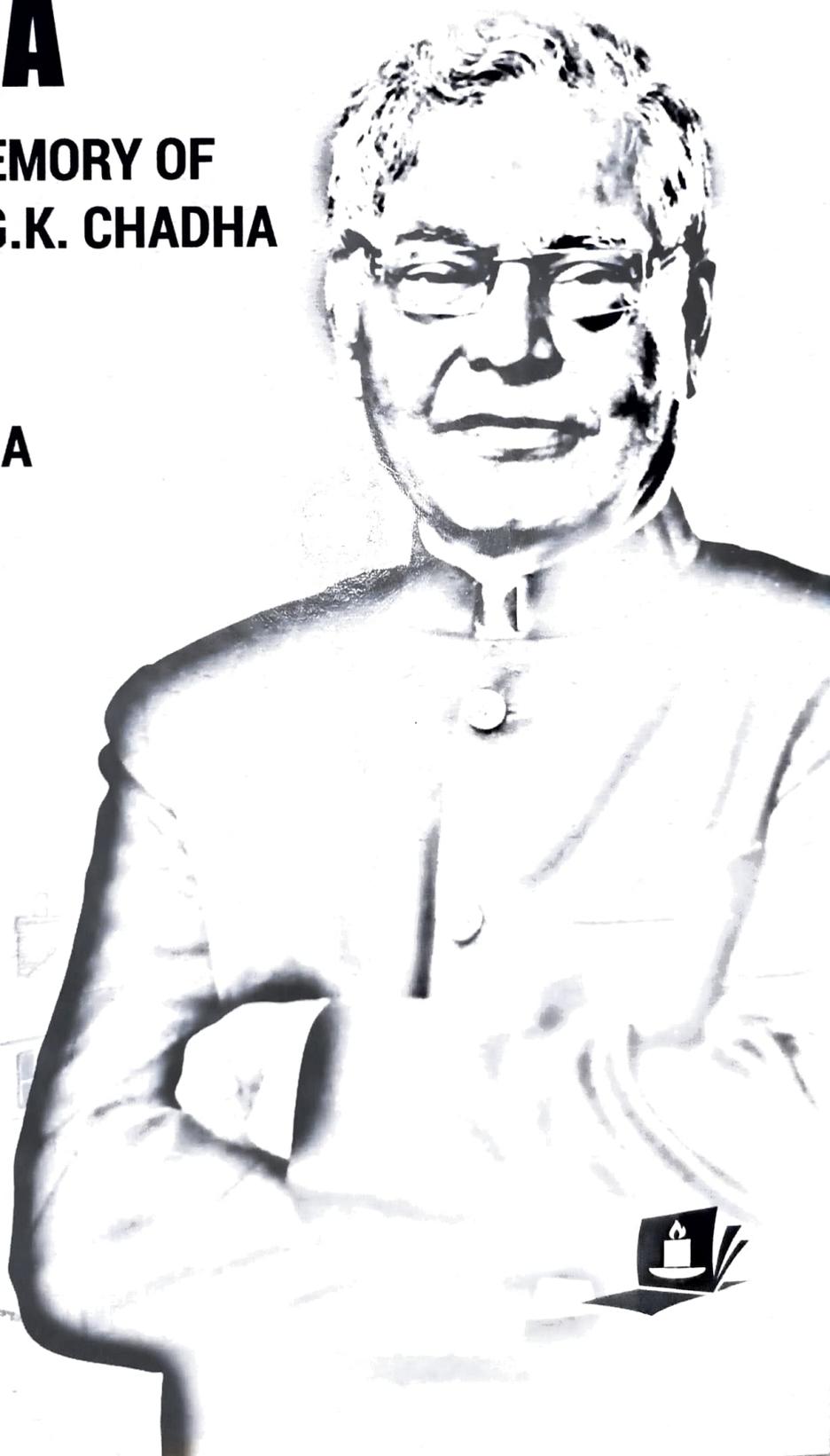


# **DYNAMICS OF RURAL TRANSFORMATION IN INDIA**

**ESSAYS IN MEMORY OF  
PROFESSOR G.K. CHADHA**

*EDITOR*

**M.R. KHURANA**



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## CHAPTER 9

# Dynamics of Rural Transformation in Haryana

## Role of Micro-finance

*Virander Pal Goyal and M.M. Goel*

*Drawing upon a primary data set generated from 325 members/beneficiaries of the Self-Help Groups (SHGs) in Haryana through a well-structured comprehensive questionnaire, this essay endeavours to examine the role of micro-finance in providing financial services like micro-credit, micro-savings and micro-insurance to the rural poor. It argues that micro-finance has helped in increasing income/savings levels and the number of assets which, in turn, resulted in improvement in the quality of life, satisfaction and esteem of the members in terms of other indicators of social and economic well-being. It holds that there exists a strong case for extension of credit under the rural group housing scheme and loans for education and non-farm activities at low rates of interest instead of subsidies for achieving better outcomes in making micro-finance under SHGs a success story for achieving rural transformation in Haryana. It further observes that in view of the fact that there always exists scope for improvement in the implementation of the scheme for making it more effective in achieving the objective of poverty alleviation, the success of programmes like 'Make in India' will critically depend on whether or not we are in a position to increase return on training investment (ROTI) for*

# DYNAMICS OF RURAL TRANSFORMATION IN INDIA

Development Economics

This book, a collection of 16 essays (including the postscript) from colleagues, friends, admirers and students of Professor G.K. Chadha, commemorates his work and contribution to Agricultural Economics, including his role as an institution builder and miscellany of other wide-ranging areas. Professor G.K. Chadha was the President of South Asian University when he left for his heavenly abode. He was founder of the South Asian University, author of over 100 research articles published in journals of national and international repute, and of as many as 16 books on various facets of rural transformation. Widely acclaimed as a well-established academician and serious researcher for over forty years, Professor Chadha's contribution to the study of rural transformation in India is peerless and legendary.

The book encompasses in its fold the mainspring of ideas of those who have had the good fortune of being in close affinity of Professor Chadha one way or the other, and, as such, were also influenced and inspired by his exemplary scholarship. A notable feature of this volume is that the various included contributions provide a number of policy insights into a wide variety of topics of interest to the planners and policymakers involved in the task of rural transformation in India and elsewhere, and are written by the foremost scholars who have carved out a niche for themselves in their respective areas of specialisation. Taken together, these essays, while giving a sense of some of the key issues and aspects of the dynamics of rural transformation in India, seek to highlight the need to protect the interest of rural masses, in general, and those at the lower rung of the socio-economic ladder, in particular, in the Indian countryside as also elsewhere in situations similar to it.

The book also includes the editor's memorial tribute to Professor G.K. Chadha which throws light not only on his personal traits, but also on his remarkable academic career, including his roles as CACP Chairman, Vice-Chancellor, Jawaharlal Nehru University, New Delhi, The CEO of South Asian University, New Delhi and finally, its President. The editor's personal reminiscences of Professor G.K. Chadha, in particular, help the reader understand why he was so highly respected and admired and why his sudden demise dealt a distressing blow to those associated with him directly or indirectly.

**M.R. Khurana** is a retired Professor, Department of Economics, Panjab University, Chandigarh. His work encompasses in its fold the diverse fields of economics including development economics, agricultural economics, and human resource development. He has been a participant in national and international conferences and seminars and is author of a widely acclaimed book, *Agricultural Development and Employment Patterns in India: A Comparative Analysis of Punjab and Bihar*, as well as of several articles and reviews.



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