Self-Help Group (SHG) microcredit is emerging as a springboard of developmental finance for Income Generating Activities (IGAs) in rural areas of India, serving the cause of the landless, small, and marginal households. SHG peer pressure is the primary driver of impressive repayment performance. The results of Saikumar C. Bharamappanavara’s research study on India reveal that homogeneity of SHG members and freedom of participation in SHG deliberations are primarily responsible for strengthening collective action. Specifically, savings and loan per capita, satisfactory performance of organisation, awareness of SHG linkage, family size, and age-induced responsibility were found to strongly influence the economic performance of SHGs. These are the key drivers of the welfare and sustainability of SHGs.

Using empirical evidence, Saikumar C. Bharamappanavara demonstrates the emergence of prime factors determining the performance of SHGs in India by examining their organisational behaviour and recommends appropriate policies for social cloning.

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