Sharia Based Microfinance: A Non-Conventional Approach to Empower Indian MSME Sector

Dr. MUSHTHAQ AHAMMED K.
Assistant Professor of Commerce
School of Distance Education, University of Kerala, Thiruvananthapuram

ABSTRACT

The policies associated with conventional banking system, indeed, accelerated the pace of coalescence of wealth in few hands. In such type of antagonistic and volatile environment, alternative microfinance would be a universal remedy for this prevailing evil. In fact, conventional microfinance approach has more or less same problems and challenges as those are faced by formal banking credit system. There is a need of alternative approach to overcome deficiencies of traditional and conventional approaches of microfinance. Alternative Approach is a Non-Conventional approach that is built upon moral, ethical and sustainable doctrine of business and premised on the principle of the welfare of all sections of society. All the activities those are unfair, unethical, and exploitative in nature for poor and underprivileged are prohibited under this approach. The main component of conventional approach is interest whereas the non-conventional approach is based on interest free concept and, profit and loss sharing practices in the proportionate way among respective stakeholder. Latter approach therefore would be a solution for draconian impact of former approach, especially, with regard to deprived and weaker sections of society.

Keywords- *Sharia Based Microfinance, Islamic Microfinance, Non Conventional Approach, MSME Sector*

---

1. INTRODUCTION

In this globalized era, inequality has been emerging a big problem for whole humanity. Despite all the remedial measurements to cure the epidemic of disparity of wealth at national and international level taking by governmental and non-governmental organizations, there is no satisfactory outcome of these measurements. According to the Credit Suisse global wealth report, “Taken together, the bottom half of the global population own less than 1% of total wealth. In sharp contrast, the richest decile hold 87% of the world’s wealth, and the top percentile alone account for 48.2% of global assets” (The Guardian 14/10/2014). It clearly indicates that few people own and control the maximum wealth of world.

Same problem is more widespread and deeply permeated in Indian society. 20 richest Indians earn as much as what 30 crores poorest people are earning, writes Bimal Jalan, former RBI Governor. A number of policies and programs have been drafted to eradicate the mass poverty and bulldoze the citadel of inequality. The main purpose of these plans and programs were to palliate the pain of deprived people and lessen the disparity between haves and have-nots. But these plans and programs would not have been generated satiated result as per expectation.

1.1. Indian MSME Sector

The manifest and apparent capacity of Micro, Small and Medium Enterprises (MSMEs) around the world for driving economic growth and development at regional, national and global levels cannot be overemphasized. As India gears up to retrace the elevated growth corridor, the MSME sector assumes a pivotal role in driving the growth engine. The Indian MSME sector continues to demonstrate remarkable and notable resilience in the face of trialing global and domestic economic circumstances. The sector has sustained an annual growth rate of over 10% for the past few years. With its nimbleness and dynamism, the sector has shown admirable innovativeness and adaptability to survive economic shocks, even of the gravest nature. The significance of Micro Small Medium Enterprises (MSMEs) is attributable to their competence for employment creation, low capital and technology requirement, promotion of industrial growth and development in rural areas, use of traditional skills, use of locally available resources, mobilization of resources and exportability of products and resources. As per the estimate of the Ministry of Industries and MSME, Government of India, the sector generates around hundred million jobs opportunities through over 46 million units situated throughout the geographical stretch of the country. With 38% contribution to the nation's GDP and 40 percent and 45 percent shares of the overall exports and manufacturing output, respectively. It is effortless to comprehend the salience of the role the MSMEs play in social and economic restructuring of the country. Besides the wide variety of services provided by the sector, the sector is engaged in the manufacturing of over 6,000 products ranging from traditional to innovative and hi-tech items.

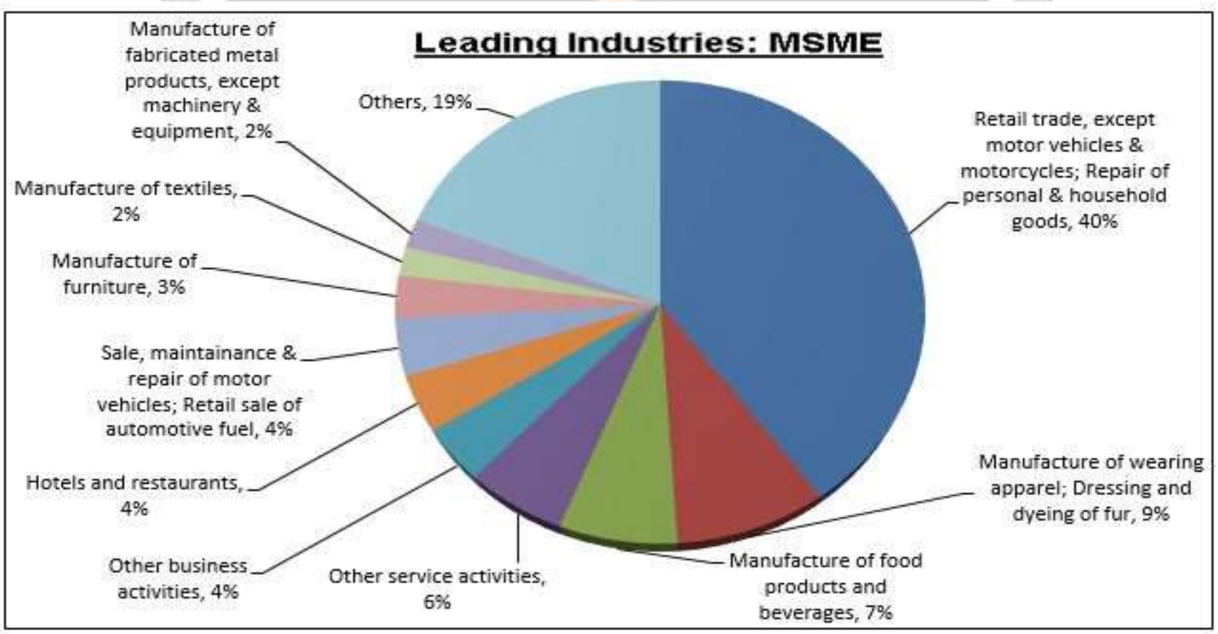
1.2. Performance of Indian MSME Sector

The Indian MSME sector endow with maximum opportunities for both self-employment and salaried/wage-employment beyond the agricultural sector and contributes in building an comprehensive and sustainable society in innumerable ways through creation of non-farm livelihood at low cost, balanced local and regional development, gender and social balance, environmentally sustainable development, etc.

1.3. The Diversity of the Indian MSME Sector

The Indian MSME sector possesses of diversity in terms of its area, size, investments, level of technology employed, range of products and services provided and target markets. The Tool Rooms of MSMEs have been credited to provide a minimum of ten components that were used in India's *Mangalyaan* the Mars Orbiter Mission probe, the Indian Space Research Organization's most striving and ambitious mission till date, which is the first inter-planetary space mission of the country. The sector has also contributed imperative inputs for other space satellites such as the Chandrayan. India's second moon mission, Chandrayaan II, set to be launched in 2016-17, will have a soft land over a wheeled robotic vehicle to explore the landing area. India search for to instigate other ambitious projects such as international sea traffic monitoring system and an earth surveillance satellite, in cooperation with the European Union. The projects envision significant contributions and convergence opportunities from the Indian MSME sector.

India has become one of the top ten countries in the world in terms of military expenditure. As per the database prepared by the Stockholm International Peace Research Institute, which has listed the countries of the world in terms of their military expenditure at current US$ million in 2013 and India ranked at ninth position.



Source: Annual Report 2013-14, Ministry of MSME

Various well-paid opportunities can be tapped by Indian MSMEs in the foundry industry, textiles, agro and food processing, electronics industry, chemicals, leather, pharmaceuticals, transport and tourism industries, etc. The globalization of businesses has increasingly drawn and brought SMEs into global value chains through various forms of cross-border activities. Many entrepreneurs are recognizing the opportunities that this advent ushers and gaining admittance to global markets has become a strategic instrument for their further expansion and development. These opportunities have arisen as a result of the government's increased focus on the MSME sector, larger investments in research and development, technological upgradation, thrust towards international cooperation and collaborations and measures to boost competitiveness and drive growth.

2. LITERATURE REVIEW

In such type of hostile and volatile milieu of crony capitalism *microfinance* has been emerged as a panacea for mass poverty and inequality. The concept of microfinance is not new. Saving and credit groups those have operated for centuries known as "chit fund" in India, "Cheetu" in Sri Lanka, "Arisan" in Indonesia as well as numerous saving clubs and credit societies found all over world (Samarpreet, 2010). Thus, the roots of microfinance can be found in many places, but the best-known story is that of Muhammad Yunus who established Grameen Bank in Bangladesh and revolutionary microfinance through aligning it with productive purposes.

Microfinance is the provision of financial services to the economically poor people. Microfinance is a term for the practice of providing financial services namely- micro credit, micro savings and micro insurance; micro insurance is still in experimental stage.According to Joanna Ledgerwood (1999), "microfinance has evolved as an economic development approach intended to benefit low-income women and men. The term refers to the provision of financial services to low-income clients, including the self-employed".

Robinson (2001) gives a very plausible definition of microfinance. According to him, "Microfinance refers to small scale financial services for both credit and deposit-that are provided to people who farm or fish or herd; operate small or microenterprises where goods are produced, recycled, repaired or traded; provide services; work for wages or commissions; gain income from renting out small amount of land, vehicle, draft animals, or machinery and tools; and to other individuals and local groups in developing countries in both rural and urban areas".

From the above definition of microfinance, it can be extracted that micro-financial services generally include savings and credit; however, some microfinance organizations also provide insurance and payment services. In addition to financial intermediation, many micro financial institutions provide social intermediation services such as group formation, development of self-confidence and training in financial literacy and management capabilities among members of a group. Thus the definition of microfinance often includes both financial intermediation and social intermediation.

Microfinance is not simply banking; in fact it is a development tool.A summit held in Washington in February 1997 to review and issue direction for financing to the poorest people in the underdeveloped countries defined micro-finance as programs that provide credit for self-employment and other financial and business services to very poor persons.Schreiner and Colombet(2001) define microfinance as "the attempt to improve access to small deposits and small loans for poor households neglected by banks".

The aim of microfinance according to Otero (1999) is not just about providing capital to the poor to combat poverty on an individual level; it also has a role at an institutional level. It seeks to create institutions that deliver financial services to the poor, who are continuously ignored by the formal banking sector. Poor are generally excluded from the financial services sector of the economy so Micro Financial Institutions (MFIs) have emerged to address this market failure. By addressing this gap in the market in a financially sustainable manner, an MFI can become part of the formal financial system of a country and so can access capital markets to fund their lending portfolios, allowing them to dramatically increase the number of poor people they can reach.

Thus microfinance can be called a novel approach to provide saving and investment facility to the poor around the world. Improved access and efficient provision of savings, credit, and insurance facilities in particular can enable the poor to smoothen their consumption, manage their risks better, gradually build their asset base, develop their business, enhance their income earning capacity, and enjoy an improved quality of life.

3. MICROFINANCE CRISIS IN INDIA

According to the World Bank, although there are over 10,000 microfinance institutions (MFIs), MFIs serving over 150 million deprived and poor people in developing countries, they only reached 4 percent of the potential market.

Microfinance in India, as elsewhere, originally began as part of a developmental and poverty-reduction project, led by NGOs who thought this would be an effective way of allowing the poor to lift themselves out of poverty by their own efforts (Vivek Kumar 2014).In India, initially many NGO microfinance institutions (MFIs) were funded by donor support in the form of revolving funds and operating grants. But it is only after intervention of National Bank for Agriculture and Rural Development (NABARD) in 1992 in the field ofmicrocredit, the movement of microfinance got a boost in India(Padmalochan, Gitanjali and Sreekumar 2012).

The amazing achievement of MFIs (Micro Financial Institutions) were concomitant with good intention- the upliftment of deprived people and bring them into main stream of development. The repayment and recovery rate of these MFIs were nearly 98% that was astonished even for the financial experts. Microfinance "started with social objective but lost in profit motive" (Tariq and Shamsher 2012). In fact, these successful experiments were the main reason behind the shifting of motive of MFIs from social and economic development of underprivileged people toward the exploitation of poor so that they may gain maximum profit. "The borrowers are often required to pay over a third what they borrow as interest every year. The interest rates are nearly usurious" (Tariq and Shamsher 2012). Due to adoption of exploitative, unfair, unethical and immoral policies Indian MFIs have lost its credibility and integrity, and become a cause of biggest crisis in the history of microfinance all over world.

The central player in the crisis – SKS Microfinance – was founded by the high-profile VikramAkula has admitted that "in November 2011, the Indian microfinance industry – one of the biggest, and the fastest growing in the world – was paralyzed as a result of the most major repayment crisis that it has confronted in its history"(VikramAkula in an interview with NDTV, May 13, 2011). The immediate trigger for the crisis in India was a rise in village suicides, particularly in the state of Andhra Pradesh. In the wake of incidents which apparently lead to suicides by the borrowers, allegation of multiple borrowing and charging high interest rates forced Andhra Pradesh (AP) Government to promulgate an ordinance in October, 2010 to save the borrowers(PrabhjotKaur and Soma Dey 2013). After implementation of ordinancethe recovery rate plummeted from 99% to 10% *(Srinivasan, 2011)*.

The main reason behind the suicide cases of micro credit clients all over India" is "*excess interest charges* and high handedness of recovery agents in recovery of loans. So, government of India has brought out a legislation to check the high interest rate on micro credit and protect the poor from clutches of greedy MFIs. Malegam Committee made numerous recommendations on the reform of the microfinance sector including limiting competition, a cap on interest rates and a ceiling on per-household lending. Government of India introduced Micro Finance Institutions (Development and Regulation) Bill 2012 on May 22, 2012 to establish a regulator under RBI to regulate and supervise the activities of NGOs and MFIs. New opportunities and new challenges are being felt in the field of microfinance (Vivek Kumar-2014).

4. SHARIA BASED MICROFINANCE: THE NON-CONVENTIONAL APPROACH

Muslim or Islamic convictions on the business activities and the responsibility go well beyond mere profitability goals and coincide with the renewed perception on business recently at stake within the most advanced sectors of western business and civil societies. Far from the limits imposed by neo-classical thought, this new wave implies new sorts of responsibilities on behalf of the company falling under the rubric of corporate social responsibility (Ferro, 2005).

As its ultimate goal is the maximization of social benefits as opposed to profit maximization, through the creation of healthier financial institutions that can provide effective financial services also as grass roots levels, some authors (Al Harran, 1996) argue that Islamic finance, if inserted in a new paradigm, could be a viable alternative to the socio – economic crisis lived by the Western paradigm.

Between the most complete researches on the topic, Dhumale and Sapcanin (1999) drafted a technical note in which they tried to analyze how to combine Islamic banking with microfinance. They have taken into consideration the three most important instruments of Islamic finance (mudaraba, musharaka and murabaha) trying to use them as tools to design a successful microfinance program.

A Mudaraba Model: the microfinance program and the microenterprise are partners, with the program investing money and the micro-entrepreneur investing in labor. The micro-entrepreneur is rewarded for his/her work and shares the profit while the program only shares the profit. Of course the model presents a series of difficulties, given most of all by the fact that micro entrepreneurs usually do not keep accurate accountability which makes it more difficult to establish the exact share of profit. As stated before the, these models are complicated to understand, manage and handle which implies that those who are involved need specific training on the issues. For this reason, and for an easier management of the profit sharing scheme, the mudaraba model might be more straightforward for businesses with a longer profit cycle.

A Murabaha Model: Under this model the microfinance programs and activities buys goods and resells them to the microenterprises for the cost of the goods plus a markup for administrative costs. The borrower often pays for the goods in equal installments, and the microfinance program owns the goods until the last installment is paid.

In fact, conventional microfinance approach has more and less same problems and challenges as those are faced by formal banking credit system. Therefore, there is a need of alternative approach to overcome deficiencies of traditional and conventional approach of microfinance. Its alternative approach is conventional approach, which is built upon ethical, fair, moral and sustainable doctrine of business and premised on the tenet of welfare of all sections of society. The former British Prime Minister, Gordon Brown, said at the G20-Meet that: "It is time for a value based market which is premised on a shared global ethics. A market with morals is possible based on demanding responsibility from all and fairness to all".

The fundament difference between conventional and non-conventional approach of finance is that conventional approach is based on *interest* and treat money as a commodity whereas non-conventional approach is based on *interest free concept* and the practices of profit and loss sharing among different stakeholders in the pre-decided proportionate way.

After the microfinance crises in India particularly in the state of Andhra Pradesh, there is a strong demand arise for *Interest Free Microfinance.* Centuries ago Greek philosopher Aristotle described money as barren and lending money at interest unnatural. In the support of implementation of non-conventional approach in Indian banking system Dr. MS Swaminathan, father of green revolution has suggested Islamic Banking with zero interest to be the solution to the crisis of the farmers' suicide deaths in Vidharba and even Vatican has offered Islamic finance principles to Western banks as a solution for worldwide economic crisis. Non-conventional approach intends to achieve justice and plans to remove socio-economic disparities by providing interest free loans thereby bringing about equity for educationally and financially backward section of society. In 2007 Govt. of India has constituted a high level Committee on Financial Sector Reforms (CFSR) under the Planning Commission of India headed by DrRaghuramRajan and he has observed "Another area that falls broadly in ambit of financial infrastructure for inclusion is the provision of interest free banking" and recommended "While interest-free banking isprovided in a limited manner through NBFCs [non-banking financial companies] and cooperatives, the Committee recommends that measures be taken topermit the delivery of interestfree finance on a larger scale, including through the banking system. This is in consonance with the objectives of inclusion and growth through innovation. The Committee believes that it would be possible, through appropriate measures, to create a frame-work for such products without any adverse systemic risk impact" (Planning Commission 2009: 72).

"If interest-free banking can be introduced in India, it will revolutionise the economic scenario, unleashing massive financial resources, which are at present lying dormant because of the non- availability of a suitable environment," (FrontLine 6/2/10). The rationale behind the interest free microfinance is interest is not in the interest of humanity. Interest free finance may be worked as a catalyst in the main banking sector of the country for inclusive growth with innovation.

Therefore, the time has been come to introduce non-conventional microfinance in Indian financial market so that India may cater to massive investment from all over world especially from Middle East countries.A report published in the April-June 2005 issue of *RBI Legal News and Views* outlines the fact that interest-free banking is an attractive proposition gaining currency all over the world and so it was time India introduced it. In fact, it is golden opportunity to exploit all possible and feasible options for acquiring financial resources for inclusive development.

The major obstacles for implementation of non-conventional approach are existing rules and regulations of Indian law and legal system pertaining to governing and regulating banking and financial activities coupled with prejudice mindset of present day policy maker.The first hurdle to introduction of interest free microfinance concept in India is the Indian Banking Regulation Act -1949. To put non conventional approach in practice in Indian market, Govt. of India needs either to amend its existing laws or open alternative window to existing system and allow this new practice as is already available and functioning in the some countries of Europe, America, Asia and Africa etc.

5. SHARIA BASED MICROFINANCE TO EMPOWER INDIAN MSME: DISCUSSIONS

Despite the increasing recognition of the role of microfinance as a key component in poverty alleviation, and the proliferation of institutions providing microfinance services to poor and disadvantaged sectors of the population, very little attention has been given to creating Islamic, or more correctly termed 'shariah compliant', microfinance initiatives – even when working in largely Muslim environments. Nevertheless, anecdotal evidence suggests that the demand for microfinance services based on Islamic principles is tremendous – there are, after all, around 1.3 billion Muslims worldwide. Certainly we can surmise that many Muslims refrain from using financial services that do not adhere to Islamic financing principles for fear of breaching their religious beliefs – for example Islamic Relief's microfinance programme in Pakistan is unable to meet the huge demand from potential borrowers despite it's Islamic loans being twice as expensive as interest based alternatives offered by other NGOs working with the same target groups and in the same localities. It would be reasonable to suppose, therefore, that the growth and development of many Muslim owned small businesses is constrained as a result of the unavailability of Islamic financial services. This aim of this investigation, therefore, has been to provide practical advice on how a microfinance programme based on Islamic financing principles can be established. It has provided numerous examples from Islamic Relief's own experiences in implementing relatively successful microfinance programmes in countries as diverse as Bosnia and Herzegovina, Kosovo, Pakistan and Sudan. It is hoped that this document may encourage the provision of microfinance services that conform to Islamic financing principles and eventually, of course, the use of these services by microentrepreneurs. It is apparent that profit and loss sharing financing techniques such asmudaraba and musharaka, although they may yield high returns to both parties alike, require relatively more input from programme staff and may incur greater risk. It is, therefore, unlikely that a microfinance organisation can actually administer more than a relatively small number at any one time. In contrast, other financing mechanisms such as qard hasan andmur abaha although generally less risky and less demanding in terms of technical input and expertise and despite the fact that greater numbers may be administered at any one time, generally offer lower returns and often barely cover the cost of their disbursement. Herein lies the dilemma, to promote financial sustainability or achieve significant scale and outreach? In fact, it is likely that a mix of loan technologies will actually promote the financial sustainability of the microfinance organisation, ensure significant scale and outreach, as well as provide the mostappropri at e type of financing to microentrepreneurs – we should not always assume that all entrepreneurs actually desire or will necessarily benefit from the same type of financing mechanism. Thus, it is likely that a successful and sustainable Islamic microfinance programme will actually employ a variety ofshari ah compliant financing methods according to the type of activity financed and the economic status, ability and trustworthiness of potential borrowers. Thus, for first time relatively poor and inexperienced borrowers wishing to finance stable, yet low yielding, ventures a qard hasan loan may be the

Islamic Microfinance: Theory, Policy and Practice 54 most appropriate. It may be proper to providemur abaha ori j arah loans to those borrowers wishing to finance the purchase of machinery and equipment. For experienced entrepreneurs lacking only capital for their venturesmudaraba may be the most suitable financing mechanism. In more complex ventures that could benefit from both parties providing capital as well as technical and managerial input, it may be appropriate to promote amusharaka agreement. Others har i ah compliant financing methods can also, of course, be utilised. It is reasonable to assume that in Islamic microfinance initiatives the financing institution has a much more active role in the success or otherwise of the enterprise compared to interest based microfinance programmes. As the examples in this investigation have shown, although more challenging than interest based programmes in terms of their design and implementation, successful shariah compliant microfinance programmes are not only feasible but they may in fact also offer several other advantages. Thus, from Islamic Relief's own experiences, they appear to engender higher rates of economic growth – anecdotal evidence suggests that micro entrepreneurs are willing to undertake more profitable ventures if risk is shared. Furthermore, the concept of profit and loss sharing is more likely to result in a more efficient and optimum allocation of resources. It is also likely that Islamic microfinance programmes build greater levels of trust and understanding between microfinance provider and micro entrepreneur, because they are partners rather than service provider and client. This is invaluable when the objective is development in the wider sense or peace and reconciliation, rather than simply income and employment generation. Furthermore, Islamic finance seems to promote more ethical investment and business practices among micro entrepreneurs. This is probably a result of the restrictions on financingharam (often destructive) activities and an emphasis on honesty, transparency, and fairness in financing contracts and practices. Indeed, Islamic finance shares many of the features of socially responsible finance. As has been constantly stressed throughout this document there is no one unique microfinance model or method of delivery that should be promoted. Rather, each microfinance programme needs to be tailored specifically to meet complex local realities prevalent within each country or even different regions within a country, the needs of micro entrepreneurs and the complexity and nature of ventures to be financed. Ultimately, simple, easy to use existing or new micro financing techniques that conform to Islamic principles will evolve through experience and experimentation over a period of time. Imaginative and innovative research can accelerate this process. This investigation is merely a small step in this process, and through its many shortcomings it is hoped that it may encourage others to write something more profound.

6. CONCLUSION

The Make in India Strategy adopted by the Indian Prime Minister aims to facilitate investment, foster innovation, enhance skill development and build a sustainable eco-system for the manufacturing infrastructure in the country. These measures have succeeded in raising the business confidence in India. The stage has been set through these industry and MSME interventions for a larger share of global business in India which presents opportunities for MSME integration in almost all industry sectors. The Indian MSME sector is poised for rapid growth and integration with major global value chains. Timely policy intervention and due support have promptly resulted in rendering the Indian MSMEs globally competitive.

All other strategies to promote world prosperity and peace are likely to fail if adequate finance is not available.Therefore, there should be developed such practical mechanism in which all needed people would get financial assistance at the time of requirement without exploitive additional cost.Thus interest free doesn't merely mean cost-free or return free.

On a theoretical plane, Interest free finance has established the much-talked about linkages of social responsibility with the commercialisation of the financial sector. In India (Within the framework of existing law) the option of interest free finance is available only through two legal routes. One is Non Banking Financial Companies (NBFC) and another is Cooperative Credit.Microfinance had started with a social mission but eventually got confined to commercial activities, now it has to come back to basics.

7. REFERENCE

[1] Aziz, T., & ALAM, M. S. (2012, August). Interest-Free Microfinance Model: A Path Towards Sustainable Development. *International Journal of Marketing, Financial Services & Management Research, 1*(8), 90-107.

[2] Planning Commission (2009). *A Hundred Small Steps: Report of the Committe on Financial Sector Reforms.* New Delhi: Sage Publications.

[3] Hayat, U., & Malik, A. (2014, November 1). Islamic Finance: Ethics, Concepts, Practice. *Research Foundation Literature Reviews, 9*(3). Retrieved from http://www.cfapubs.org/doi/pdf/10.2470/rflr.v9.n3.1

[4] Kaur, P., & Dey, S. (2013). Andhra Pradesh Microfinance Crisis and its Repercussions on Microfinancing Activities in India. *Global Journal of Management and Business Studies, 3*(7), 695-702. Retrieved from http://www.ripublication.com/gjmbs.htm

[5] Kumar, V. (2014, May). Microfinance - Evolution, And Microfinance-Growth, Of India. *International Journal of Development Research, 4*(5), 1133-1153.

[6] Ledgerwood, J. (1999). *Microfinance Handbook.* Washington, DC.: The World Bank.

[7] Mahanta, P., Panda, G., & Sreekumar. (2012, November). Status Of Microfinance In India - A Review. *International Journal of Marketing, Financial Services & Management Research, 1*(11), 142-155. Retrieved from www.indianresearchjournals.com

[8] Otero, M. (1999). Bringing Development Back into Microfinance. paper presented at the Conference on *'New Development Finance'.*held at Frankfurt: Goethe University. Retrieved from www.accion.org

[9] Robinson, S. M. (2001). *The Microfinance Revolution: Sustainable Finance for the Poor.* Washington D.C.: International Bank for Reconstruction and Development.

[10] Schreiner, M., & Colombet, H. H. (2001). From Urban to Rural: Lessons for Microfinance from Argentina. *Development Policy Review*, 339-354.

[11] Srinivasan, N. (2011). *Microfinance India : State of Sector Report.* New Delhi: SAGE Publications India.

[12] Theguardian (2014, October 14) Retrieved from http://www.theguardian.com/business/2014/oct/14/richest-1percent-half-global-wealth-credit-suisse-report

[13] Frontline (2010, February 2) Retrieved from http://www.flonnet.com/fl2621/stories/20091023262104300.htm

[14] MSME Sector: Epitomizing Vitality, retrieved from http://www.makeinindia.com/article/-/v/nurturing-a-manufacturing-culture

[15] Insights into Editorial: Micro, Small and Medium Enterprises, retrieved from http://www.insightsonindia.com/2016/09/02/insights-editorial-micro-small-medium-enterprise

[16] Ajith Kumar, Diversity of Indian MSME Sector, Retrieved fromhttp://iasmaker.com/contents/display/diversity-of-the-indian-msme-sector

[17] Rahul Dhumale and Amela Sapcanin, An Application of Islamic Banking Principles to Microfinance, Retrieved from http://www.gdrc.org/icm/country/wana/wb-bnkprinciples.pdf

[18] Deep Kapuria (2015), The Indian MSME Sector: An Epitome of Vigour and Vitality, retrieved from http://www.deepkapuria.in/the-indian-msme-sector-an-epitome-of-vigour-and-vitality/

[19] Deep Kapuria (2017), MSME Sector: Epitomising Vitality, http://www.makeinindia.com/article/-/v/nurturing-a-manufacturing-culture

[20] Prabhjot Kaur and Soma Dey (2013), Andhra Pradesh Microfinance Crisis and its Repercussions on Microfinancing Activities in India, retrieved from https://www.ripublication.com/gjmbs_spl/gjmbsv3n7_02.pdf

[21] Santadarshan Sadhu, Kenny Kline, & Justin Oliver (2013), Regulating Microfinance Institutions in India, CIRC Working Paper, Retrieved from http://www.circ.in/pdf/Working_Paper_01.pdf

[22] Ajaz Ahmed Khan (2008), Islamic Microfinance- Theory, Policy and Practice, retrieved from https://www.scribd.com/document/3176454/islamic-microfinance-theory-policy-practice

[23] Najeeba Ali, Microfinance in Islam IIIE,International Islamic University Islamabad, Retrieved from, https://www.scribd.com/document/54239018/Islamic-Microfinance