

## **MICROFINANCE: THE REVOLUTION TO ABOLISH THE POVERTY IN RURAL SECTORS**

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### **Abstract**

India has the most probably the specific glance of Agriculture and the green revolution is the pioneer act of the village belongsers especially farmers and the small-scale workers but the certain inevitable life style and the uninvited economical problems always cover their life in certain difficult situation. In such scenario Microfinance is the revolution to abolish the poverty besides helping the women of villages of the Indian region through women education and women empowerment through the touch of technology and various Governmental schemes implantation and implementation, income generating activities, children's education. Microfinance is giving opportunity to the rural people who have no capital to invest in starting small business or any skilled activities. Presently, the huge part of the population is living below the poverty line (BPL) and Poverty is a bane for developing countries. India is currently home to about 11.1 percent of the extreme poor in the world. It is something that needs to be worked upon. As per the 2011 Census, 68% of the population still resides in rural India. Independence, even in the pre- independence era, rural development vis-à-vis poverty alleviation has been considered as one of the main challenge for India. Several poverty alleviation programs have been introduced from time to time with the core objective of easing the accessibility of financial services and allied services to the poor but with little success. Microfinance helps the poor people to improve their standards of living. Microfinance is playing a very big role to empowering the women of rural people. Microfinance is one of the most visible innovations in anti-poverty policy in the last half-century, and in three decades it has grown radically. The most important benefit of microfinance in India is that it helps long-term financial independence in these poverty-stricken areas. The aim of the research paper is Microfinance is a government scheme for the village women age 18 to 55 can saving money from their income for the secure future and increase standard of living.

**Keywords:** Microfinance, Revolution, Abolish, Poverty, Rural Sector, Implement

### **What is the Role of Microfinance? : As an Introduction**

Microfinance was initially looked upon as a women empowerment tool, but now it is considered as an important strategy for poverty eradication. In Bangladesh, Mohammed Yunus a noble laureate and a few volunteers initiated an essential experiment. During the starting phase, Microfinance provided only non-collateral loans but now services like payment, insurance, savings, money transfer, etc. are the varieties available.

### **Microfinance: An Observation**

In the present time, it has been seen that the access of Microcredit is increased more than 35% every year in the number of families and it has been evaluated that having access of Microcredit

which is currently availability regarding the use is 70 million in the world's poorest families which seems quite certain and evitable. Microfinance is an important strategy for poverty eradication. Poverty is a noticeable aspect which effects to the economy of the Nation.

### **Specific Characteristics of Microfinance:**

In India, Microfinance is mostly provided through Self-Help Groups (SHGs) and Microfinance Institutions (MFIs). The Self- Help Groups of women join to share their money problems with each other. They meet each other frequently for several times in a week and they share their problems with each other. Almost the rural areas' women haven't any idea about the business. So they are mostly unemployed and facing a money problem to live the better life and better household enhancement. If they get finance and some ideas of business they can do individually well progression. Besides, their income also gets increased and they keep some savings with them for the better life development and enhancement. Microfinance promotes the "*women empowerment*" in rural areas of all over the regions of the Progressive Nation called India. In a ways it brings the drastic change in the thinking and the approach of the village people who just were the untouched with such schemes or manmade tools of development. It is changes the investment ideas, saving thoughts of rural people and makes them able enough to progress independently by their own.

### **A Glance over the Users and Investors of Time and Economy:**

Small Holders Farmer accesses the microfinance for the agriculture investment and they generate the income from the farming. And also they can change their pattern of investment and savings by using the microfinance scheme launch by the government. Microfinance activities are given the more contribution to growth the local economy.

### **Regenerating the Ideas and the static Thinking:**

Microfinance generating an employment for the rural people and it is a given a chance to create their own skilled and unskilled business to earn money. Micro finance is a way to improve a standard of living of the rural people. Through microfinance services poor people can utilize their skills for enhancement of household economic growth, educate their children and enhanced quality of life. Poor can contribute to economic development and can fight against hunger and poverty alleviation.

### **Emancipation from the Stagnant Economy and liberation for the Development:**

On a Nationalised ways we can say that Microfinance helps to reduce poverty of the Nation and also helps to incarnate the growth to the local Economy. Microfinance is one most powerful tool to abolish poverty in rural areas. Microfinance helps to empower the women and increase their household Income and give them new identity as progressive citizens of the Nation. Microcredit helps to build up the education level of children, provide them nutrition and also establish the higher standard of living of the rural people. Through the help of microfinance, entrepreneurs in developing countries and impoverished communities may survive, operate, and even thrive by creating more employment opportunities for others.

### **Microfinance: A powerful Process**

With the use of Microfinance, Rural people change their savings pattern, investment pattern and at present they are trying to develop their own skilled or unskilled business. With the help of

some training institutions rural women get training to start their own skilled business. Training is very useful for the women of rural area for starting own business in rural area with the minimum investment which has been fulfilled here.

People accepted that microfinance is not a magic bullet to reduce the poverty however; it is way to improve the living standard of the poor. MFIs and poor's mutual effort can reap the benefits of microfinance services and win the battle against poverty.

### **Conclusion:**

Microfinance is the most powerful tools which has been ever seen and remarkably noticed in concern of reducing the poverty of the Nation. It is very helpful to change the life style of people and provide improvement in self development. They will know about the government schemes later on they can take the best benefits of those schemes and use it in the right way to make the life better with well designed standard of living besides providing education to their children. Also the rural people can generate more jobs for other people by investing the finance and in income generating activities. With the help of microfinance poor people also give contribution to the growth of the local economy which can strengthen the Socio-political fields well deserved and well strength regarding the developing country and the well progressed mind and approach along with the life span and economy of the people.

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