SYNOPSIS OF THE THESIS

IMPACT OF MICROFINANCE
ON SOCIAL, ECONOMIC AND CAPABILITY WELL-BEING
OF FAMILIES BELOW POVERTY LINE, WITH SPECIAL REFERENCE TO
DEOGHAR DISTRICT IN JHARKHAND

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CONTENTS

1. Introduction

In the development paradigm, microfinance has evolved as a need-based programme for empowerment and alleviation of poverty to the so far neglected target groups (women, poor, deprived etc.). It has also become one of the most effective interventions for economic empowerment of the poor. In this context, the present study focuses on the impact of microfinance on the social economic and capability well being of people languishing Below Poverty Line (BPL) in the Deoghar district of Jharkhand.

Microfinance, in simple terms, means providing financial assistance, in the form of a loan, insurance saving, fund transfer, training to the small entrepreneurs and small businesses, lacking access to banking and related services. Microfinance as (Prahalad, 2005) defines, "a scheme for provisioning small loans to impoverished entrepreneurs in less-developed countries is often cited in the literature as the quintessential example of a business solution to global poverty".

Need of microfinance in India- In India it is estimated that 350 million people live below poverty line. Annual credit demand by the poor in the country is estimated to be about Rs 60,000 crores. A cumulative disbursement under all microfinance programmes is only about Rs 5000 crores. Only about 5% of the rural poor have access to microfinance.*(NABARD)*

Need of microfinance in Jharkhand: Jharkhand, with a literacy rate of 67.6% lags behind the national literacy average of 74.04%. The state has hilly and difficult terrain covered with forests. 26% of the total population is tribal. Significant infrastructure gap, poor social indicators and a high index of poverty are some of the other features of Jharkhand. (Government of India, 2012) which calls in for various initiatives by the state government in the microfinance sector

Need of microfinance in Deoghar: As per a 2011 Jharkhand industrial policy study, Deoghar "comes under 'C' category, i.e. most backward district for industrial activities." (Government of India). Also, Deoghar was named as a backward district and hence came under the Backward Regions Grant Fund Programme (BRGF) of the Government of India. (Ministry of Panchayati Raj, 2009). The population of Deoghar comprises approximately 12.6% Scheduled Castes (SCs) and 12.2% Scheduled Tribes (STs). The literacy rate of males (66.4%) and female (32.0%) in

Deoghar is less than the Jharkhand state average of 67.3% and 38.9% respectively (as of 2016). (Directorate of Statistics & Evaluation, 2006)

With the above background of the Deoghar district and keeping in view the lack of any substantial relevant study in the context of impact measurement within the field of microfinance, the present research attempts to uncover and measure new approaches to the measurement of microfinance in India.

2. Motivation and Problem Statement

Microfinance and its relationship with poverty alleviation have been a focus of many academic studies. (for example, Gutiérrez-Nieto, Serrano-Cinca, & Mar Molinero, 2007; Imai, Gaiha, Thapa, & Annim, 2012). However, focusing solely on the economic impacts of Microfinance might ignore other salient aspects of the overall context in which microfinance is practically applied.

Apart from the positive impacts of microfinance on the economic well-being of respondents, microfinance has also shown the potential of bringing positive change in the aspects of social and capability well-being. (Goetz, 2001; Satyasai, 2003) For example, women empowerment and capacity building (Makumbe et al, 2005; Malhotra and Schuler, 2006) have been mentioned as associated positive impacts of microfinance. Adding the social and capability well-being dimensions make microfinance impact measurement a more robust exercise. Hence, a motivation for this thesis is the attempt to uncover salient aspects of social and capability well-being, apart from economic well-being impact of microfinance.

Apart from the positive impacts of microfinance, extant research has also highlighted some negative impacts of the financial service. (Goetz & Gupta, 1996; Farida, 2006). Some predatory practices of errant microfinance institutions and exorbitantly high interest rates cast a shadow on the effectiveness and morality of microfinance as a service. Another motivation for this study is to evaluate and identify any negative consequences of microfinance in the research setting.

Most of the studies focusing on the impact of microfinance in India have been focused on the western and southern regions of India (for example. Very few studies have approached the

estimation of the impact in the eastern region of India, especially in Jharkhand, in this field. Deoghar district, in the eastern region of India, comes under the government's 'C' category, i.e. most backward district for industrial activities. Deoghar receives the Backward Regions Grant Fund (BRGF) from the Government of India. (Ministry of Panchayati Raj, 2009). Further, Deoghar comprises of a large population of historically disadvantaged scheduled castes and tribes. This demographic composition aid in evaluating the impact of microfinance services across a range of socially and economically backward populations.

There is a paucity of studies on microfinance in and around the state of Jharkhand. Most of the existing studies, on microfinance, in Deoghar district have been theoretical in nature. The present research is of vital importance to test whether the initiatives taken by the state government and various institutions in the field of microfinance has helped in the socio-economic and capability wellbeing of the Below Poverty Line (BPL) families residing in the rural, urban and semi-urban areas of Deoghar district.

3. Literature Review

Microfinance means providing very poor families with very small loans (microcredit) to help them engage in productive activities /small businesses. But over time, microfinance has come to include a broader range of services (credit, savings, insurance, etc.) as we have come to realize that the poor and the very poor lack access to traditional formal financial institutions and require a variety of financial products customized to their requirements.

The World Bank defines Microfinance as the "the provision of financial services to low-income clients, including the self-employed." (Ledgerwood, 1999) It applies to both rural and urban settings where low-income households might be devoid of access to the formal banking structure. The microfinance revolution, particularly the success stories of institutions like Bangladesh's Grameen Bank (Yunus, 2007), Bolivia's Banco Sol and Indonesia's Bank Rakyat attracted several economists to study microfinance in the latter half of the 1990s. Since then, innovation in microfinance has continued and providers of financial services to the poor continue to evolve.

United Nations' previous Secretary-General Kofi Annan emphatically stated that microfinance was "…in no way charity; rather, it offered the same rights and services to low-income households as everyone else and recognized that they were the solution, not the problem." (United Nations, 2004)

In the Indian setting, Microfinance has been defined as: "… an economic development tool whose objective is to assist the poor to work their way out of poverty. It covers a range of services which include, in addition to the provision of credit, many other services such as savings, insurance, money transfers, counseling, etc." (Reserve Bank of India, 2011)

The big question, globally is whether Microfinance is a potent tool for poverty reduction/alleviation and other related outcomes. Various aspects of Microfinance impacts have been studied in the recent past. Some of the aspects that have received significant attention are: women empowerment, for ex. (Selome & Tshuma, 2014) (Arora & Meenu, 2011) (Chowdhury & Chowdhury, 2011), financial performance, for ex. (Ngo, Mullineux, & Ly, 2014) (Kar & Bali Swain, 2014) poverty alleviation, outreach for ex. (Abate, Borzaga, & Getnet, 2014) (Hudak, 2012) Each of the impacts mentioned above has been studied both through the use of case studies as well as empirical tests.

Another aspect of Microfinance that has received significant attention is the ethics and crises associated with MFIs. For ex. (Sama & Casselman,, 2013) (Schmidt, 2010) Particularly, the case of SKS Microfinance has received significant academic attention with academics and practitioners questioning the sole focus of profitability displayed by some MFIs. (Mohan & & Potnis, 2010) (Grunewald & Baron, 2011) .

Jose & Buchanan, 2013, study the determinants of future purchase intentions of microfinance customers by considering the factors of dissatisfaction with product, staff, and information available to the customer. They also consider how the customers perceive the loan providers' Corporate Social Responsibility (CSR) inclination.

6

4. Objectives and Scope

Research objective has been developed from the research problem statement after an in-depth study of the domain and review of literature. The study has made an attempt to ascertain whether this movement of microfinance has in reality uplifted the social economic and capability wellbeing of the BPL people of Jharkhand and Deoghar district in particular. Further, most studies of microfinance in India has been focused on the southern or the western part of India. These regions of India had a significant exposure to microfinance and academic studies focusing on the Socio-Economic Upliftment of people living below the poverty line, however, the eastern region of India, including the state of Jharkhand has not seen the same level of attention both in terms of exposure and academic studies. In this regard, the present study makes a significant academic contribution by:

1. Exploring the important latent variables relevant in the research setting (Deoghar district, Jharkhand) which are potentially important in assessing the impact of microfinance offerings across social, economic and capability dimensions. *(Study 1)*

   The first section of the study attempts to inductively understand emergent themes from a set of qualitative interviews of success and failure stories in microfinance loan use within the Deoghar district. This section attempts to isolate key dimensions of microfinance loan impact to be used later in the measurement sections of the study.

2. Exploring the various social, economic and capability dimensions of microfinance and measuring its impact on the well-being of the respondents in Deoghar district, Jharkhand, India *(Study 2 & 3)*.

3. Understanding the role of the demographic, social and geographic factors like age, caste, distance from the city centre, education, loan cycle, loan type, etc. on the impact of microfinance loans with Special Reference to Deoghar district in Jharkhand, India *(Study 2 &3)*.

4. To study the impact of microfinance in the reduction of migration in the Deoghar district, Jharkhand, India *(Study 2 & 3)*.

7

5. Understanding the determinants of customer satisfaction in Rural Self Help Groups-Bank Linkage Programme by doing an empirical study of Deoghar district in Jharkhand, India *(Study 4)*.

6. Differentiating the impact on groups of respondent belonging to different poverty levels in the Deoghar district of Jharkhand, India *(Study 4)*

5. Hypotheses

The Research study consists of qualitative (STUDY 1) as well as the quantitative (STUDY 2 ,3 &4) analysis. Hypotheses of all studies are provided below:

STUDY 1: Study 1 is a qualitative exploration to extricate key latent impact dimensions from the caselets. Hence, no hypotheses assumed in this study. The extricate key latent impact dimension identified in this study are the distance from the city centre, migration, family and social support, etc. , the other studies (*Study 2, 3 and 4*) focus on the measurement and further analysis of the impact studied in the research setting.

STUDY 2. This study measures the impact of the Microfinance on the socio-economic and capability wellbeing of people living below the poverty line in the Deoghar district of Jharkhand.

*Hypothesis 1***:** The use of Microfinance loans has led to an increase in the income of the respondents in their community in Deoghar, Jharkhand.

*Hypothesis 2***:** The use of Microfinance loans has led to an increase in the expenses of the respondents in their community in Deoghar, Jharkhand.

Hypothesis 3: The use of Microfinance loans has resulted in a decrease in the migration of the respondents in their community in Deoghar, Jharkhand.

Hypothesis 4: The use of Microfinance loans has increased the educational qualifications/ vocational training of the respondents in their community in Deoghar, Jharkhand.

*Hypothesis 5***:** The use of Microfinance loans has led to an increase in the working understanding of skill/trades/crafts by the respondents in their community in Deoghar, Jharkhand.

Hypothesis 6: The use of Microfinance loans has led to an increase in the social status enjoyed by the respondents in their community in Deoghar, Jharkhand.

*Hypothesis 7***:** The use of Microfinance loans has led to an increase in the status enjoyed by the respondents in their family in Deoghar, Jharkhand.

STUDY 3: This study continues the measurement of microfinance impact by comparing the breakups of impact measurement based on the categories of various grouping variables like distance from city center, loan type, age group, etc. for the microfinance borrower respondent group (368 respondents). The hypotheses in this study assume that there is no difference within each grouping variable as the null hypothesis. As we do not have significant input from the existing literature on the relationship between the grouping and impact variables, we present the null hypothesis arguments below.

*Hypothesis 1***:** The impact variables across Social, Capability and Economic wellbeing have no difference across the grouping variable: distance from city center (<=10 Kms, 11-20 Km, 21-30 Km and 31-40 Km).

Hypothesis 2: The impact variables across Social, Capability and Economic wellbeing have no difference across the grouping variable: loan type (Self Help Group [SHG]/Joint Liability Group [JLG]).

*Hypothesis 3***:** The impact variables across Social, Capability and Economic wellbeing have no difference across the grouping variable: age groups (<=30 years, 31-40 years, 41-50 years and >=50 years).

9

Hypothesis 4: The impact variables across Social, Capability and Economic well-being have no difference in the whole grouping variable: Caste (Scheduled Caste (SC), Scheduled Tribe (ST) and Other Backward Castes (OBC)).

*Hypothesis 5***:** The impact variables across Social, Capability and Economic well-being have no difference in the whole grouping variable: loan cycle (1, 2, 3, and 4).

*Hypothesis 6***:** The impact variables across Social, Capability and Economic well-being have no difference in the whole grouping variable: education (Illiterate, Till Class X, High School and Graduate).

Although the impact variables (economic, capability and social wellbeing) have been grouped in the hypotheses presented above, each impact variable has been independently analyzed across the six grouping variables. The analysis of *study 3* will present results for each impact variable separately.

STUDY 4: This is an empirical study to find out the Determinants of Customer Satisfaction in Rural Self Help Groups-Bank Linkage Programme in the Deoghar district in Jharkhand, India.

Socio-Economic Profile:

H1A: There will be a negative relationship between customer age and Overall Customer Satisfaction.

H1B: There will be a negative relationship between underprivileged caste membership and Overall Customer Satisfaction.

H1C: There will be a positive relationship between education level and Overall Customer Satisfaction.

H1D: There will be a negative relationship between MPCE and Overall Customer Satisfaction

H1E: There will be a negative relationship between the distance from city center of the survey respondent's address and Overall Customer Satisfaction.

10

Loan Dynamics:

H2A: There will be a positive relationship between increasing SHG Age and Overall SHG-BLP Customer Satisfaction

H2B: There will be a positive relationship between the increasing Loan Amount and Overall SHG-BLP Customer Satisfaction

H2C: There will be a positive relationship between Training provided and Overall SHG-BLP Customer Satisfaction

H2D: There will be a positive relationship between Ease of Processing/Bureaucracy and Overall SHG-BLP Customer Satisfaction.

Loan Use:

H3A: There will be a positive relationship between Income Generating Use and Overall SHG-BLP Customer Satisfaction.

H3B: There will be a positive relationship between the choice of a New Occupation (New vs. Traditional Business) and Overall SHG-BLP Customer Satisfaction.

6. Research Methodology

The present study uses mixed method approach. Mixed methods studies allow for inclusion of both qualitative and quantitative methods of data collection and/or analysis to achieve a range of outcomes as discussed by Creswell (Creswell, 2005); and Greene et al. (Greene, Caracelli, & Graham, 1989).

The basis of selection of mixed methods approach was done on the overall purpose of the study, and the research questions identified, the research relating to factors /variables having an impact on socio-economic and capability wellbeing of the BPL people residing in the Deoghar District of Jharkhand. Further the mixed method ensured that there is a greater validity in the result as it provided Variation in data collected. Other benefits of mixed method are:

• Answers the Research question from a number of perspectives.

• Ensures that there are no 'gaps' to the information / data collected.

 • Ensures that pre-existing assumptions from the researcher are less likely.

This approach was deemed important as anyone methodological approach does not provide a holistic view of the microfinance impact in Deoghar district. Both qualitative (semi-structured interviews, case studies) and quantitative techniques (OLS regression, ANOVA with post hoc analysis, t-tests) were used.

7. Data Analysis

This thesis comprises four different, yet symbiotic studies on the various aspects of the socio-economic and capability wellbeing of microfinance on borrowers in the Deoghar district of Jharkhand. While the first study was based on a qualitative approach, the remaining three studies used various quantitative techniques for analysis.

In the first study qualitative case studies were developed focusing on the positive and negative impacts of microfinance on borrowers. caselets were prepared on the basis of interviews. All interviewees were asked about their experiences with microfinance. The case studies were done according to the guidelines provided in case studies by qualitative research literature, (Eisenhardt, 1989; Yin, 1994)

Before the second study, a pilot test was done to check whether the questions in the survey were loaded to the constructs of economic, social and capability well-being separately. Exploratory factor analysis was used for the same.

In the second study, a comparison of 368 respondent group from the microfinance borrower category was made with the 217 respondent group belonging to the non microfinance borrower group. Independent sample t-tests were used to find significant differences in means between the two groups. Further, individual sub-groups based on Caste and Age was also compared using the independent sample t-test.

In the third study, grouping variables like distance from city center, loan type, age group etc were used to further find patterns in the loanee data. One way ANOVA with appropriate post-hoc tests were used for the analysis.

In the fourth study Ordinary Least Square (OLS) linear regression was used to find the determinants of overall customer satisfaction surveyed from 145 respondents spread across 28 villages.

The 95% confidence levels were considered for all quantitative tests. IBM SPSS Version 20 was used to perform all the above mentioned quantitative tests.

8. Findings

The findings of all the four studies shed significant light on the dynamics of microfinance and its impact on Deoghar district. While the first study i.e. Qualitative analysis in the form of caselets (depicting both the success and failure stories) uncovers new variables like distance from the city centre that influence the overall socio-economic and capability wellbeing impact in the Deoghar district, Jharkhand. These impact factors were previously not emphasized much in the microfinance literature. Further impact on migration has also been included in the study as Jharkhand is a state having a large scale of migration. The study shows that the performance of microfinance with respect to substantial reduction of migration has been unsatisfactory. When this variable which came from the caselets was tested statistically in the further studies, they were found to be influential while accessing the overall impact of microfinance. Various hypotheses on the impact on the socio-economic and capability well-being were also tested.

The second study which was microfinance impact estimation using control group, based on the dataset of 585 respondents (consisting of 368 Microfinance borrowers and 217 non borrowers), showed that the Economic and Social Well Being, Impact variables of Increase in Income, Increase in Savings, Savings Differential, Reduction in Migration, Increase in social/community status and Increase in Family Status were found to be significantly higher than that of the control group consisting of non-Microfinance borrowers.

In the third study which constituted microfinance borrowers analysis using grouping variables. The data collected from 368 Microfinance borrowers were analyzed through the use of grouping. The impact variables grouped on distance from district headquarters (Deoghar) showed that respondents living less than 10 km from the District Headquarters were found to have significantly more means for Increase in Income (INC_Inc) and Training in Skills/Trades/Crafts (TRNG_SKL) than compared to other groups living more than 10 km away from district headquarters. While the increase in social status (SOC_STAT) was found to be significantly higher for respondents living between 10-20 km from the district headquarters. It was also interesting to note that some respondents used the funds received as the microfinance loans for migration purposes directly. This finding has not been highlighted in previous impact assessment literature on microfinance.

An empirical analysis of 133 respondents, which formed the fourth study, was carried out to ascertain the determinants of Customer Satisfaction using the factors of Socio-Economic Profile, Loan Dynamics, and Loan Use. Caste, Monthly Per Capita Expenditure (proxy for poverty level), SHG Age and Ease of Processing were found to significantly impact Overall Customer Satisfaction in the research setting. The present study offered the following novel insights:

It explained the determinants of customer satisfaction in a state (Jharkhand) where the overall efficiency of Microfinance activities has been underwhelming. Further, by focusing on three distinct loan process based factors of Socio-Economic profile, Loan Dynamics and Loan Use it attempted a robust framework to understand Customer Satisfaction in BoP (Bottom of Pyramid) settings where a review of existing management and marketing frameworks is warranted.

9. Conclusions

As mentioned above, this thesis comprises of four studies using both qualitative and quantitative approaches. The conclusions of all the four studies are briefed below.

Study1. This study uncovers distance from city center as one potentially important factor that could be useful in understanding the holistic impact of microfinance in an Indian setting. Also,

some success and failure stories of microfinance pointed at increasing migration in their households through the use of microfinance funds.

Study 2 Utilized a quantitative approach to compare the social, economic and capability well-being between microfinance borrowers and a control group that did not receive any microfinance loans.

Study 3 analyzed the data compiled from microfinance borrowers based on grouping variables like caste, age group, etc. The findings of study 2 and study 3 are briefed below:

- The Economic and Social Well Being of Microfinance Borrowers were found to be significantly higher when compared to non borrowers.
- Capability Well Being was not significantly higher for microfinance borrowers as compared to non-borrowers.
- There were significant differences between borrowers and non-borrowers for SC and ST respondents. However, the impact was more widespread for OBCs.
- Lower Age group borrowers had more impact on their Well Being parameters than older borrowers.

Study 4 attempts to extract determinants of overall customer satisfaction among a set of Self Help Group – Bank Linkage (SHG-BLP) Programme. A proxy measure of poverty (MPCE) [Monthly per Capital Expenditure] was utilized for the study similar to Government of India guidelines. The study's findings are briefed below.

- The SHG-BLP programme in Deoghar district seems to be more satisfactory for higher MPCE respondents as compared to lower.

- SC respondents have significantly lower customer satisfaction as compared to other caste groups (like ST and OBC)

- Ease of processing was a significant determinant of customer satisfaction. (Important for Deoghar context)

- Loan Use was not found to be a significant determinant.

10. Recommendations

The recommendations provided by this thesis are aimed at microfinance practitioners/government agencies as well as the academic community.

The studies above suggest that Social and Economic well-being is positively impacted by microfinance in Deoghar district. However, the capability well-being dimension showed no significant change. For practitioners/government agencies this thesis offers the recommendation to include capacity building measures like training and sensitization of borrowers. From an academic standpoint, we argue that the lack of increase in capability well-being was captured using the comprehensive impact framework used in the thesis.

Distance from the city center, identified in the qualitative portion of the thesis, has significant connotations on the overall impact of microfinance in Deoghar. This finding points at the shallow penetration of microfinance and its associated activities in Deoghar. From an academic standpoint, distance from city center is identified and tested as an important and novel grouping variable for microfinance impact measurement.

The analysis of the impact of microfinance on migration in Deoghar district reveals some interesting findings. In some cases, the study found that the microfinance loans were used directly for migration. This finding, in some sense, raises questions, especially for the state government as it defeats the purpose of improving the lives of borrowers in the villages and communities of Jharkhand. Academically, the impact on migration adds an important aspect for a robust microfinance impact measurement framework.

11. Contributions

As discussed above, this research provides some important contributions. **Firstly**, the study proposed and tested a robust and comprehensive framework for microfinance impact measurement. The comprehensive framework includes the dimensions of social, economic and capability well-being. **Secondly**, this research measured the impact of microfinance in a backward district of eastern India: a region which has seen a paucity of impact measurement

studies. **Thirdly**, the conceptualization of distance from city center and the impact on migration makes novel contributions to the academic understanding of microfinance impact. **Fourthly**, the findings suggest that the impact of microfinance is more positive for Other Backward Castes as compared to Scheduled Castes and Tribes. More analysis is needed as to why castes are dominant influencers of microfinance impact. **Finally**, this thesis measures the determinants of overall customer satisfaction of microfinance borrowers in Deoghar. By doing so, this study provides unique insights in understanding satisfaction of microfinance borrowers by visualizing them as customers of a financial service.

12. Limitations

This research and its inter-related four studies have some limitations. Firstly, the thesis focuses on the microfinance loanee respondents only in the Deoghar district of Jharkhand, India. The choice of Deoghar district as the focus area was made due to a variety of reasons mentioned above. However, due to the focus on only one district, generalization across other districts/states is limited. Secondly, the data were collected through in-depth interviews and surveys. These instruments were applied to respondents, some of whom were illiterate. Even though necessary precautions were taken, it is possible that few respondents' responses were not properly captured due to possible communication issues. Finally, this study focuses only on social, economic and capability well beings for evaluating the impact of microfinance. Other dimensions like environmental and psychological dimensions have not been considered.

13. Scope for Future Research

This research uncovered and evaluated significant new dimensions with the aim of creating and testing a robust, holistic framework for microfinance impact measurement. Based on the contributions and limitations of the thesis (discussed above), various avenues of future research can be suggested.

Although, this study developed and tested a robust framework for microfinance impact measurement in Deoghar, Jharkhand; more research is required to test whether the suggested

17

framework can be used successfully in other backward regions of India. Future studies should attempt to test the framework discussed in the thesis across other backward regions of India.

Identified variables like distance from the city center and measurement of impact on migration are novel contributions of this thesis. These variables need to be tested further in other areas of India to further understand their importance. Finally, this study considered three dimensions of well-being: economic, social and capability. Future works on this topic could possibly consider other impact dimensions like the impact on the environment and psychological well-being. Such impact dimensions are bound to shed more light on this important research topic.

14. Thesis Layout

The Research thesis consists of 11 Chapters

Chapter 1: Starts with the introduction of microfinance status in India, Jharkhand, Deoghar .It also contains the objectives of the study, research approach, and methodology along with the relevance and the limitations of the study.

Chapter 2: Background

This Chapter discusses the important terms and concepts like financial inclusion, financial exclusion, below the poverty line, microfinance, non-governmental organizations, self-help group and joint liability group.

Chapter 3: Literature Review

This chapter gives a detail of the various previous studies done on the field of microfinance, self-help group, joint liability group and various impact studies of microfinance.

Chapter 4: Objectives, Hypotheses and development of Conceptual Framework

In this chapter the objective of the present study along with the hypothesis is discussed. Various previously developed relevant conceptual frameworks and the conceptual framework developed by the researcher is also discussed.

Chapter 5: Research Design and Methodology:

It deals with the survey questionnaire methodology, instrument development, survey construction and the methodology used for the studies.

Chapter 6: Qualitative Study (Study 1)

This chapter consists of caselets of both success and failure stories which has resulted after availing microfinance loan.

Chapter 7: Pilot Survey Results:

This Chapter consists of pilot study evaluation along with survey data collection and analysis

Chapter 8: Survey results (Study 2 &3)

This chapter comprises of the descriptive of the taxonomy and details of the collected data. Further, it also contains the details of microfinance borrower groups, the statistical tests applied, finding of study 2 and study 3. Block wise comparison on the basis of the data collected is also discussed.

Chapter 9: **Determinants of Customer Satisfaction in Rural Self Help Groups-Bank Linkage Programme (Study 4):**

The chapter is an empirical study of the Customer Satisfaction of Self Help Groups- Bank Linkage Programme (a microfinance initiative in India) by focusing on the role of three factors in determining the customer satisfaction of rural Self Help Group members in the Deoghar district of the Indian state of Jharkhand like socio-economic profile, loan dynamics and loan use.

Chapter 10: Conclusion and Scope of future research: This chapter comprises of the summery of the research findings along with the original contributions of the research findings. It also deals with the direction of the future research.

Chapter 11: Appendix