogeneity. This helps the researcher to maintain the uniformity in the research by maintaining the sample size and the universe can be divided into certain sample units.

4.5 Types of sampling technique:

Sampling technique is classified into two parts probability sampling and non probability sampling.

1. **Probability sampling-** It is a scientific technique of drawing samples from the population with the chance, according to which each unit in the population has the probability of being selected as the sample. It provides the equal probability of being chosen from the sample population. Probability sampling is further divided as simple random sampling, stratified sampling, systematic sampling, cluster sampling, and area sampling. Systematic sampling is the criteria of choosing the random sample starting from any point and the choosing the next n th point for sampling. Stratified sampling refers that population is divided in two strata; its major objective is to increase precision without increasing cost. And heterogeneous population is further divided into homogenous strata from where the samples are chosen this states the cluster sampling. Probability sampling is divided into two main categories as:

1.1. **Random sample from an infinite universe:** In this method the sample is chosen randomly from the population and the sample is given an equal and independent chance of being chosen from the universe of the population. Specifically in this method the sample thus chosen in single draw is not replaced in the population before making the next draw, and then such kind of sampling is known as the simple random sampling without replacement. While on the other hand, if the sample thus chosen are replaced before making the next draw then it is known as simple random sampling with replacement.

1.2. **Complex Random sampling design:** This method is also known as the mixed sampling design as this method consists of various restricted sampling techniques. This method consist of various complex random sample design which are as follows:

- a) Systematic sampling- in this method of sampling only first unit of the sample is selected randomly and rest other consequent samples are chosen at the regular fixed interval.
- b) Stratified sampling- This sampling technique discusses about the development of homogenous set of population from the heterogeneous set of population. This designs strata of the population with the whole some population to make the research from the sample being chosen.

- c) Cluster sampling- In cluster sampling, the samples is chosen from the unit thus designed where the units of the sample are smaller and non overlapping areas and then the samples are randomly chosen from these divided clusters.
- d) Area sampling- When these clusters get specify themselves as the subdivision of the geographic area then it becomes the area sampling.
- e) Multi stage sampling- In this pattern of sampling, multi stages are created in the different levels, as the samples are chosen from these levels thus designed.

2. **Non-probability sampling-** Non-probability sampling represents the selection of units from the population on the basis of certain criteria. The sample was chosen on the basis of subjective judgment of the researcher. Various different kinds of non probability samples are convenience sampling, judgment sampling, quota sampling and snowball sampling. This type of sampling is inferior in nature as compared to the probability sampling.

4.4 Data collection:

Data collection is a process of collecting the data from various sources. The collection of data can be both primary as well as secondary. The main purpose of data collection is to obtain the information, make the decision; discussion of the issues related to the research and problems and conclusions made in context to the data collected.

Types of data collection:

Primary data: It is a method undergoing collection of original data. It can also be expressed that the data thus collected is first hand and the problems can also be solved as such. Primary data sources are always the most authoritative because the information has not been filtered or interpreted by the secondary party. The data collected is through the use of surveys, questionnaires, focus group discussions, interviews, meetings and many other methods which are involved with the direct contact. An internal source for the primary data includes the inventory records, personnel records, purchasing requisition forms, statistical process control charts and similar data.

Secondary data: It is the method where the data collected is obtained by the secondary source which is already available or the research which is already done. It is also known as the desk research, as being carried at the desk of the industry without directly contacting with the

respondents. Source for the secondary data collection is the internal as well as the external source of information. Internal source of information is obtained from the sales data of financial data, transport data and storage data of the industry. While, on the other hand, the external source of information is obtained from the government statistics, trade associations, and commercial services, national and international institutions.

4.5 Comparison of qualitative and quantitative data:

Qualitative data: The data approximates and characterizes but is not able to calculate the attributes, measures and properties of various things or phenomenon. This refers that the data is categorized as the quality or categorization in the informal manner. The main idea behind qualitative data collection is to examine the meaningful and symbolic content. It is the form of data in the non numeric data. Certain examples of the qualitative data are interview transcript, field notes, video, audio recordings, images and documents.

Quantitative data: In this method, the data deals with the numbers which can be easily measured by fitting the data into the various statistical tools and formulas to be applied. It is the data which is used to describe a type of information that can be counted or expressed numerically. This data is collected in the form of experiments, statistics and various manipulated data used for the analysis purpose.

4.6 Methods of primary data collection:

1. **Observation method:** It is the method under which the data is collected from the field by the observation or by individually visiting to the field. The observation may be related to the current happenings. This is an expensive method as the research is directly based on the individual efforts.
2. **Interview method:** This method involves the personal views of the respondents through oral verbal responses. It includes both personal and telephonic interview. In personal interview, the interaction is face to face while in telephonic interview it involves contacting the respondents on telephone itself. Structured interview are well designed and arranged with the series of questions thus framed in the mind of interviewer. While the unstructured interview is not the interview with planned questions but the interviewer

may ask according to his mind set. Group interviews are also conducted were 6 to 8 persons sit together; it is an inexpensive technique of interview.

3. **Questionnaire method:** Questionnaire is an instrument given to the respondents for filling the information according to which they feel and think about the questions being asked. Usually the questionnaires are mailed to the respondents to get the results. Mailing a questionnaire is most economic and convenient method. It must be prepared very carefully that it may just contains the relevant information effective for collecting the data.
4. **Case study method:** In this method, the researcher provides the case study to the respondents in relation to the research and the intensive study is carried out. This technique is mainly used for the intensive investigation of a particular unit under consideration.
5. **Survey method:** In this method the survey is conducted to detect out the problems and related issues present in the research. This study is mainly carried out for diagnosing and solving the social problems.
6. **Panel research:** this research is the time response research, where the data is collected from the panels of experts. This is normally used for the sales forecasting by measuring the consumers preferences.
7. **Warrant cards:** in this method the postcard sized warranty cards are packed inside the product and which the directly reaches to the consumers where the consumers thus are asked to fill the cards regarding the perception and the defects in the product.

4.7 Methods of secondary data collection

Internal sources of secondary information

Sales data: All organizations collect information in the course of their everyday operations. Orders are received and delivered, costs are recorded, sales personnel submit visit reports, invoices are sent out, and returned goods are recorded and so on. Organizations frequently overlook this valuable resource by not beginning their search of secondary sources with an internal audit of sales invoices, orders, inquiries about products not stocked, returns from

customers and sales force customer calling sheets. For example, consider how much information can be obtained from sales orders and invoices:

- Sales by territory
- Sales by customer type
- Prices and discounts
- Average size of order by customer, customer type, geographical area
- Average sales by sales person and
- Sales by pack size and pack type, etc.

Financial data: An organization has a great deal of data within its files on the cost of producing, storing, transporting and marketing each of its products and product lines. Such data has many uses in marketing research including allowing measurement of the efficiency of marketing operations. It can also be used to estimate the costs attached to new products under consideration, of particular utilization at which an organization's unit costs begin to fall.

Transport data: Companies that keep good records relating to their transport operations are well placed to establish which are the most profitable routes, and loads, as well as the most cost effective routing patterns. Good data on transport operations enables the enterprise to perform trade-off analysis and thereby establish whether it makes economic sense to own or hire vehicles, or the point at which a balance of the two gives the best financial outcome.

Storage data: The rate of stock turn, stock handling costs, assessing the efficiency of certain marketing operations and the efficiency of the marketing system as a whole. More sophisticated accounting systems assign costs to the cubic space occupied by individual products and the time period over which the product occupies the space. In this way, the direct product profitability can be calculated.

External sources of secondary information

The marketing researcher who seriously seeks after useful secondary data is more often surprised by its abundance than by its scarcity. Too often, the researcher has secretly (sometimes

subconsciously) concluded from the outset that his/her topic of study is so unique or specialised that a research of secondary sources is futile. Consequently, only a specified search is made with no real expectation of sources. cursory researches become a self-fulfilling prophecy.

The main sources of external secondary sources are (1) government (federal, state and local) (2) trade associations (3) commercial services (4) national and international institution.

4.8 Limitations of research:

Research is usually based on the decision making and without decision making no organization can move into the working in a new field. Hence it helps in decision making and also helps to understand the gap between the researchers and the users. Some limitations in relation to research are discussed as given below:

- Research can provide the facts and figures but it cannot provide the results always to be believed.
- There are some researches which cannot be attributed as the topic to be discussed and considered are complex in nature.
- In certain kind of researches it provide the guidelines that some researches cannot provide the answer to any problem.
- if research is considered as the main tool for relying by some half of people, than this can be varied from the view point of managers because they consider on their perceptions, institutions and their personal judgment and experiments regarding the problem to be handled in a sophisticated manner.

4.9 Conclusion:

The main purpose of this chapter is to introduce the concepts of research with the aim and objective of the research to be carried out. The research design is discussing about the design chosen for the satisfying the concept of research. Various types of the research are being studied as this research uses the descriptive format of research with the under heading of conclusive research. Here we opt the sampling technique were the data are chosen by the either the probability sampling or non probability sampling, while in this research study we have chosen probability sampling as the technique where the questionnaires are being filled by the population

chosen as the sample. The sampling data is obtained from the questionnaires method, which gives us the response of the sample population undergoing the selection. And at the final stage the analysis of the data is done by inspecting, monitoring, analyzing and interpreting the data. The proceeding further chapter explains the findings, their analysis and the interpretation with the satisfactory conclusion.

5 Chapter 5: Data analysis

5.1 Introduction:

Data is the bunch of values of one or more variables. these variables are to be clinched together to get the proper evaluation and understanding of the analysis to make an appropriate conclusion with the exact approach to the suggested recommendations for further development and improvement within the organization and also supporting the growth of the economic condition of the country and the people across the globe. Data analysis is the process of analyzing, evaluating and interpreting the data collected by using various analytical tools, applying logical reasoning and finally examining each component of the data provided. The data collected through method both through the primary and the secondary data collection methods. Although on applying all the kind of tools and techniques for the data analysis the conclusion is designed to understand the intelligence in the research and the improvement in the research. Data analysis has multiple facets and approaches, encompassing diverse techniques under a variety of names, in different business, science, and social science domains. Quantitative data is presented in a numerical format collected in a standardized manner. This is mainly analyzed using statistical technique. The quantitative data is supported by the various examples like surveys, closed ended interviews; tests etc. quantitative data which we mainly gather in extension are more generalizable than qualitative data. The qualitative data is thick in detail and description. Data is usually in a narrative format and it is often collected by observation, open-ended interviewing,

and document review. And the analysis is often emphasized as understanding the phenomenon as they exist, not at all following the pre-determined hypotheses.

In this particular chapter, the analysis and findings is continued by the primary data which is obtained from the questionnaire method, where the questions were being selected according to the respondents. The questionnaire was being filled by the respondents using descriptive technique of the research design. The questionnaire was being designed for the Mangers, customers and for understanding the concept of customer credit policy. They chosen random probability technique of the selection of the sample and secondary data is collected through the questionnaire method. Than the data collected through the secondary research is applied to the statistical tool method for the further interpretation

5.2 Expected findings:

Under the section of findings, the data thus collected by the researcher is put into the procedure of analysis to derive out appropriate conclusion to the research and finally the research is mainly supported by the recommendations provided by the researcher to make the sufficient improvements. In the part of findings the questions within the questionnaire are analyzed by the tables, charts, graphs and various other statistical tools. The questionnaire was being framed out for the Mangers, customers and for understanding the concept of customer credit policy. The sample size for the survey questionnaire for managers was 100 respondents. The mangers filed nearly 13 questions including both the general and the specific questions. Another questionnaire is also designed for the mangers where they have to provide the information regarding the credit policy provided to the customers. The response to be given to the customers must be in a descriptive or subjective manner, which directly supports the working of the Micro Finance bank, and at the same time supports researcher to achieve their objectives. The sample size in respect of customers or the borrowers was 200 respondents. All questions were filled and completed by the managers and customers that showed a great interest in the survey.

5.3 Hypothesis:

The assumptions are as follows: -

The study refers that whether the "Participation in the Scheme of Micro Finance bank loans" leads to poverty reduction". Another hypothesis states that whether the "Participation in the Scheme of Micro Finance bank loans increases credit borrowers and does it also help meeting the financial needs of the borrower" the same research can also analyze that whether the financial stress is being managed by the customers by using the schemes of Micro Finance Banks.

5.4 Analysis of Questionnaire:

The questionnaire for managers is framed to understand the role of Micro Finance banks in poverty alleviation and also at the proper timing it is to understand that does the improper working of Micro Finance banks hinder the purpose of poverty alleviation. The questionnaire consist of 13 questions where the two initial questions are just asking the name and the age of the respondents which would help the researcher to understand the maturity of the opinion given or also explains the experience of the managers providing the detail.

Question no. 1: Gender

Gender is the criteria which on differentiating between both male and female helps the researcher to know which gender of the mangers are the active towards responding and also holding the post actively. To understand that the most proper response is given by which sex of the people, under the managerial post.

Table no. 1

Preference	Options	Choice	Percentage
A	Male	76	76%
B	Female	24	24%

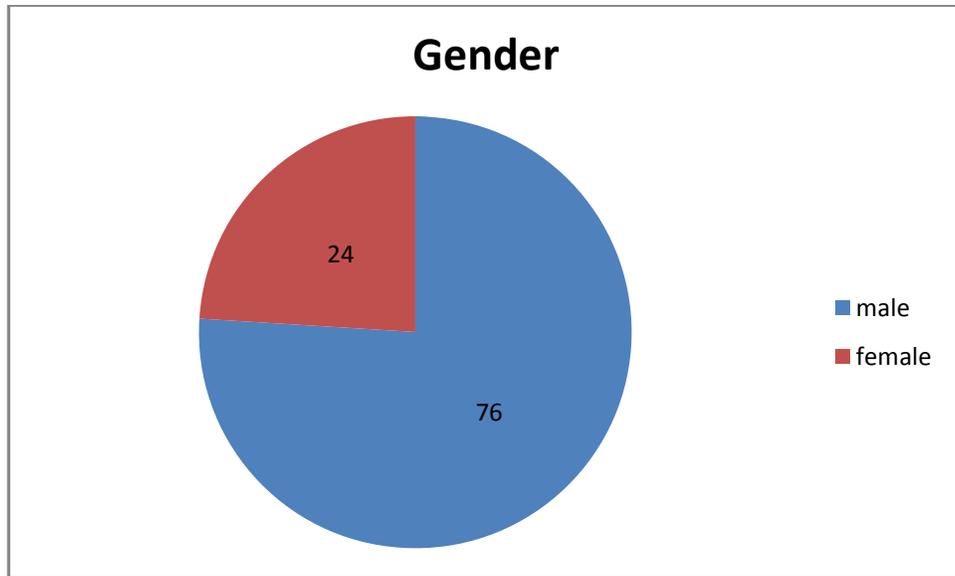


Figure no. 1

Analysis: Data collected for the research from 100 respondents in which 24 were the female respondents and 76 were the male's respondents of the total respondents.

Interpretation: the pie chart properly expresses out that the figures thus obtained states that the observation obtained could be micro biased as the ratio of male is more than the female.

Question no. 2: Do you feel any communication gap between you and your customers?

Table no. 2

Preference	Option	Choice	Percentage
A	Yes	40	40 %
B	No	28	28 %
C	Can't say	28	28 %

Analysis: the managers of Micro Finance Banks place their variation views in respect of research done i.e. there is a communication gap between the personnel's of Micro Finance Banks and customers and 40 out of 100 respondents agreed with the view that there is the blank space lying in the communication process between the personnel's and the customers.

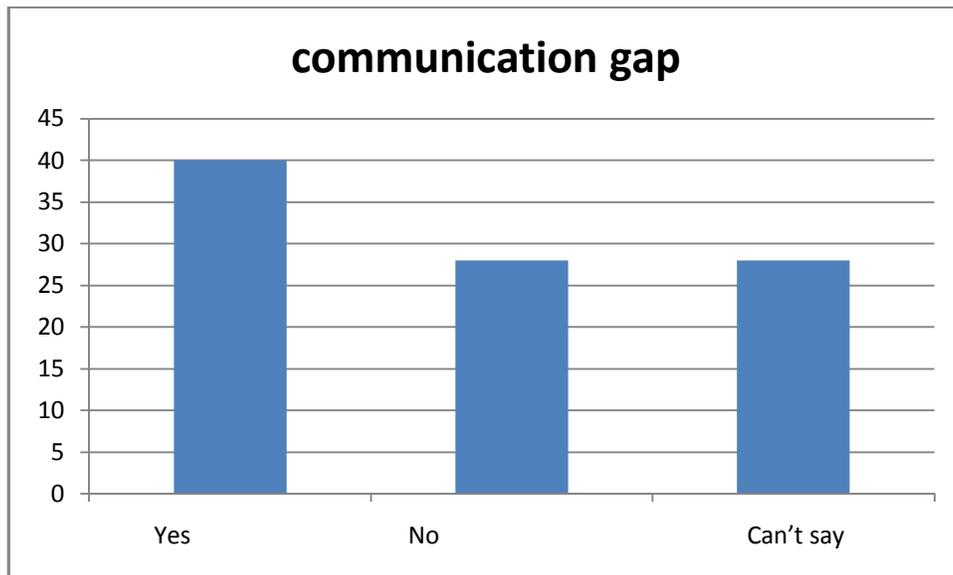


Figure no. 2

Question no. 3: Do you feel that knowledge of regional language is utmost necessary for better communication with the customers?

Table no. 3

Preference	Option	Choice	Percentage
A	Yes	55	55 %
B	No	30	30 %
C	Can't say	15	15 %

analysis: 55 customers states that out of 100 respondents feels that they themselves must have the knowledge of the regional language to make their communication better and efficient, which in

turn we will affect the quality of working of the managers within the micro finance banks. While just the 30 managers feel that the knowledge of regional language may not make any kind of difference in their working style.

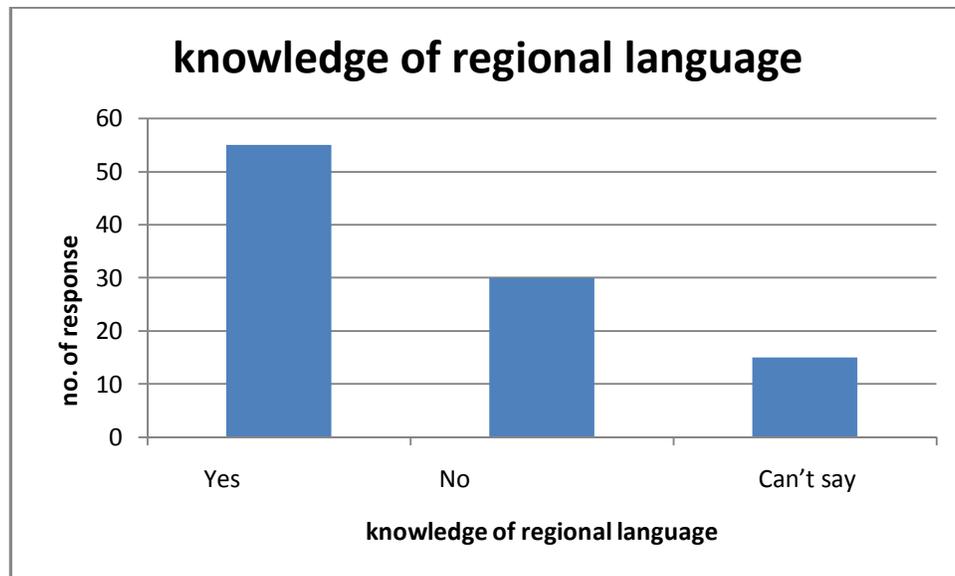


Figure no. 3

Interpretation: the interpreted results of the analyzed data states that mostly the employees working at the managerial post that comes in direct contact with the customers, might be belonging to some urban sector. And if the banks have such kind of employees than the customers (mainly the borrowers belonging to the local areas) might feel inferiority in talking with the literate employees and may hesitate to use this facility. This will directly affects the number of customers visiting and using the facility of bank. Hence the micro finance banks must be aware of keeping employees after a satisfactory examination that they possess a sufficient required knowledge of the regional language which would help both the customers as well as the managers to feel friendly and homely. They must create such an atmosphere that the customers may feel themselves comfortable and user friendly to the atmosphere of the bank. While if some customers shows unawareness regarding this matter it indicates that the report indicates some kind of biasness that the managers who were being approached might not have come in direct contact with the customers and the question to such an area of managers is illogical and senseless as they may not respond properly to such situation.

Question no. 4: Are you getting proper response from the customers?

Table no. 4

Preference	Option	Choice	Percentage
A	Yes	38	38 %
B	No	22	22 %
C	Can't say	30	30 %

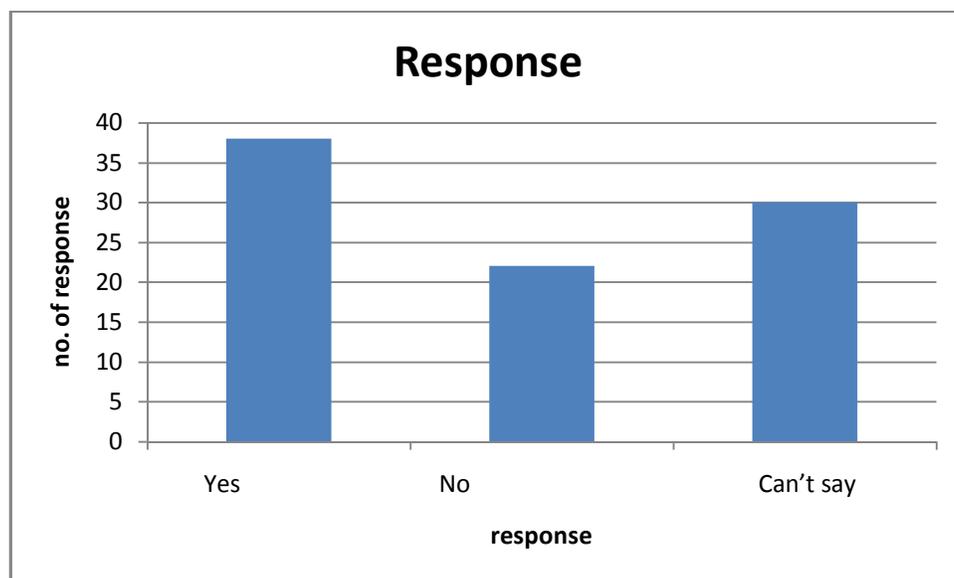


Figure no. 4

Interpretation: From the bar chart it is satisfactorily observed that the maximum of the customers are satisfied and managers gave the positive response in reference to that. Nearly 30 customers were in confusion, this state of confusion expresses that they might have faced few situation where the customers were unhappy and few where they might be satisfied. To overcome this condition the micro finance banks shall improve the working habits and policy of

the bank, such that the customers may always feel satisfied. And a huge number of 22 respondents gave the neglected negative response which has to be improved properly such that the pessimistic customers may turn into optimistic customers.

Question no. 5: Mostly to which occupational class do you provide your financial services?

Table no. 5

Preference	Option	Choice	Percentage
A	Agricultural class	41	41 %
B	Trader class	18	18 %
C	Daily wages workers class	32	32 %
D	Others	9	9 %

Analysis: Customers from the variant areas are involved in taking benefits from the Micro Finance at such a situation the bank provides its facility to the variety of customers belonging to the different occupational class like agricultural class, trader class, and the daily wages workers etc. On the data collection part, it is observed that out of 100 managers as respondents nearly 41 customers belongs to the agricultural class and around 18 customers belongs to the trader class and an average of 32 customers are ranging under the category of daily wage workers and nearly just 9 customers belongs to the others category using the facility provided by the banks.

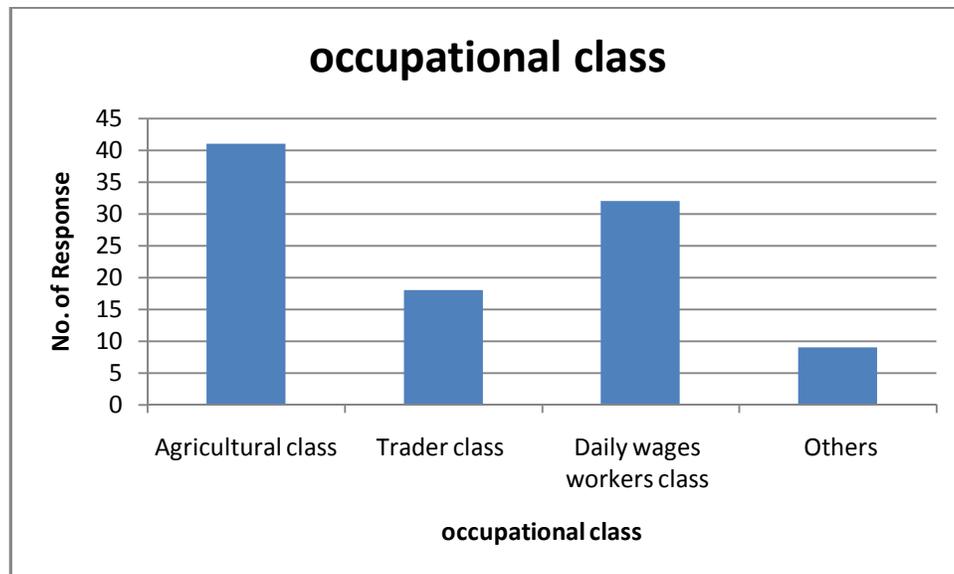


Figure no. 5

Interpretation: the data on interpretation part specifies that maximum customers belongs to the category of the agricultural area this indicates the Micro Finance banks are moving in the right direction of providing facility to the customers at the lower class in benefiting them at the highest, which would help them to reduce the poverty under such areas. While another of 32 customers belongs to the category of daily wages workers, and they may be benefited at the best part to get the financial help to sustain their life in a better way. Also the main focus of this bank is to uplift the poor society of the people by alleviating poverty and helping them in understanding the better working condition and atmosphere to its internal staff as well as to the customers.

Question no. 6: Under Micro Finance Bank which financial service facility is mostly preferred by the customer?

Table no. 6

Preference	Option	Choice	Percentage
A	Deposits	24	24 %
B	Loans	35	35 %

C	Payment services	9	09 %
D	Money transfer	10	10 %
E	Insurance	12	12 %
F	All	10	10 %

Analysis: under the Micro Finance bank the customer mainly prefers loan facility at the highest i.e. around 35% out of the 100 respondents states that. The facility of money transfer is preferred at the least of around just 10 customers as being concluded by the managers. The perception is stated by the managers and the direct response may vary from the customers to customer. The facility of insurance is also perceived by the customers is around 12 % and nearly 24 % customers are perceives the loans facility. And at the last 10 % of the customers prefers to use all the facility provided by the Micro Finance Banks.

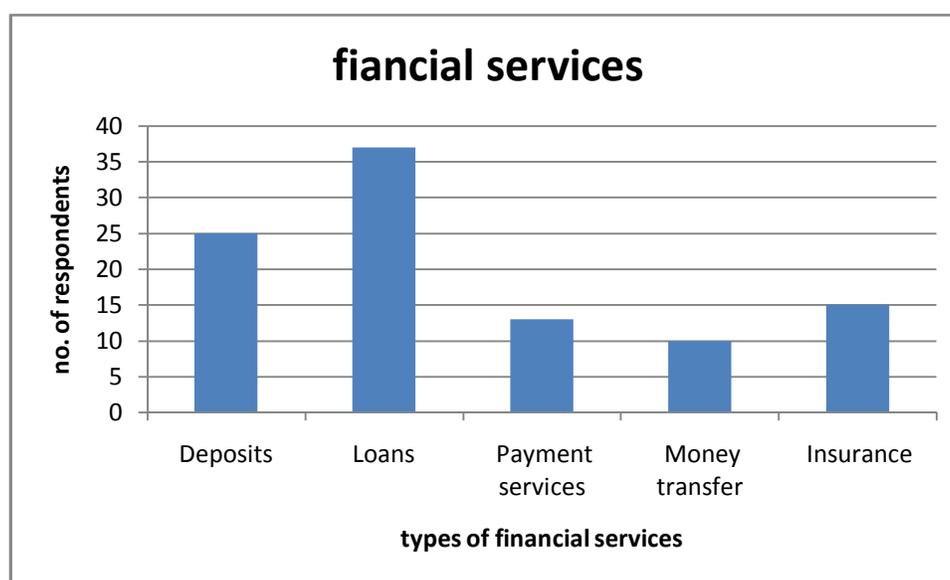


Figure no. 6: financial services provides by banks

Interpretation: the data is interpreted that analyzed data is stating that loans is preferred most by the customers because they are weak in the financial services and mainly requires the fund for their business purpose or the agricultural purpose or the trading purpose. They least prefers the insurance facility as they are not properly updated about the insurance facility provided and also not aware about it. only a few customers prefers all the facilities provided by the banks because

they considers that depending on the single banking facility may not provide them full benefit. hence the customers shall be given benefits regarding to those who uses maximum facility with the banks and the bank can also provides some incentives to the customers who are reliable and potent to make further more investment, this will help the bank as well as the confidence to the customers in investing more and more money and developing their business and the standards of living.

Question no. 7: How would you scale the interest rate policy of your banks in comparison to the commercial banks?

Table no. 7

Preference	Option	Choice	Percentage
A	Higher interest rate	15	15 %
B	Lower interest rate	20	20 %
C	Similar interest rate	55	55 %
D	Can't say	10	10 %

Analysis: the analysis of the data is stated that the interest rate of the banks is the major factor of selection of banking facility by the customers as the interest rate is the main criteria that supports the banks to gain the number of customers. The higher interest rate is provided by the Micro Finance banks, is being felt by nearly 15 respondents out of 100. And a maximum of 55 respondents feels that similar interest rate is provided by the banks. And just 20 respondents say that the interest rate of the Micro Finance bank is lower in comparison to the commercial banks.

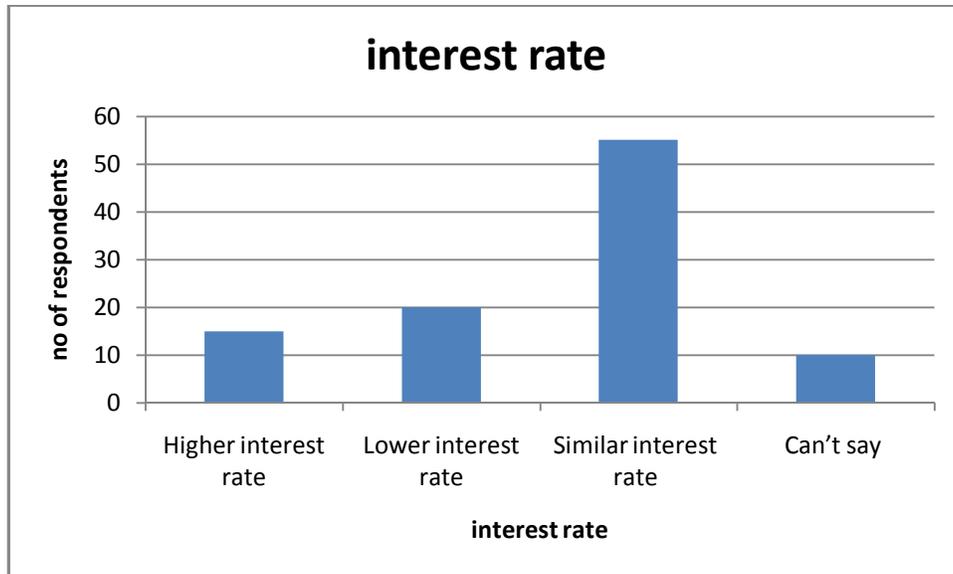


Figure no.7

Interpretation: the analyzed data is interpreted as the interest rate of the Micro Finance Bank is similar to the commercial banks then the profit area of this part is not being useful by the banks hence the banks have to focus on their customer service because their customer service will only help to attract maximum of customers. While an average of 20 managers states that they provide lower interest rate in comparison to the commercial banks which can attract the customers but this policy of lower interest rate must be explained properly that the maximum of customers can be attracted by this facility.

Question no. 8: Do you feel that the facility provided by the Micro Finance Bank is leading over the local money lenders?

The facility of money lending is provided by the local money lenders without asking for any kind of mortgage guarantor or any other kind of documents but the major disadvantage to this facility is that they charge higher interest rate than the normal banks charge. to overcome the large group of customers from this irrelevant system of the society the government has taken some necessary steps for the upliftment of poor's where Micro Finance Banking is one of them, where the money is easily landed down to the poor people of the society and making them free from the higher interest rate problems.

Table no. 8

Preference	Option	Choice	Percentage
A	Yes	20	20 %
B	No	48	48 %
C	Can't say	32	32 %

Analysis: Out of the 100 respondents nearly 48 managers states that maximum of the customers like to prefer financing form the micro finance bank and 32% of the managers are not at all updated regarding the lending facility of the market lenders.

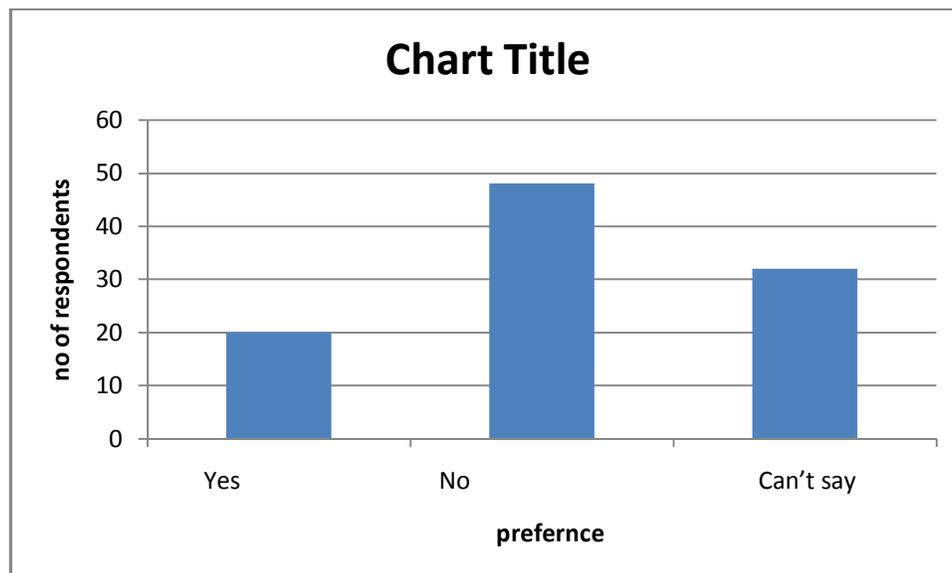


Figure no. 8

Interpretation: the interpreted data explains out that the money lenders are not exceeding the local lenders as the banks are at the right path of development and growth, also this situation will support the poverty alleviation. The facility provided by the banks must be improved that the local money lenders may lag behind, as the micro finance bank is providing good facility to its lenders without any kind of formalities like guarantor, mortgaging or deposits etc.

Question no. 9: Due to the increasing demands of the Micro Finance Banks, do you feel its operation must also be expanded?

Table no. 9

Preference	Option	Choice	Percentage
A	Yes	56	56 %
B	No	25	25 %
C	Can't say	19	19 %

Analysis: the data expresses that the demands of the microfinance is increasing and 56 respondents agree to the point of view that the operation of the banks must be expanded, as this would bitterly support the working of Micro finance banks and at the same time this would also support the customers to understand the facility of banks in the more appropriate manner. and nearly 25 managers replied that no the operation of banks must not be expanded.

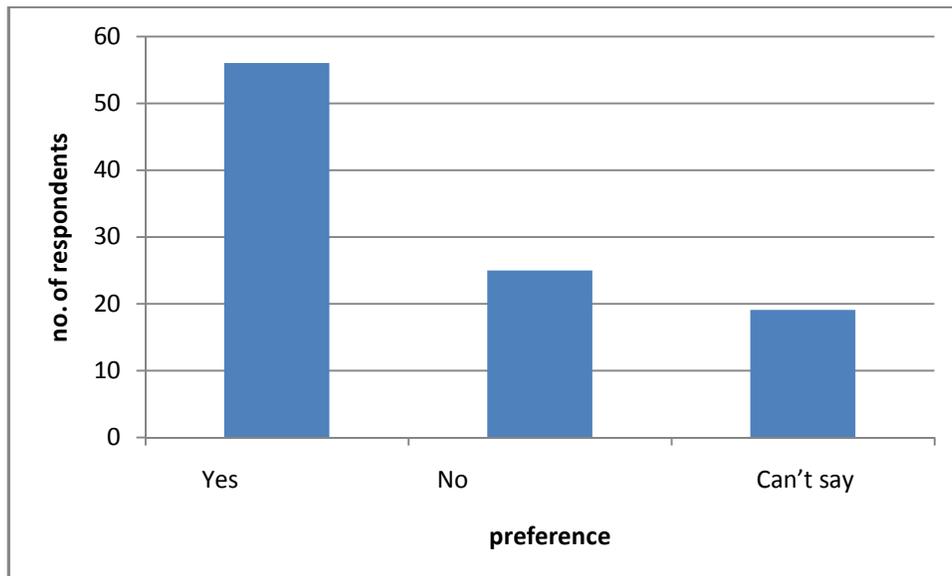


Figure no. 9

Interpretation: the data on interpretation suggest that the analysis must be handled by the researcher under the operation of questionnaire being filled by the managers. They explained out that they must expand the operation as this would work in better way i.e. it would provide the benefits to the customers, to the bank and at the same time this would generate more

employment in the market and support the government in its functioning. Some managers are unaware about the working of the bank and its expansion, and this indicates the questionnaire being filled shows biasness and inappropriateness as they are not in the form of working.

Question no. 10: Are you satisfied with the efficiency and effectiveness of the internal working personnel's or staff?

Table no. 10

Preference	Option	Choice	Percentage
A	Very high	24	24 %
B	high	31	31 %
C	Average	40	40 %
D	Low	8	8 %

Analysis: the managers have to spend a lot much of time with the junior level employee and other staff members. Hence they have to arrange the work by managing with those employees which may be the local workers of the rural areas. But the managers gave a positive response for them that they are satisfied as 40% gave an average response. 24% gave the very high quality response of working experience with them.

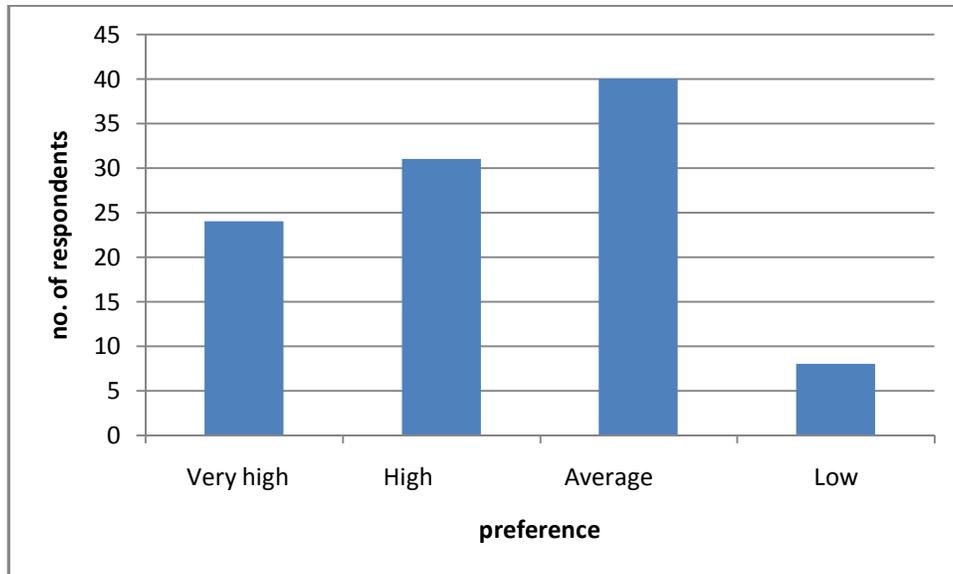


Figure no. 10

Interpretation: the graphical representation explains out that working atmosphere within the bank is calm and satisfactory in terms of the managers. They feel themselves comfortable with the employees at lower level. The condition might help to gain the emotional attachment of the customers, as the bank is providing a proper response to the local employees, hence the customers may provide a proper response to the bank and also support in the management.

Question no. 11: What is your perception regarding the satisfaction level of the customers, while using the facility of Micro Finance bank?

Table no. 11

Preference	Option	Choice	Percentage
A	Very high	23	23 %
B	high	42	42 %
C	Average	29	29 %
D	Low	6	6 %

Analysis: the data collected helps the researcher to understand the perception of the managers regarding the satisfaction level of the customers from their point of view. Hence the micro finance bank managers responded that 42 % of the showed a higher response for the satisfaction level. 29 % showed the average response to the customers.

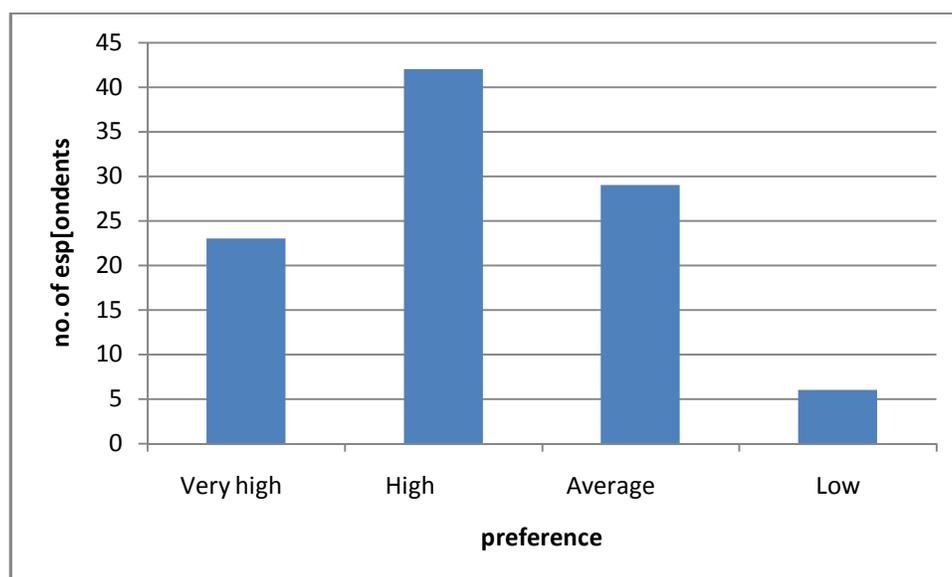


Figure no. 11

Interpretation: the pictorial representation supports that the satisfaction level of the customers from the managerial point of view is higher in nature and the representation also explains that to protect the image of the organization the managers may provide a fake information and improper support to reveal the real image of the organization.

5.5 Questionnaire for credit policy:

The researcher discussed about the questionnaire for the managers regarding the credit policy being framed out by the bank. The bank employees also need to focus the needs and demands of the credit policy as they support the number of customers visiting the bank.

Question no. 1: Is the Buyer system for customer credit is manual or computerized?

As with the rising scale of development in our economic world, it is needed that consequently the service rendered by the Micro Finance Banks should be improved and technologically framed at the higher level as it will be beneficial in many ways, it helps us to save a lot of time

by providing efficient services and in an effective manner as compare to manual system. in order to get the greater approach in the remote areas the technologies must be installed properly as they make a proper linkages between the rural areas to the urban areas, and also turn the developing countries into a developed country.

Question no. 2: For existing customers, what is the minimum information required reviewing the creditworthiness of the Buyers?

To evaluate the vital information regarding the customer's credit worthiness we use to ascertain the important data's such as occupation of a customer, monthly or yearly income of the customers and the monthly or yearly turnover of the business is the certain important information which are required to access the customers potential to pay back the credit within the specified time. The manger also has to make himself aware about the customers balance sheet, profit and loss statement, annual turnover, any other credit being granted by the same bank or any other bank. All such conditions of the customers would support the manager in deciding the credit worthiness of the borrower.

Question no. 3: What are your regular contractual terms of payment, e.g. 30 days from invoice date, 30 days from end of month, etc?

Lending the credit on certain contractual terms to the different individuals keeps varying from person to person as of the customer is the person who continuously requires borrowing facility for carrying business activities than in that case the interest rates and payment obligations are kept liberal towards a person as to give him better services. The terms and policies keeps on changing because the institution of lending the credit to the persons with having variant occupations, different purpose to take loan and also for the different time periods for which the credit is required. Sometimes the interest payment obligation is placed at the end of every month or sometimes placed at the specified date of each month at which the credit is provided to the customer.

Question no. 4: What credit information is routinely requested to update buyer files?

In order to keep the proper sets of records of the credit information of buyer or customer our staff frequently use to update all the credit information as to smoothen the working and to avoid malfunctioning in the institution which results in misplacement of the important records. Basically the credit information which mainly required is the amount of credit lended, time specified for the payback period and interest rates decided on the basis of terms and policies selected by the customers.

Question no. 5: How do you investigate the credit worthiness of your buyers?

The primary and main element functions of Micro Finance Bank is to lend the credit and render the services to the customers and for this purpose micro finance bank has to firstly evaluate the credit worthiness of the buyers which is complimentary to the functions to know the payback ability of the customers and to know their business operations for which the credit has being taken.

6. Chapter no. 6: Conclusion:

6.1 Summary:

Poverty is a social cause of the country. This is a kind of social cause which depletes the name, fame, reputation and economic development of the country. The social cause slowly steadily changes into a social evil. This evil make the society and country both dirty and creates a depleting image in front of the whole world. As the basic purpose of the every individual is to work for achieving five basic needs of their life where the first need is the physiological needs, then we observe the safety needs and then many more. But in case of poor people's it is really hard to achieve the 1st basic needs and this makes them unaware in thinking of beyond food, cloth and shelter. hence at this point they just thinks of towards the basic amenities and after fulfilling this they may try switching to the next need of safety where they may think of deposits, loans, insurance, and savings for future. At this point the duty of the bank arises to gather those potential customers who have switched from the basic needs to safety needs and also to grab those customers who can easily shift to this zone by providing some assistance. Whereas the ultimate purpose of these banks is to provide financial support to the low income people and assist them by providing an opportunity to become self- sufficient by the various means of saving money, borrowing money and insurance.

India is a developing country and figure represents that every 6th person of the world is poor. So to compare the standards of living of India with the whole world the poor ratio may increase. Now at the area of decreasing this ratio the country has to work very fast towards the area of improvement supporting the quality of work managed by country and also by launching new schemes and policies at the national level which may support the upliftment of the poor's in the country. thus the government of India focused on various different aspects for the alleviation of poverty they also focused on the schemes which must be launched like the Swarnjayanti Gram Swarozgar Yojana (SGSY), Jawahar Gram Samridhi Yojana (JGSY), Employment Assurance Scheme (EAS), National Social Assistance Programme (NSAP), National Old Age Pension Scheme (NOAPS) and many more schemes which may benefit the poor's to sustain a better life.

The major purpose of the study is to understand the need of Micro Finance Banks in poverty alleviation. This purpose mainly supports the government to understand whether the Micro

Finance Bank is supporting the development of the country by reducing the poverty. Although the researcher has faced many problems within the research, because the questionnaire was being designed for the managers and the customers both and the opinion of the both class of people may match and may also vary according to the situation they are facing. The managers may be biased according to the condition they are facing in the organization and may give the opinion in positive response to uplift their banking facility. The service provider organization and their customer may also sometimes feel a gap of communication, a gap of service quality between them. They may also perceive differently according to the expression being said by the customers or by the managers, which may create a great hindrance to the working of the bank.

6.2 Evaluation of results:

The research must always focus in attaining the objective and motives being decided by the researcher in beginning, on focusing those objectives the evaluation of the results would be the most supportive factor to understand the market demands and applications. The data is collected by the simple random purposive sampling, for this purpose, the research design must be drawn using descriptive method as the suitable method to understand the designing of the research. After the finalization of universe the sample size is being decided to understand the number of respondents being suitable to remove the biasness and providing an appropriate outcome to this approach. for the research purpose the researcher has chosen nearly 200 respondent to be analyzed for the response given by the customers and around 100 managers where being chosen for the questionnaire being filled for the general information regarding the working of other employees, satisfaction level of customers, interest rate charged by the banks and any other questions. A descriptive questionnaire is also being framed which explains the researcher about the information provided by the managers regarding the customer credit policy framed out and it's working. Then on the further research methodology part it was well decided that the questionnaire thus designed consist of variety of questions which are being answered properly by the mangers and the customers regarding the analysis of the role of microfinance in poverty alleviation. On the data analysis part the questions responded by the mangers gave the response that the communication gap is developed between the customers and the employees of the banks. The response shows that the communication gap is higher and also the lack of proper knowledge of regional language may arise due to the variation of the employees and the customers. But still

the response of the customers received from the bank is higher in comparison to the unawareness created due to the lack of proper knowledge of language. On the better part maximum of agricultural class people and the daily wage workers are enjoying the facility provided by the banks. The interest rate policy is even similar in nature as comparison to the commercial banks, so the opportunity of customer attraction pulls out to be negative at this motive. Even the analysis of the type of financial services most preferred by the customers is utmost necessary to know which facility must be improved and lagging behind in its facility terms or the information awareness terms. The micro finance banks have created a boom in the market and stepped ahead in the race with the local money lenders who cheat the poor people by charging higher interest rate and make them fool. Than after the development of micro finance banks the poor people receives better assistance of fund at the lower interest rate. Hence they provide proper help from the government and also support the growth of the country.

Chapter no. 7: Recommendations

Is the main motive of micro finance banks is just the alleviation of poverty? No, not exactly but rest all the motives have a single root cause i.e. Poverty. If the bank keeps poverty alleviation as their basic and primary motive then they may achieve the final goal of the organization.

Under the analysis of data within this research it is being better understood that on conducting research methodology the analysis is conducted by the researcher by using the questionnaire method, which is conducted for the managers and the customers to obtain the opinion of both. The recommendations are as explained by the researcher which may support the working.

- The analysis part stated that the employees chosen for the working under mf banks must be through under the regional language, to maintain the better customer relationship with its customers.
- The analysis part of the employees stated that the interest rate policy is similar to the commercial banks hence the attraction factor through interest rate policy will not work and customer's relationship is to be upgraded and improved.
- Micro finance banks are providing services in the rural areas which are nearby to the outskirts of the cities but their need arising to strengthen the network of micro finance banks and to establish them in the remote areas too.
- In this institution we find that the communication gap is the rare hindrance which are faced between the customers and the personnel's and micro finance banks and should be priority treated to be solved.
- Micro finance banks should try to extend their operations of services by covering wider group of society, so as more and more public could enjoy the advantages of the services rendered by the micro finance banks.
- In the Indian economy micro finance banks should be preferred to establish their network because micro finance banks acts as a bridge between the rich class and the poor class society and helps to maintain the level without extending the gap between both classes.
- To increase the awareness amongst the public of rural area regarding the services and the facilities which are provided by the micro finance banks. micro finance banks should take certain initiatives like to train their personnel's about the knowledge of regional

languages of the area they are working in, to initiate the people through add campaigns, plays and video acts which in a huge manner helps the villagers to understand the utility of micro finance banks.

- They can also provide training to the employees regarding the knowledge of regional language.

Reference:

- Christen R. P., Rosenberg R. & Jayadeva V., 2004, financial institutions with a double-bottom line: implications for the future of microfinance. CGAP Occasional Paper.
- Graham A.N., Wright and Mutesasira L., 2001, the relative risks to the savings of poor people, Micro-Save Africa.
- Karlan D. and Valdivia M., 2009, Teaching Entrepreneurship: Impact of Business Training on Microfinance Clients and Institutions, Review of Economics and Statistics.
- Paugam and Serge, 1998, "Poverty and Social Exclusion: a sociological view." The Future of European Welfare, edited by Martin Rhodes and Yves Meny, Pp. 41–62.
- Philippou and Lambros, 2010, "Public Space, Enlarged Mentality and Being-In-Poverty", Philosophical Inquiry, Vol. 32, No. 1–2 pp. 103–115.
- Pressman and Steven, 1994, Poverty in America: an annotated bibliography. Metuchen, N.J.: Scarecrow Press.
- Sen and Amartya, 1999, Development as Freedom, New York: Knopf.
- Smith and Stephen C., 2005, Ending Global Poverty: a guide to what works, New York: Palgrave Macmillan.
- Smith S. C., 2002, "Village Banking and Maternal and Child Health: Evidence from Ecuador and Honduras," World Development.
- Triest and Robert K., 1998, "Has Poverty Gotten Worse?" Journal of Economic Perspectives.
- Muhammad Yunus and Karl Weber. Creating a World without Poverty: Social Business and the Future of Capitalism. PublicAffairs, New York, 2007
- Brigit Helms. Access for All: Building Inclusive Financial Systems. CGAP/World Bank, Washington, 2006, pp. 35-57.
- Adams, Dale W., Douglas H. Graham & J. D. Von Pischke (eds.). Undermining Rural Development with Cheap Credit. Westview Press, Boulder & London, 1984.
- Christen R.P., Rosenberg R. & Jayadeva V. 2004, financial institutions with a double bottom line: implications for the future of microfinance. CGAP Occasional Paper, July 2004, pp. 2-3.

- Feigenberg, Benjamin; Erica M. Field, Pande R., 2011, building social capital through micro finance NBER Working Paper No. 16018.
- Revolution in the Third World. Harper & Row Publishers, New York, 1989, p. 162.
- Kumar PV. India's GDP expanded at fastest pace in 18 years: Annual GDP up 9.4%, but growth could moderate this year. Market Watch 2007; May 31.
- Satish P. Mainstreaming of Indian microfinance. Economic and Political Weekly 2005 ; 40(17) April 23 : 1731-9.
- Chavan P, Ramakumar R. Micro-credit and rural poverty: An analysis of empirical evidence. Economic and Political Weekly 2002;37(10), March 9.
- Hulme D, Paul M. Finance against poverty, Volume I, London: Routledge Publications;1999.
- Jha S, Srinivasan P V. Taking the PDS to the poor: Directions for further reform. Economic and Political Weekly 2001;36(39), September 29 : 3779-86.
- Parikh K S. Who gets how much from PDS : How effectively does it reach the poor? Sarvekshana 1994; 17(3), JanuaryMarch.:34.
- Rajendran M, Mehts D, Pattanaik P K, Poverty alleviation through community participation- Urban basic services for the poor UBSP India. Available from: <http://www.unesco.org/most/asia12.htm>, accessed on January 6, 2007.
- Ramaswami B. Efficiency and equity of food market interventions. Economic and Political Weekly 2002; 37 (12): March 23 : 1129-35
- Peralta O.B. (2003). The Role of Financial Sector in Poverty Reduction. UNEP F1 Global Roundtable, Tokyo
- Balogun, E. D. (1999). Analyzing poverty: Concepts and methods. Central Bank of Nigeria Bullion 23(4), 11-16.
- Egwuatu, B. S. C. (2008). Reducing poverty through better credit delivery: The Asian experience. Central Bank of Nigeria Bullion, 32(1), 8-16.
- Ehigiamusoe, G. (2008). The role of microfinance institutions in the economic development of Nigeria. Central Bank of Nigeria Bullion, 32(1), 17-24.

- Englama, A. & Bamidele, A. (1997). Measurement issues in poverty. In Poverty Alleviation in Nigeria, Selected Papers for the 1997 Annual Conference of the Nigerian Economics Society (pp. 141-156).
- Satish P. Mainstreaming of Indian microfinance. Economic and Political Weekly 2005; 40(17) April 23 : 1731-9.
- Chavan P, Ramakumar R. Micro-credit and rural poverty: An analysis of empirical evidence. Economic and Political Weekly 2002;37(10), March 9.
- Hulme D, Paul M. Finance against poverty, Volume I, London: Routledge Publications;1999.
- Kiiru J. and Kenia, 2007, the impact of the rural poor household's income and vulnerability to poverty: the case study of the Makueni District
- Gibbons D.S. and Meehans J.W., 2007, financing microfinance for poverty reduction,
- Von Pischke J.D, Adams D.W, Donald D. (1983) Rural Financial Markets in Developing Countries: Their Use and Abuse. John Hopkins University: Baltimore.
- Parikh K S. Who gets how much from PDS : How effectively does it reach the poor? Sarvekshana 1994; 17(3), January-March.:34.
- Rajendran M, Mehts D, Pattanaik P K, Poverty alleviation through community participation- Urban basic services for the poor UBSP India. Available from : <http://www.unesco.org/most/asia12.htm>, accessed on January 6, 2007.
- Ramaswami B. Efficiency and equity of food market interventions. Economic and Political Weekly 2002; 37 (12) :March 23 : 1129-35.
- Shah, Devendra Pratap, 2003: "Reforming an Agricultural Development Bank: Insights from an ex Bank CEO in Nepal", RUFIN/GTZ of Nepal.
- Sharma, Suresh, 2001: "Institutional Sustainability and Impact of Small FarmerCo-operatives Limited", RUFIN/GTZ of Nepal.
- Shrestha, Bihari Krishna, 2004: "Poverty Alleviation, Governance Improvement and Conflict Transformation in Rural Nepal", RUFIN/GTZ of Nepal.
- Agricultural Development Bank, 2002: "Small Farmers Development Program; At a Glance"
- Agricultural Development Bank, 2000: "Agricultural Development Bank: In the path of financial viability"

- Kao, J, “Jamming: The Art and Discipline of Corporate Creativity”, HarperBusiness Publishers, 1996.
- Gates,B. Business @ the Speed of Thought: Using a Digital Nervous System, Warner Books, USA, 1999.
- URT, “National Information Communication Technologies Policy”, Dar es Salaam, Government Printer, 2003.
- Gillman, H., “Fighting Rural Poverty – The Role of ICTs””, Paper presented at IFAD side event at the World Summit on the Information Society-Geneva; December 2003.
- Mandella, N. “Make Poverty History”, speech during The Global Campaign for Action Against Poverty, London’s Trafalgar Square, 3rd Feb. 2005.
- Weigel, G. and Waldburger, D – Editors, “ICT4D – Connecting People for a Better World – Lessons, Innovations and Perspectives of Information and Communication Technologies in Development”; Swiss Agency for Development and Corporation (SDC) and the Global Knowledge Partnership (GKP), 2004.