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Abstract: The present paper attempts to analyze the satisfaction level of microfinance beneficiaries in India. Microfinance is generally accepted tool for improving the economic condition of rural women in developing countries like India. Microfinance refers to a wide range of financial services including microcredit, savings, insurance, and other financial products provided by banks and non banking institutions targeted to poor and low income people. The primary data are collected from 750 women a microfinance beneficiary belongs to Namakkal district of Tamilnadu in India. The research finding proves that there is a highly significant association between educational qualification and occupation of the women beneficiaries and overall satisfaction regarding microfinance schemes. It is further proved that there is no significant association between age of the women beneficiaries and overall satisfaction level regarding microfinance. Microfinance has greatest scope in India in terms of small and medium business opportunities, improving their standard of living and employment opportunities to the rural poor and low income people.

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Key Words: Microfinance, Customer Satisfaction, Micro Credit, Self Help Group.

Introduction

Micro-finance in the global context is commonly referred to programmes meant for providing credit for very poor people. Microfinance is the extension of small loans to rural poor for self-employment that generate income, allowing them for empowerment. Microfinance is generally accepted tool for improving the economic condition of rural women in developing countries like India. Microfinance refers to a wide range of financial services including microcredit, savings, insurance, and other financial products provided by banks and non banking institutions targeted to poor and low income people. Microfinance provides financial access to poor women who have not availed any services from formal banking system due to lack of awareness and collateral security for providing loans and financial support. The beneficiaries are identified by micro-finance providers themselves independently or through Non-Governmental organizations and self-help groups. Microfinance cannot solve all the financial problems of rural women but micro financial assistance can help the people to fulfill the basic financial requirements that are provided the local money lenders. In India microfinance loan provided to the rural households through banks and Non Governmental Organizations. Microfinance has evolved over the past quarter century across India

into various operating forms and to a varying degree of success. One such form of microfinance has been the development of the self-help movement. The previous studies have proved that the microfinance scheme play a vital role in development of saving habits and availing small loan against their savings through the provision of a wider range of financial products and services to the poor and rural low income women.

Goetz, Anne Marie (1995) stated that economic empowerment is not an automatic consequence of the provisions of financial resources to women. Gendered power relations within the household must be taken into account because they affect the distribution and use of cash resources and in the case of Bangladesh, may constrain women's capacity to develop effective control over credit.

Farrington and Todd (2000) identified the factors that contribute to and hinder efficient microfinance. The various measurements used to determine efficiency drives namely portfolio size, loan size, lending methodology, the source of funds and the salary structure are affect the effectiveness of microfinance institutions.

Dwarakanath H D (2002) stated that the effectiveness of these groups with linkage programme and awareness among the rural folk about the significance of women empowerment and rural

credit. Greeley, Martin (2003) reviewed the various methodologies of assessing the performance of Microfinance. Major international partners and microfinance network on the development of impact assessment tools that address specific dimensions of poverty outreach.

Das, Rimjhim Mousumi (2004) stated that the microfinance access of credit to poor is the need of the hour rather than cheaper rate of interest. Microfinance provides an opportunity to the poor for getting sufficient amount of credit easily to start any income generating activity. He further stated that micro credit ensures the right to save and it is one of the most powerful weapons, which works for bringing the poor rural people in to the mainstream of development. In India millions of people are still below the poverty line, the credit for income generation alone defeats the purpose of poverty eradication.

Basu, Priya et al (2005) pointed out the rural poor still have very little access to formal finance and informal remain strong. Over the past decade new microfinance approaches designed to deliver finance to the poor have emerged and some have shown promise.

Rajarshi Ghosh,(2007) stated that the Microfinance in India is a powerful tool for poverty alleviation and women empowerment. He further stated that the viability of microfinance institutions are under question mark and the outreach is too small and there is a need for an all round effort to help develop the fledgling microfinance Industry while tackling the tradeoff between outreach and sustainability.

Anurag Priyadarshie and Asad K. Ghalib (2011) examined the problems of microfinance institutions in Andhra Pradesh. They stated that the problem of a mishap that occurred due to extensive lending which resulted in over-indebtedness. They explore the reasons that led to such circumstances. They concluded that the policy implications of the various regulatory measures that the Government subsequently took to harness and regulate micro-lending practices in the state.

Hamish Banks (2012), analysed the various problems of microfinance institutions in Andhra Pradesh. He stated that many micro finance institutions in Andhra Pradesh are now financially impaired, they have no way to collect outstanding amounts from the members and repay to the banks as a results all microfinance institutions operations in Andhra Pradesh remain extremely fragile, including those restructured their loans. Hence the microfinance institutions cannot make new loans to the millions of poor house hold in Andhra Pradesh.

Materials and Methods

The primary objective of the study is to find out the level of satisfaction of women beneficiaries' microfinance schemes in India. Both Exploratory Research and Descriptive Research were used in accomplishing the objectives of the study. Exploratory Research was used to gain insight into various problems faced by the women self help group members while availing the micro finance loan in the study area. Descriptive Research was used to analyze the Impact of micro finance loan on empowerment of women self help group members. For the purpose of the study, both primary and secondary data are used.

Primary data were collected through structured interview schedule from women self help group members in the Namakkal Dist. The secondary data were collected from magazines, journals, Internet searches, NABARD Statistical resources, RBI Bulletin, libraries etc., The sampling technique adopted for the study is convenience sampling technique. The samples are taken from all 15 blocks in Namakkal District. In each block, 50 samples were identified on the basis of convenience sampling method. The total sample is fixed as 750 which consist of 50 samples from each block in the district.

Results and Discussion

An attempt has been made to study the overall satisfaction regarding microfinance. After converting the qualitative information into a quantitative one using a five point scale, the average score were obtained from the respondents on various factors to determine the overall satisfaction regarding microfinance. The overall satisfactions regarding microfinance have been made as a dependent variable. The independent variable which affects the dependent variable was studied with various factors like Taluk, Age, Caste, Marital status, Education, Occupation, Designation, No. of Years in SHG, Monthly income, No. of faculty development programmer attended, Spouse employment, Family type and Family monthly income.

It could be noted from the table that the overall satisfaction regarding microfinance among Namakkal Taluk was ranged between 23 and 45 with an average of 38.03 (95.08 %). The overall satisfaction regarding microfinance among P.Velur Taluk was ranged between 15 and 45 with an average of 32.08 (80.20 %), the overall satisfaction regarding microfinance among Rasipuram Taluk was ranged between 18 and 45 with an average of 33.67 (84.18 %) and the overall satisfaction regarding microfinance among Tiruchengode Taluk was ranged between 18 and 45 with an average of 33.92 (84.79 %). Thus, it is inferred from the above analysis that the maximum overall satisfaction regarding microfinance was found among Namakkal Taluk.

Table 1. Overall satisfaction of women beneficiaries on microfinance

Taluk	Range		Mean	SD	Mean %	F Statistics	p
	Min	Max					
Namakkal	23	45	38.03	4.79	95.08	27.07	< 0.001**
P.Velur	15	45	32.08	7.67	80.20		
Rasipuram	18	45	33.67	8.28	84.18		
Tiruchengode	18	45	33.92	5.41	84.79		
Group Total	15	45	34.58	6.97	86.45		

** Significant at 1 %

Further to test the significant difference between the mean score among the demographic variable of Taluk the ANOVA test is used and the result is also shown in table 1. Since the P value is less than 0.01 hence there is highly significant difference in the mean scores regarding overall satisfaction regarding microfinance level is found with respect to Taluk.

With a view to find the degree of association between taluk of the respondents and Level of overall satisfaction regarding microfinance, It is found from the following table that the percentage of high overall satisfaction regarding microfinance was the highest (24.67 %) among Namakkal Taluk respondents and the same was lowest (12.40 %) among P.Velur Taluk. The percentage of medium overall satisfaction regarding microfinance was the highest (10.67%) among the respondents of Rasipuram Taluk and the same was lowest (2 %) among the Namakkal Taluk respondents.

Table 2. Taluk wise overall satisfaction on microfinance

Taluk	Level of satisfaction						Total	
	Low		Medium		High		F	%
	F	%	F	%	F	%		
Namakkal			15	2.00	185	24.67	200	26.67
P.Velur	11	1.47	46	6.13	93	12.40	150	20.00
Rasipuram	3	0.40	80	10.67	117	15.60	200	26.67
Tiruchengode	1	0.13	49	6.53	150	20.00	200	26.67
Total	15	2.00	190	25.33	545	72.67	750	100

The percentage of the low level overall satisfaction regarding microfinance was the highest (1.47%) among the P. Velur Taluk respondents.

In order to find the relationship between the Taluk of the respondents and the overall satisfaction regarding microfinance, a Chi-square test was used and result of the test is shown in the following table 3.

Table 3 Chi square Test

Factor	Calculated Chi-square value	Degrees of freedom	'p' Value	Remarks
Taluk	90.51	6	< 0.001**	Highly Significant

** Significant at 1 %

It is noted from the above table that the 'p' value is less than 0.01 and hence the result is highly significant. Hence the hypothesis 'Taluk of the respondents and the overall satisfaction regarding microfinance are not associated' does not hold well. From the analysis it is concluded that there is highly significant association between the Taluk of the respondents and the overall satisfaction regarding microfinance.

Table 4. Age wise Overall satisfaction on microfinance

Age	Range		Mean	SD	Mean %	F	p
	Min	Max					
Up to 30 Yrs	18	45	36.15	7.19	90.39	3.90	0.009**
30 to 40 Yrs	16	45	34.42	6.47	86.04		
40 to 50 Yrs	15	45	33.83	7.36	84.58		
Above 50 Yrs	16	45	33.85	7.03	84.62		
Group Total	15	45	34.58	6.97	86.45		

** Significant at 1 %

It could be noted from the table that the age wise overall satisfaction regarding microfinance among the Up to 30 yrs was ranged between 18 and 45 with an average of 36.15 (90.39%). The age wise overall satisfaction regarding microfinance among 30-40 yrs was ranged between 16 and 45 with an average of 34.42 (86.04%). The age wise overall satisfaction regarding microfinance among 40-50 yrs was ranged between 15 and 45 with an average of 33.83 (84.58 %) and the age group of above 50 yrs was ranged between 16 and 45 with an average of 33.85 (84.62%). Thus, it is inferred from the above analysis that the maximum overall satisfaction regarding microfinance was found among the age group of up to 30 yrs.

Further to test the significant difference between the mean score among the demographic variable of age the ANOVA test is used and the result is also shown in table 4. Since the P value is less than 0.01 hence there is highly significant difference in the mean scores regarding overall satisfaction regarding microfinance level is found with respect to age.

With a view to find the degree of association between age of the respondents and Level of overall satisfaction regarding microfinance, a cross table was prepared and the results are shown in the following table 5.

Table 5 Age of women beneficiaries and level of overall satisfaction on microfinance

Age	Overall satisfaction on microfinance						Total	
	Low		Medium		High			
	F	%	F	%	F	%	F	%
Up to 30 Yrs	3	0.40	37	4.93	122	16.27	162	21.60
30 to 40 Yrs	4	0.53	75	10.00	236	31.47	315	42.00
40 to 50 Yrs	6	0.80	59	7.87	143	19.07	208	27.73
Above 50 Yrs	2	0.27	19	2.53	44	5.87	65	8.67
Total	15	2.00	190	25.33	545	72.67	750	100

It is found from the table that the percentage of high age wise overall satisfaction regarding microfinance was the highest (31.47%) among 30 – 40 yrs respondents and the same was lowest (5.87%) among the above 50 years respondents. The percentage of medium Age wise Overall satisfaction regarding microfinance over the availability was the highest (10%) among the respondents in 30 – 40 yrs and the same was lowest (2.53 %) among the above 50 yrs respondents. The percentage of the low level overall satisfaction regarding microfinance was the highest (0.80 %) among the 40 to 50 years respondents and the same was lowest (0.27 %) among the above 50 yrs respondents.

Table 6 Chi square Test

Factor	Calculated Chi-square value	Degrees of freedom	'p' Value	Remarks
Age	4.92	6	0.555	Not Significant

It is noted from the above table that the 'p' value is greater than 0.05 and hence the result is not significant. Hence the hypothesis 'age of the respondents and the overall satisfaction regarding microfinance are not associated' does hold well. From the analysis it is concluded that there is no significant association between the age of the respondents and the overall satisfaction regarding microfinance.

Table 7 Caste of women beneficiaries and overall satisfaction on microfinance

Caste	Range		Mean	SD	Mean %	F	p
	Min	Max					
BC	16	45	34.97	7.29	87.41	3.58	0.014*
MBC	18	45	33.88	6.52	84.70		
SC/ST	15	45	33.93	6.72	84.83		
OC	32	45	39.07	3.71	97.67		
Group Total	15	45	34.58	6.97	86.45		

* Significant at 5 %

It could be noted from the table that the caste and overall satisfaction regarding microfinance among BC was ranged between 16 and 45 with an average of 34.97 (87.41%), the caste and overall satisfaction regarding microfinance among MBC was ranged between 18 and 45 with an average of 33.88 (84.70%). The caste and overall satisfaction regarding microfinance among SC/ST was ranged between 15 and 45 with an average of 33.93 (84.83%), the caste and overall satisfaction regarding microfinance among OC was ranged between 32 and 45 with

an average of 39.07 (97.67%). Thus, it is inferred from the above analysis that the maximum overall satisfaction regarding microfinance was among OC respondents.

Further to test the significant difference between the mean score among the demographic variable of age the ANOVA test is used and the result is also shown in table 8. Since the P value is less than 0.05 hence there is significant difference in the mean scores regarding overall satisfaction regarding microfinance level is found with respect to Caste.

With a view to find the degree of association between caste of the respondents and Level of overall satisfaction regarding microfinance, a cross table was prepared and the results are shown in the following table 8.

It is found from the table that the percentage of high caste and overall satisfaction regarding microfinance was the highest (39.33%) among the BC respondents and the same was lowest (2%) among the OC respondents. The percentage of medium Caste and overall satisfaction regarding microfinance was the highest (13.60 %) among the respondents in BC and the same was lowest (0%) among the OC respondents.

Table 8 Caste of women beneficiaries and level of overall satisfaction on microfinance

Caste	Overall satisfaction on microfinance						Total	
	Low		Medium		High			
	F	%	F	%	F	%	F	%
BC	10	1.33	102	13.60	295	39.33	407	54.27
MBC	3	0.40	67	8.93	158	21.07	228	30.40
SC/ST	2	0.27	21	2.80	77	10.27	100	13.33
OC					15	2.00	15	2.00
Total	15	2.00	190	25.33	545	72.67	750	100

The percentage of the low level overall satisfaction regarding microfinance was the highest (1.33 %) among the BC respondents and the same was lowest (0%) among the OC respondents.

Table 9 Chi square Test

Factor	Calculated Chi-square value	Degrees of freedom	'p' Value	Remarks
Caste	9.45	6	0.150	Not Significant

** Significant at 1 %

It is noted from the above table that the 'p' value is greater than 0.05 and hence the result is not significant. Hence the hypothesis 'caste of the respondents and the overall satisfaction regarding microfinance are not associated' does hold well. From the analysis it is concluded that there is no significant association between the caste of the respondents and the overall satisfaction regarding microfinance.

Table 10 Marital Status of women beneficiaries and overall satisfaction on microfinance

Marital Status	Range		Mean	SD	Mean %	F Statistics	P
	Min	Max					
Married	15	45	34.62	6.96	86.54	0.41	0.664
Unmarried	27	45	35.00	6.22	87.50		
Widow	21	45	33.30	7.77	83.26		
Overall	15	45	34.58	6.97	86.45		

It could be noted from the table that the overall satisfaction regarding microfinance among married was ranged between 15 and 45 with an average of 34.62 (86.54%), the overall satisfaction regarding microfinance among unmarried was ranged between 27 and 45 with an average of 35 (87.50 %) and the overall satisfaction regarding microfinance among widow was ranged between 21 and 45 with an average of 33.30(83.26%). Thus, it is inferred from the above analysis that the maximum overall satisfaction regarding microfinance was found among unmarried.

Further to test the significant difference between the mean score among the demographic variable of Marital Status t test is used and the result is also shown in table 10. Since the P value is greater than 0.05 hence there no significant difference in the mean scores regarding overall satisfaction regarding microfinance level is found with respect to Marital Status.

With a view to find the degree of association between caste of the respondents and level of overall satisfaction regarding microfinance, a two-way table was prepared and the results are shown in the following table 11.

Table 11 Marital Status of women beneficiaries and level of overall satisfaction on microfinance

Marital Status	Overall satisfaction on microfinance						Total	
	Low		Medium		High			
	F	%	F	%	F	%	F	%
Married	15	2.00	183	24.40	520	69.33	718	95.73
Unmarried			2	0.27	7	0.93	9	1.20
Widow			5	0.67	18	2.40	23	3.07
Total	15	2.00	190	25.33	545	72.67	750	100

It is found from the table that the percentage of high marital status and overall satisfaction regarding microfinance was the highest (69.33%) among married and same was lowest (0.93%) among the unmarried respondents. The percentage of medium marital status and overall satisfaction regarding microfinance was the highest (24.40 %) among the respondents in married and the same was lowest (0.27%) among the unmarried respondents. The percentage of the low level overall satisfaction regarding microfinance was the highest (2%) among the married respondents and the same was lowest (0 %) among the unmarried and widow respondents.

Table 12 Chi square Test

Factor	Calculated Chi-square value	Degrees of freedom	'p' Value	Remarks
Marital status	0.96	4	0.915	Not Significant

It is noted from the above table that the 'p' value is greater than 0.05 and hence the result is not significant. Hence the hypothesis 'Marital status of the respondents and the overall satisfaction regarding microfinance are not associated' does hold well. From the analysis it is concluded that there is no significant association between the marital status of the respondents and the overall satisfaction regarding microfinance.

Table 13 Educational qualification of women beneficiaries and overall satisfaction on microfinance

Educational qualification	Range		Mean	SD	Mean %	F	p
	Min	Max					
Illiterate	20	39	30.74	4.27	76.85	4.66	0.003**
Primary	16	45	34.74	7.04	86.85		
Secondary	18	45	35.49	6.72	88.73		
Degree	15	45	32.98	7.30	82.44		
Group Total	15	45	34.58	6.97	86.45		

It could be noted from the table that the Educational qualification and overall satisfaction regarding microfinance among the Illiterate was ranged between 20 and 39 with an average of 30.74(76.85%). The Educational qualification and overall satisfaction regarding microfinance among Primary was ranged between 16 and 45 with an average of 34.74(86.85%). The Educational qualification and overall satisfaction regarding microfinance among Secondary was ranged between 18 and 45 with an average of 35.49 (88.73%) and the Educational qualification and overall satisfaction regarding microfinance among degree level was ranged between 15 and 45 with an average of 32.98 (82.44%). Thus, it is inferred from the above analysis that the maximum overall satisfaction regarding microfinance was among Secondary respondents.

Further to test the significant difference between the mean score among the demographic variable of Education the ANOVA test is used and the result is also shown in table 14. Since the P value is greater than 0.05 hence there is no significant difference in the mean scores regarding overall satisfaction regarding microfinance level is found with respect to Education.

With a view to find the degree of association between caste of the respondents and Level of overall satisfaction regarding microfinance, a two-way table was prepared and the results are shown in the following table 14.

It is found from the table that the percentage of high Educational qualification and overall satisfaction regarding microfinance was the highest (55.87%) among Primary respondents and the same was lowest (2.13%) among the Illiterate level respondents. The percentage of medium Educational qualification and overall satisfaction regarding microfinance over the availability was the highest (18.67 %) among the respondents in Primary and the same was lowest (2 %) among the Illiterate respondents.

Table 14 Educational qualification of women beneficiaries and overall satisfaction on microfinance

Educational qualification	Overall satisfaction on microfinance						Total	
	Low		Medium		High			
	F	%	F	%	F	%	F	%
Illiterate			15	2.00	16	2.13	31	4.13
Primary	11	1.47	140	18.67	419	55.87	570	76.00
Secondary	2	0.27	19	2.53	85	11.33	106	14.13
Degree	2	0.27	16	2.13	25	3.33	43	5.73
Total	15	2.00	190	25.33	545	72.67	750	100

The percentage of the low level overall satisfaction regarding microfinance was the highest (1.47 %) among the Primary respondents and the same was lowest (0%) among the Illiterate respondents.

Table 15 Chi square Test

Factor	Calculated Chi-square value	Degrees of freedom	'p' Value	Remarks
Education	17.50	6	0.008	Highly Significant

** Significant at 1 %

It is noted from the above table that the 'p' value is less than 0.01 and hence the result is highly significant. Hence the hypothesis 'educational qualification of the respondents and the overall satisfaction regarding microfinance are not associated' does not hold well. From the analysis it is concluded that there is highly significant association between the educational qualification of the respondents and the Overall satisfaction regarding microfinance.

Table 16 Occupation of women beneficiaries and Overall satisfaction on microfinance

Occupation	Range		Mean	SD	Mean %	F Statistics	p
	Min	Max					
Unemployed	24	45	33.67	6.68	84.17	10.89	< 0.001**
Business	18	45	36.60	6.46	91.49		
Employee	17	45	33.09	8.10	82.72		
Agriculture	15	45	31.37	6.85	78.43		
Wages	18	45	34.35	6.82	85.88		
Overall	15	45	34.58	6.97	86.45		

** Significant at 1 %

It could be noted from the table that the overall satisfaction regarding microfinance among unemployed was ranged between 24 and 45 with an average of 33.67 (84.17%), the overall satisfaction regarding microfinance among business was ranged between 18 and 45 with an average of 36.60 (91.49%), the overall satisfaction regarding microfinance among Employee was ranged between 17 and 45 with an average of 33.09 (82.72%), the overall satisfaction regarding microfinance among Agriculture was ranged between 15 and 45 with an average of 31.37 (78.43%) and the overall satisfaction regarding microfinance among Wages was ranged between 18 and 45 with an average of 34.35 (85.88%). Thus, it is inferred from the above analysis that the maximum overall satisfaction regarding microfinance was found among Business.

Further to test the significant difference between the mean score among the demographic variable of occupation F test is used and the result is also shown in table 16. Since the P value is less than 0.01 hence there is highly significant difference in the mean scores regarding overall satisfaction regarding microfinance level is found with respect to occupation.

With a view to find the degree of association between caste of the respondents and level of overall satisfaction regarding microfinance, a cross table was prepared and the results are shown in the following table 17. It is found from the table that the percentage of high occupation and overall satisfaction regarding microfinance was the highest (34.40%) among wages occupation and same was the lowest (1.87%) among the unemployed respondents. The percentage of medium occupation and overall satisfaction regarding microfinance was the highest (12.93%) among the respondents in wages occupation and the same was lowest (1.33 %) among the unemployed respondents.

Table 17 Occupation of women beneficiaries and overall satisfaction on microfinance

Occupation	Overall satisfaction on microfinance						Total	
	Low		Medium		High			
	F	%	F	%	F	%	F	%
Unemployed			10	1.33	14	1.87	24	3.20
Business	3	0.40	35	4.67	192	25.60	230	30.67
Employee	1	0.13	16	2.13	28	3.73	45	6.00
Agriculture	6	0.80	32	4.27	53	7.07	91	12.13
Wages	5	0.67	97	12.93	258	34.40	360	48.00
Total	15	2.00	190	25.33	545	72.67	750	100

The percentage of the low level overall satisfaction regarding microfinance was the highest (0.80%) among the Agriculture occupation respondents and the same was lowest (0%) among the unemployed respondents.

Table 18 Chi square Test

Factor	Calculated Chi-square value	Degrees of freedom	'p' Value	Remarks
Occupation	36.54	8	< 0.001**	Highly Significant

** Significant at 1 %

It is noted from the above table that the 'p' value is less than 0.01 and hence the result is highly significant. Hence the hypothesis 'occupation of the respondents and the overall satisfaction regarding microfinance are not associated' does not hold well. From the analysis it is concluded that there is highly significant association between the occupation of the respondents and the overall satisfaction regarding microfinance.

Conclusion

The women participation in sustainable economic, social and political development in rural area have been supported by microfinance movements based on the microfinance experience the women have experienced in decision making, community development, welfare, security process. It is a key variable in social development in last few decades. Regarding the satisfaction of microfinance schemes, the satisfaction levels are differ among the respondents based on their democratic variable the research proved that there is a highly significant association between educational qualification and occupation of the respondent and overall satisfaction regarding microfinance schemes and there is no significant association between age of the women beneficiaries and overall satisfaction level regarding microfinance. Microfinance has greatest scope in developing countries like India and it enhance small and medium business opportunities, improving their standard of living and employment opportunities to the rural poor and low income people in India. And it is provided through banks and Non Governmental Organizations.

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