ISSN- 0976- 495X www.anvpublication.org

RESEARCH ARTICLE

Commercialization of Microfinance in India

Suresh Chandra Bihari
Professor (Finance), IBS, Hyderabad, India (www.ibshyderabad.org)
*Corresponding Author E-mail: **scbihari@gmail.com/scbihari@yahoo.co.in**

ABSTRACT:
World over, the needs of the poor are found to be largely similar. The poor require Financial services in the form of credit, savings, insurance and other services for meeting their survival needs, improving their living conditions, coping with calamities, disasters and emergencies, and above all, to take care of their livelihoods. In order to meet their needs, they generally rely on informal sources such as local moneylenders, village communities, local clubs, friends, relatives and other social acquaintances. The services of formal financial institutions to the poor have remained limited. The developing countries, all over the world, have, during the past few decades, witnessed the emergence of alternative financial institutions differing in form and characteristics but having a common goal of promoting "Financial Inclusion" by providing financial services to the unreached and unbanked segment of the population. As a result of various successful programs all over the world, *Microfinance* has emerged as an attractive tool to help the poor, since it not only helps in improving livelihoods and reducing their vulnerability but also has a significant positive impact on women's economic and social empowerment, in terms of their ability to access loans, own productive resources, engage in income generating activities, decision making and increased mobility.
But of late, massive investments by private equity firms coupled with an initial public offer (IPO) by SKS Microfinance has ignited a debate about the ethics and objectives of microfinance institutions (MFIs) in India. Though initially started by women's groups and NGOs to empower poor people at local level, microfinance is no longer a micro or local phenomenon. Globally, the microfinance industry controls over $50 billion in assets. In India particularly, there appears to be a shift in focus from *Banking for the Poor* to *Banking on the Poor* and the purpose of this paper is to examine all issues related to the debate.

KEYWORDS: Financial Inclusion, Microfinance in India, Banking for the poor, Banking on the Poor.

BACKGROUND:
"Microfinance in India is approaching a historic 'tipping point' that could lead to a massive poverty reduction in the next five to ten years." - Grameen Foundation US in 2005.
"Microfinance is not a charity. It is a way to extend the same rights and services to low-income households that are available to everyone else. It is recognition that poor people are the solution, not the problem." - Kofi Annan, Secretary General, United Nations in 2004

Microfinance is the evolving and impacting theme for the millions of rural and urban poor across the length and breadth of India arousing hope and opportunity to millions for raising their standard of living. Within India the microfinance movements in Western and Southern India have received most attention, both in the media as well as in academic research.

Received on 04.08.2011 Accepted on 24.08.2011

Asian J. Management 2(3): July-Sept., 2011 page 119-125

'Inclusive growth' and 'inclusive development' are the new buzz words today. Everyone from the World Bank to the Reserve Bank of India is talking of this. In addition to the benevolent thoughts of reducing poverty and enabling financial inclusion of the poor, the policymakers have also realized that the high rate of India's economic growth would not be sustainable if it is not inclusive. Microfinance has emerged as a potent development tool in this milieu. It has been credited with facilitating financial inclusion of the Bottom-of-the-Pyramid segment. In economics, the bottom of the pyramid is the largest, but poorest socio-economic group. There are an estimated four billion people in the world who live on less than US$2 per day (mostly in developing countries) that come under this group. Many companies, cutting across industries, are developing new business models to target this group.

While many organizations are now coming out with their own microfinance schemes, social enterprises have played a significant role in this area. In fact, Nobel laureate Muhammad Yunus who is credited with pioneering

Microfinance is also considered as a Social Entrepreneur. Various social enterprises have mushroomed up in India to tackle some of the pressing issues faced by the poor, and some of them work in the area of Microfinance. Together Social Entrepreneurship and Microfinance can help foster inclusive growth.

According to Global Monitoring Report 2010, India is classified as a Lower-middle-income country (LMC). India reduced the share of its population living in poverty from 51 percent in 1990 to 42 percent in 2005, but because of population growth, the number of poor people actually rose from 436 million to 456 million. Despite India's enviable growth rate over the last decade, poverty is still a major issue as the growth has not been inclusive.

Like in other developing and underdeveloped countries, various social enterprises had sprung up in India in their bid to tackle some of the pressing problems faced by the poor. While some are trying to tackle the problem of water and education, others are trying to tackle the problem of poverty. This has resulted in these ventures and other larger companies coming out with inclusive business models. Microfinance is one of the tools employed by organizations to tackle the problem of poverty by financial inclusion of the Bottom-of-the-Pyramid segment.

Microfinance was pioneered by Muhammad Yunus in 1976 and successfully implemented by Grameen Bank. His work on lending loans by developing self-help groups of women in Bangladesh has since been adopted by many other social enterprises. Other Microfinance Institutions have also adopted this model and also built on it to serve the Bottom-of-the-Pyramid segment in better ways. Microfinance, today, has gown in stature and is considered as one of the effective tools in poverty reduction. In India, first official interest in informal group lending started in 1986-87 on the initiative of NABARD. Since then, various organizations have come forward to offer Microfinance in the country.

REVIEW OF LITERATURE IN BRIEF:

The paper by Sriram M S (2010) on "Commercialization of Microfinance in India" looks at the growth and commercialization of microfinance in India. The basic argument of the paper is that most of the early microfinance in India happened through donor and philanthropic funds. These funds came in to not-for-profit organizations. However as the activities scaled up, it was imperative to move to a commercial format. Basically it questions the moral and ethical fabric on which some to the large microfinance institutions are built.

The paper by Babri Maira et al [2010] on "The Commercialization Debate: A Contextual Study of Microfinance in India" says "Within the field of microfinance, there has been an ongoing debate about whether microfinance institutions should be commercialized. One side argues that a business that very much can earn profits at the same time as it helps the poor, is not justified to receive charity, but should be run with the risks and benefits of any other profit-seeking business. The other side argues that the outreach to the ones who most need microfinance, is severely hampered if firms are profit-seeking; arguing that they only target the individuals who allow them to make profits."

The paper by Kasat, Puja (2010) on "Innovative Approaches to Developmental Microfinance in India" states "Though microfinance in India has grown phenomenally in the last decade, there has been a problem with increasing the geographical reach and impact of the same."

The paper by Nil J. et al (2008) on "Financial Inclusion and Micro-Finance in India: An Overview" examines the role of micro finance in the empowerment of people and the realisation of financial inclusion in India. While their growth and achievements demand attention and appreciation, there are reservations about the efficacy of MFIs in handling public money.

However, there is a lot of gap in research in the context of study especially after the great success of the IPO by the industry leader SKS Microfinance which calls for greater focus on this aspect.

INTRODUCTION:

Microfinance, according to Otero (1999, p.8) is defined as "the provision of financial services to low-income poor and very poor self-employed people".

These financial services according to Ledgerwood (1999) generally include savings and credit but can also include other financial services such as insurance and payment services.

Schreiner and Colombet (2001, p.339) define microfinance as "the attempt to improve access to small deposits and small loans for poor households neglected by banks."

Therefore, microfinance involves the provision of financial services such as savings, loans and insurance to poor people living in both urban and rural settings who are unable to obtain such services from the formal financial sector.

NEED OF MICROFINANCE:

The growth in the Poor's access to credit took place in several distinct phases over the last three decades. The origins of the current micro credit model can be traced back to action-research in the late 1970s, carried out by academics as well as practitioners in organizations that were created to deal with the relief and rehabilitation needs of post-independence Bangladesh. The 1980s witnessed a growing number of nongovernmental organizations (NGOs) which experimented with different modalities of delivering credit to the poor. The various models converged in the beginning of the 1990s toward a fairly uniform "Grameen-model" of delivering micro credit. It sparked a sharp growth of access to micro credit during this decade. In recent years, the standard Grameen-model has undergone more refinements in order to cater to different niche markets as well as to different life-cycle circumstances.

Due to its large size and population, India's GDP ranks among the top 15 economies of the world. However, around 400 million people or about 80 million households, are living below the poverty line. It is further estimated that of these households, only about 20 percent have access to credit from the formal sector. Additionally, the segment of the rural population above the poverty line but not rich enough to be of interest to the formal financial institutions also does not have good access to the formal financial intermediary services, including savings services.

A group of micro-finance practitioners estimated the annualized credit usage of all poor families (rural and urban) at over ₹ 45,000 crores, of which some 80 percent is met by informal sources. This figure has been extrapolated using the numbers of rural and urban poor households and their average annual credit usage (₹ 6000 and ₹ 9000 pa respectively) assessed through various micro studies.

Credit on reasonable terms to the poor can bring about a significant reduction in poverty. With about 60 million households below or just above the austerely defined poverty line and with more than 80 percent unable to access credit at reasonable rates, it is obvious that there are certain issues and problems, which have prevented the reach of micro finance to the needy.

Due to this reason, microfinance is one of the emerging sectors in the world and in India; this can be very helpful for the development of the rural areas.

HOW MICROFINANCE WORKS:

Microfinance is most widely known as a result of the work of the Grameen Bank, created by Professor Yunus in Bangladesh thirty years ago. It is firstly (and this is essential) a tool in the fight against poverty. It is not for poor people in general but for poor people who are considered to be economically active, in other words, those who carry out activities which generate revenues which in turn allow them to cover their needs and those of their families, even if these revenues are low and precarious. Microfinance offers to help them get started by giving them access to financial services from which they are generally excluded (including savings and credit facilities, insurance and fund transfers), and in ways that are suited to their economic and management skills.

From the 1990's onward, after an initial phase of experimental projects financed by donors, and some success stories, a certain number of people in the microfinance sector thought that it was time to transform these projects into sustainable and autonomous microfinance institutions. In order to offer durable services, they had to become independent of the donors and find more commercial resources. In addition, microfinance had a duty to match up to the challenge of the fight against poverty and therefore could not be satisfied with just being available to a tiny group of poor people, nor relying on the generosity of private or public donors which were limited. To achieve their aim, the MFIs had to operate like profitable companies in the framework of a market economy. Subsequently, we witnessed the beginnings of what we can call a microfinance industry.

Today, there are about ten thousand MFIs throughout the World, servicing twenty-five million clients, in an estimated market of six hundred million people, which therefore has great development potential. These clients are distributed unequally : eighteen million are in Asia, five million in Africa, one million eight hundred thousand in South America and two hundred thousand in Eastern Europe where microfinance has only just got started. A single MFI has on average between ten and twelve thousand clients, but certain concentrations have already come to light, namely that the five biggest MFIs, of which four are in Asia, cover 50 % of the total market. The total money involved is six billion Euros, of which about 50 % comes out of savings and not from donors' money.

The Grameen Bank lending model can be described as follows: Borrowers organize themselves into a group of five and present themselves to the Bank. After agreeing to the Bank rules, the first two members of the group receive a loan. If the first two successfully repay their loans, then four to six weeks later the next two are offered loans; after another four to six weeks, the last person is finally offered a loan. As long as all members in the group repay their loans, the promise of future credit is extended. If any member of the group defaults on a loan, then all members are denied access to future credit. Furthermore, eight groups of Grameen borrowers are organized into centers and repayment is collected during public meetings. While this ensures transparency, any borrower who defaults is visible to the entire village, which imposes a sense of shame.

The amounts of money lent are modest. The amount of the loan varies from one country to another, but the generally accepted norm is that it should not exceed 50 % of the GNP per capita of the country in question. For example, in Mali, which is one of the poorest countries in West Africa, the GNP per capita is two hundred and fifty Euros. The loans granted by microfinance institutions therefore will not exceed one hundred and twenty-five Euros.

MICROFINANCE SECTOR IN INDIA:

India is perhaps the largest emerging market for microfinance. Over the past decade, the microfinance sector has been growing in India at a fairly steady pace. Though no microfinance institution (MFI) in India has yet reached anywhere near the scale of the well-known Bangladeshi MFIs, the sector in India is characterized by a wide diversity of methodologies and legal forms. However, very few Indian MFIs have achieved sustainability yet.

Over the last ten years, however, successful experiences in providing finance to small entrepreneur and producers demonstrate that poor people, when given access to responsive and timely financial services at market rates, repay their loans and use the proceeds to increase their income and assets. This is not surprising since the only realistic alternative for them is to borrow from informal market at an interest much higher than market rates. Community banks, NGOs and grass root savings and credit groups around the world have shown that these micro enterprise loans can be profitable for borrowers and for the lenders, making microfinance one of the most effective poverty reducing strategies.

To the extent that microfinance institutions become financially viable, self sustaining, and integral to the communities in which they operate, they have the potential to attract more resources and expand services to clients. Despite the success of microfinance institutions, only about 2% of world's roughly 500 million small entrepreneurs are estimated to have access to financial services (*Barry et al. 1996*). Although there is demand for credit by poor and women at market interest rates, the volume of financial transaction of microfinance institution must reach a certain level before their financial operation becomes self sustaining. In other words, although microfinance offers a promising institutional structure to provide access to credit to the poor, the scale problem needs to be resolved so that it can reach the vast majority of potential customers who demand access to credit at market rates. The question then is how micro enterprise lending geared to providing short term capital to small businesses in the informal sector can be sustained as an integral part of the financial sector and how their financial services can be further expanded using the principles, standards and modalities that have proven to be effective.

PRINCIPLES OF MICROFINANCE:

Commitment to applying good practice in microfinance comes from the highest levels of donor countries and agencies. In June 2004, the Group of Eight (G8) endorsed the “Key Principles of Microfinance” at a meeting of heads of state in Sea Island, Georgia, USA. Developed (and endorsed) by CGAP’s 28 public and private member donors, the Key Principles are translated into concrete operational guidance for staff of donors and investors in these Good Practice Guidelines.

1. Poor people need a variety of financial services, not just loans. In addition to credit, they want savings, insurance, and money transfer services.

2. Microfinance is a powerful tool to fight poverty. Poor households use financial services to raise income, build their assets, and cushion themselves against external shocks.

3. Microfinance means building financial systems that serve the poor. Microfinance will reach its full potential only if it is integrated into a country’s mainstream financial system.

4. Microfinance can pay for itself, and must do so if it is to reach very large numbers of poor people. Unless microfinance providers charge enough to cover their costs, they will always be limited by the scarce and uncertain supply of subsidies from donors and governments.

5. Microfinance is about building permanent local financial institutions that can attract domestic deposits, recycle them into loans, and provide other financial services.

6. Micro credit is not always the answer. Other kinds of support may work better for people who are so destitute that they are without income or means of repayment.

7. Interest rate ceilings hurt poor people by making it harder for them to get credit. Making many small loans costs more than making a few large ones. Interest rate ceilings prevent microfinance institutions from covering their costs, and thereby choke off the supply of credit for poor people.

8. The job of government is to enable financial services, not to provide them directly. Governments can almost never do a good job of lending, but they can set a supporting policy environment.

9. Donor funds should complement private capital, not compete with it. Donors should use appropriate grant, loan, and equity instruments on a temporary basis to build the institutional capacity of financial providers, develop support infrastructure, and support experimental services and products.

10. The key bottleneck is the shortage of strong institutions and managers. Donors should focus their support on building capacity.

11. Microfinance works best when it measures—and discloses—its performance. Reporting not only helps stakeholders judge costs and benefits, but it also improves performance.

CURRENT LIMITATIONS OF MICRO FINANCE IN INDIA:

Here are some limitations that are being faced by the Microfinance sector at present:

- **Regulatory restrictions and unavailability of products and services:**

A major gap in the services provided by the sector is that due to regulatory restrictions, savings products have not been offered until now. Financial inclusion should involve both savings and credit products. The provision of savings products will enable MFIs to offer a more complete suite of products to low income groups.

- **Inefficient lending model:**

There is disproportionate reliance on group lending. The MFIs in particular need to shift from group to individual-based lending. This will require focus on development of appraisal skills and more modern management information systems.

- **Increased Transaction costs:**

There is scope for substantially improving the quality and efficiency of service delivery by the organizations providing micro finance services. Transaction costs, defined as lending costs exclusive of cost of funds and default costs, currently contribute significantly to the high interest rates charged to the borrowers while relatively small size of loans and high frequency of transactions are inherent in micro finance, the challenge is to nonetheless lower transaction costs substantially.

- **Lack of community development:**

Microfinance helps women. That's good, but not good enough to transform communities. Communities are formed of equal parts of men and women, who have a strong affinity for forming bonds with each other. Development that helps women but doesn't involve men has a natural self-limitation. You can't have transformational community development without transforming men and women.

- **Alternative income:**

Microfinance is small scale. True, small businesses become large businesses sometimes. But more often they don't. A family may be greatly helped by the extra income from selling sandals at the market. Creating something larger, something that fully supports the family and creates jobs, is rare. (This is probably one reason men don't participate. They are attracted to larger enterprises outside the home.)

- **High interest rates:**

Micro credit loans are expensive. Interest rates charged by microfinance programs are often over 20%. They have to be, because overhead is high for administering tiny loans. That means it's hard for borrowers to make enough profit to really get ahead, after they pay loan costs.

THE SHIFT IN FOCUS:

There has been a significant shift from the days when microfinance was being discussed as the next big innovation to address the poverty issues in India to being discussed in terms of the next big investment opportunity. The basic argument of the study is that most of the early microfinance in India happened through donor and philanthropic funds. These funds came in to not-for-profit organizations. However as the activities scaled up, it was imperative to move to a commercial format. The study examines the growth imperatives and the transformation processes. The study then proceeds to look at the implications of the transformation process and its effect on the personal enrichment of the promoters of MFI as well as the governance implications. Basically it questions the moral and ethical fabric on which some to the large microfinance institutions are built.

The language of microfinance has undergone a fundamental change in the two decades of its evolution. As some of the large microfinance institutions [MFIs] ready themselves to hit the capital market with their unbelievable valuations and the promise of deliverance, it might be important to reflect on the origins of these MFIs, examine the process of their transformation and discuss some basic structural issues that are plaguing the microfinance sector in general and large organizations in particular.

FORMULATING THE RESEARCH PROBLEM:

- **Task-A :** In-depth study of Microfinance concept, its evolution, global experiences in various developing countries, benefits, scope of Microfinance in rural India, various activities and services being performed by the agencies involved.

- **Task-B:** Identification of various microfinance institutions (MFIs) emerging across the rural areas of India. Observation of the activities performed and the services offered by them.

- **Task-C:** Analysis of the collected data, conclusion drawn from the primary research which was done in IBS Hyderabad through questionnaire.

PREPARING THE RESEARCH DESIGN:

The means of obtaining the information is through:

- Primary Research was done from the students of IBS Hyderabad.
- Secondary data available on the websites of various institutions of Microfinance and other NGOs.

ANALYSIS AND INTERPRETATION:

Data collected through different sources is compiled and analyzed and interpreted to provide a meaningful understanding of research problem.

FINDINGS:

The questionnaire was designed on Microfinance and the survey was done in IBS Hyderabad with those respondents who know about Microfinance. The respondents were 50 in numbers which includes students and some faculty members also.

Rating was done on the scale of 1 to 5 in which 1 was the least proffered and 5 was the most preferred.

This graph shows that the essence of microfinance. From this graph it is clear that most of the people know about microfinance and they like the way microfinance institutions are working.

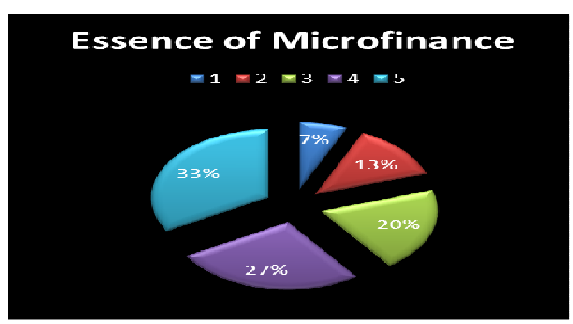

FIG 1: Essence of Microfinance

From this figure it is clear that micro finance interest charge is high. 64% of the respondents agree to this point.

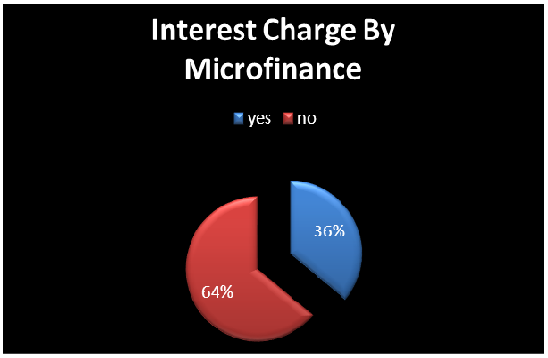

FIG 2: Interest Charge

Banks have good scope through Microfinance Institutions. From the fig it is clear that 72% agree to this point.

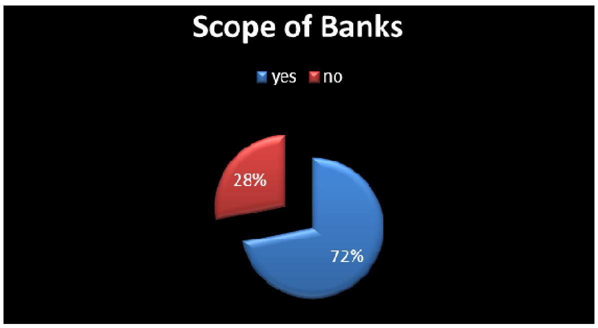

FIG 3: Scope of Banks

Preference of loans is still higher in banks rather than Microfinance Institutions. This may be because the respondents are from IBS only.

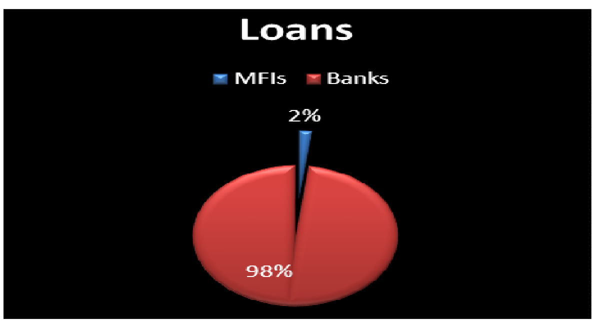

FIG 4: Loans

Rapid growth of MFI will depend on low interest rate as it is clear from the figure. After low interest rate Installment factor is being taken as consideration.

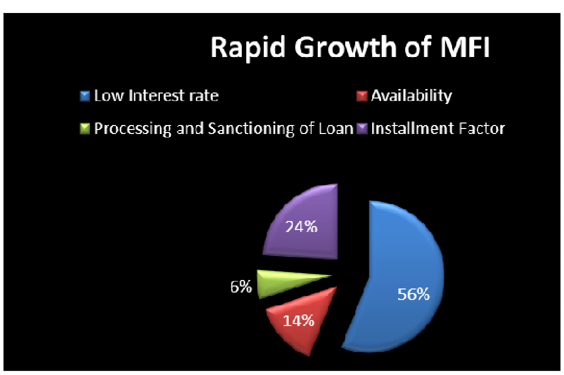

FIG 5: Rapid Growth

Microfinance is a great help for rural people and from the fig it is clear that 76% agree to this point.

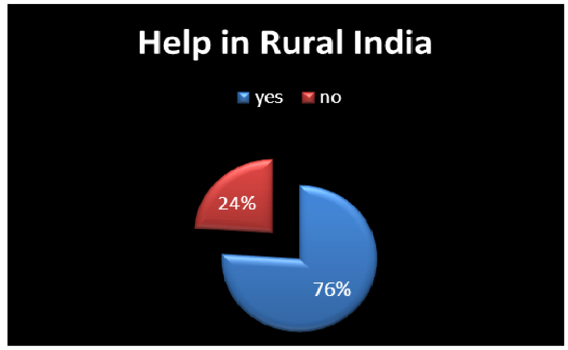

FIG 6: Help for Rural people

From the figure it is clear that Microfinance concept is generally accepted in rural people rather than urban people.

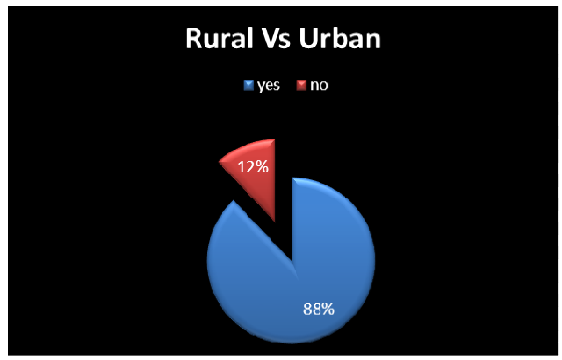

FIG 7: Rural VS Urban

Microfinance is a great help for the unemployed urban youth and figure says that 84% agree to this.

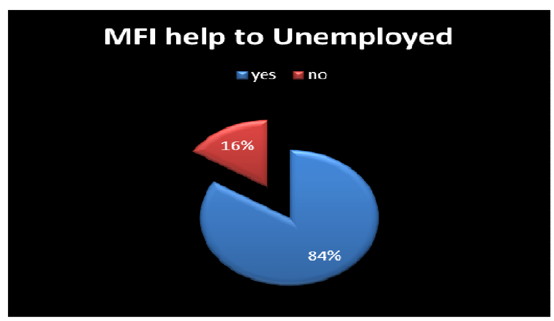

FIG 8: Unemployed urban youth

Microfinance can help the rural people and can end the poverty. 72% accepted this point.

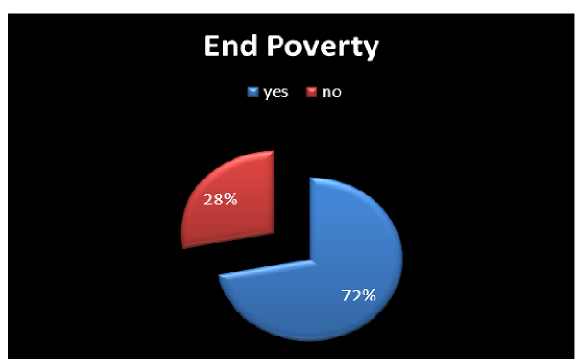

FIG 9: End Poverty

The future of microfinance is still there but due to high rate of interest there are possibilities that its growth will be affected. 33% of the respondents agree to the bright future of Microfinance.

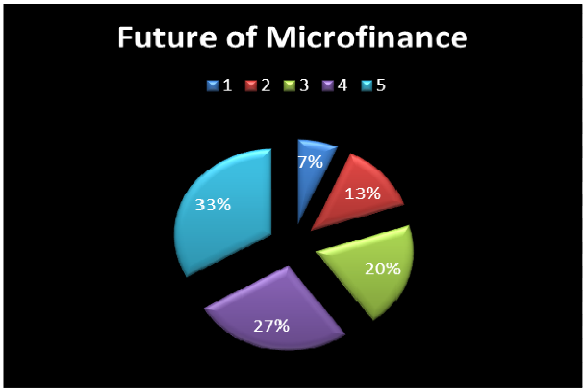

FIG 10: Future of Microfinance

CONCLUSION:

When we look at the past two decades of microfinance, we find three distinct waves of action. The first wave was when people who were working in the development sector discovered the methodology of reaching micro-loans to the poor through a methodology that was mastered by Grameen Bank. The wave 2 came in when the first generation organizations reached scale and sought methods to morph into for-profit commercial organizations. The wave 3 is when mainstream commercial institutions like LandT finance, Equitas and the private equity players started looking at microfinance as an interesting business. The basic methodology being used in commercial microfinance in India was innovated by Grameen Bank and later improvised by several players.

In India, MFIs are increasingly dominated by corporate structures with the large-scale funding by commercial banks and private equity firms. The commercial bank lending to Indian MFIs alone was $2.5 billion in 2009. To private equity funds, microfinance business in India offers new avenues of profit-making since interest rates range from 30 to 60 per cent and repayment rates are over 95 per cent, far above commercial lending.

MFIs unlike other commercial banks are presently not regulated and supervised by RBI or any other agency. The deregulated environment provides an incentive to unscrupulous MFIs and their financiers to charge very high interest rates from poor borrowers and thereby make super profits. The Microfinance Bill which mandates NABARD to regulate MFIs was recently introduced in Parliament. One of the main reasons cited by some MFIs for charging high interest rates is that their administrative costs are higher than commercial banks. Indeed, delivery of small loans to people living in remote areas entails higher administrative costs. But such costs could be substantially offset by economies of scale which unfortunately has not happened in most cases. Several large MFIs still charge abusively high interest rates despite their operations have increased manifolds.

The other argument that greater competition among MFIs will lead to lower interest rates is yet to be demonstrated in India. It is well known that given the widespread existence of information asymmetry, microfinance cannot be a market with perfect competition. It would be erroneous to draw an analogy with any other industry or services because the raison d'etre of MFIs is to serve poor people and promote financial inclusion.

There are several malpractices that are being followed by MFIs like in Andhra Pradesh and Karnataka in order to meet lending targets. The practice of multiple lending and loan recycling (which ultimately increases the debt liability of poor borrower) is very widespread.

There are many instances of aggressive lending by MFIs with negative outcomes. In 2005, many poor borrowers (mostly women) landed themselves in a spiral of indebtedness in Andhra Pradesh. For these borrowers, MFIs were no better than traditional moneylenders as they charged exorbitant rates of interest (80 per cent and above). Some MFIs also used coercive methods of loan recovery that were humiliating to women borrowers; including making them stand in the hot sun and locking up their homes. Some borrowers reportedly committed suicide in Andhra Pradesh as they were unable to bear the harassment by MFIs.

All these above instances suggest that lending by MFIs could also be counter-productive if not properly regulated. In some countries, legislated interest rate caps for MFIs are under discussion. The RBI should examine the relevance of interest rate caps and other measures, particularly for large MFIs in India so that one can find an answer to the following:

The higher interest rates charged by MFIs place an unreasonable burden on poor borrowers. Why should poor borrowers pay the price for inefficiencies of MFIs? Why should poor borrowers be exploited in the name of promoting financial inclusion? Isn't profiteering from poor people in the name of financial inclusion? What about social and developmental objectives of MFIs?

This is a long debate that has continued for a period of time now, but this debate gets strengthened when Microfinance companies deviate from their original objectives.

REFERENCES:

1. Sriram M S (2010):"Commercialization of Microfinance in India"
2. Babri Maira et al [2010]: "The Commercialization Debate: A Contextual Study of Microfinance in India"
3. Kasat, Puja (2010): "Innovative Approaches to Developmental Microfinance in India"
4. Nil J. et al et al (2008): "Financial Inclusion and Micro-Finance in India: An Overview"
5. Dichter, Thomas and Malcolm Harper "What's wrong with Microfinance?" Practical Action, 2007.
6. Ledgerwood, Joanna and Victoria White. "Transforming Microfinance Institutions: Providing Full Financial Services to the Poor". World Bank, 2006.
7. Mas, Ignacio and Kabir Kumar. "Banking on mobiles: why, how and for whom?" CGAP Focus Note #48, July, 2008.
8. Yunus, Muhammad. "Creating a World without Poverty: Social Business and the Future of Capitalism". Public Affairs, New York, 2008.
9. Anil K Khandelwal, "Microfinance Development Strategy for India", Economic and Political Weekly, March 31, 2007
10. Nachiket Mor, Bindu Ananth, "Inclusive Financial Systems- Some Design Principles and a case study", Economic and Political Weekly, March 31, 2007
11. Vikram Akula, "Business Basics at the Base of the Pyramid", Harvard Business Review, June, 2008
12. Raven Smith, "The Changing Face of Microfinance in India- The costs and benefits of transforming from an NGO to a NBFC", 2006.