

Monir Hossain  
2015

## TITLE: Evaluation of Microfinance in rural Bangladesh

### Abstract

The purpose of this thesis work is to learn intensely about Microfinance, its usage and evaluating its affectability in poverty eradication. A village of Bangladesh was taken as a model/sample area to understand the intense and wide use of microfinance among poor people especially in the rural area. Several answers were sought during the study period to find out who are the borrowers and what is their economic background, success or failure rate, reasons for failure, future of micro-finance etc.

As the respondents were not so literate, they were interviewed person by person thus making the work mainly a qualitative research. But a questionnaire was always carried and the numeric answers were marked where it was needed.

After meeting and chatting all those borrowers, researcher's perspective has completely changed about the real influence of Grameen Bank, a pioneer microfinance banking system what is specially established for the poor people and internationally known as the bank to the poor. This study shows that the success of microfinance is not as much as it is reported and the loan is not as miraculous as it is regarded. But it is far better and easier comparing to interest based conventional banking. And for some it is a ray of hope for getting an instant financial aid. It is easy to get the loan but sometimes it is so difficult to repay them. Unfortunately sometimes it made headlines that some of the borrowers had to flee from the area once they used to live or commit suicide. In this study, special consideration was given to find out what variables enable some to be so successful and what the reasons behind catastrophic failure are for some.

### Keywords

Microfinance, Poverty, women empowerment, Grameen Bank, Microcredit, Banking.