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MICRO FINANCE IN INDIA: COOPERATIVE BANKS VS COMMERCIAL BANKS: EVIDENCES FROM THE FIELD

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ABSTRACT

The launching of Pilot phase of the SHG (Self Help Group) Bank Linkage program in February 1992 is considered as a landmark development in banking with the poor. The strategy involved is simple viz. forming small, cohesive and homogenous groups of the poor, encouraging them to pool their savings regularly and using the pooled corpus to make small interest bearing loans to members and in the process members of SHG learn financial discipline. This paper discusses the attitude of the members of SHGs who obtained microfinance from the banks
