

Micro- finance: Problems and Constraints in Vellore District, Tamil Nadu, India

K. Rajendran and R. P. Raya

*Department of Management Studies, Pondicherry University, R.V.Nagar,
Puducherry 605014, India*

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ABSTRACT This article analyses the problems and constraints faced by women SHG members in Vellore district in Tamil Nadu. The causes of the problems may arise from within the family or their own organization (SHG) or emanate from out of the external environment and their community. The study has used 13 key variables that affect the performance of micro- finance and tries to analyse the chief variables among them that poses problems and act as a constraint to the effective functioning of the SHG. The researcher collected responses from 450 women respondents from two blocks in Vellore district in Tamil Nadu. Delay in getting the loans followed by marketing of products emerged as the chief problems and constraints to the micro-finance through SHGs. The paper provides the framework of the problems and constraints and also the approaches of how the members manage them. Simple statistical tools were used to analyze the data to arrive at solid conclusions.