

Microfinance Initiatives In Nawa Rajasthan: A Study Of Impact And Efficacy

Author: Tripti Gupta

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I. Introduction

Micro finance has proved to be a useful tool for fighting poverty and for economic growth more so in the third world countries which have the least banking facilities. The popularization of microfinance is linked to the first microbiology, Grameen Bank in Bangladesh by Muhammad Yunus received the Nobel Prize in the 1970s. It is a model that has been imitated globally due to its effectiveness in providing small amounts to the poor without security which has in turn created employment and raised the standard of living in the society (Yunus, 2007). Micro financial services are simply micro credit, micro savings, micro-insurance and money transfer services that targets to bring the economically inactive population in to the economic mainstream so they can engage in some economic activities, create their own capital base and possibly protect themselves against some risks such as economic risks (Ledgerwood 1999, Morduch and Haley 2002).

India has always had a culture of unofficial financiers that have now existed to cater for the poor both in the rural and urban areas. This new agency of micro finance however, started from the early 1980s and 1990s with the Micro finance enterprises or bank and SHG the main drivers. The SHG-Bank Linkage Programme that was initiated by the National Bank for Agriculture and Rural Development (NABARD) in 1992 can be termed as another major landmark with the overarched objective of linking the informal saving societies with the banking sector (NABARD, 2002). Microfinance in India has expanded remarkably in the past few decades with the participation of both NGOs/MFIs and the for-profit commercial MFIs markets. Thus, regardless of difficulties like stifling government regulation and indebted borrowers' deterioration, micro-finance in India positively contributed to the process of advancing the great Indian population to the credit amplitude and materially improving the status of vulnerable populations (Sriram, 2010; Sharma, 2015).

Arising out of its complex socio-economic profile and rich cultural demographic, nawa Rajasthan provides a research opportunity for identifying the microfinance intervention programmes. Mainly a rural area with agriculture being its main income source, it is plagued with problems such as poverty, unemployment, and limited financial inclusion mainly because nawa Rajasthan lacks proper infrastructure. The introduction of microfinance programs that seek to underwrite small businesses, farmers, and women's organisations may be able to tackle these problems when implemented in this region (Rajasekhar, 2004).

Microfinance activities in nawa Rajasthan target in reaching out to the Core Banking Services excluding segment of the population. These endeavours are designed to provide employment, raise income level and positively impact the quality of life of the population through extended lending targeted at the base of the pyramid (Hart, 2005; Philippon, 2005).

In this regard, the role of microfinance cannot be overemphasized as a sound and viable solution to the problems of economic development and sexual and other types of violence against women.¹ This, in turn, means that the microfinance strategies have the potential to assist people and communities in nawa Rajasthan to construct a future full of financial opportunities.² And thus the purposes of this research paper are as follows: Consider the presented initiatives and assess its efficiency by comparing the results with the given indicators of socio-economic development; Define possible obstacles to the further expansion of such programs and initiatives, as well as the prospects for their development. This research study, based on both primary and secondary data collection methods, will contribute to the existing literature on microfinance and its impact on fostering economic development and social status of the households of nawa Rajasthan.

In this connection, this part of the research lays the groundwork for a discussion on the effects of microfinance programs for the nawa Rajasthan region with regard to its opportunities and challenges in creating socioeconomic advancement. This way it wishes to provide to the existing literature on the merits and demerits of microfinance as a poverty alleviation and economic enabler to the needy regions.

II. Literature Review

Theoretical Framework

Microfinance can be situated and analysed in regard to several theoretical approaches that explains its nature and effectiveness. There is a complete hierarchy of such theories where one of the most famous is the Grameen Bank Model developed by Muhammad Yunus. This lending model originated from the solidarity lending and the group guaranteed system where, the loans are advanced to groups and not individuals because they act as guarantors for one another (Yunus, 2007). The major concept is that peer pressure in the group can guarantee high levels of repayment without even using any security.

Another important framework is the Joint Liability Group (JLG) Model or the familiar Joint Responsibility Group (JRG) Model. This model also encompasses providing loans to groups, which include 4-10 people who are responsible for each other's debts. This has the advantage of being implemented readily in the rural areas where there are very little access to formal sources of credit facilities. Popular in India, the JLG model has been effective in avoiding risks linked to the default of an individual (Giné & Karlan, 2014).

The other major theoretical framework is known as the Livelihood Approach. This approach does not see microfinance only as a financial solution but as one of the components of people's livelihood engagements. It focuses more on lifting the absolute well-being through capacity building of the poor by facilitating access to money related operations that will enable them build sustainable livelihoods as pointed out by Chambers and Conway (1992).

This theory is closely related to Amartya Sen's capability approach based on the enhancement of the freedoms and capabilities of individuals to boost their well-being (Sen, 1999).

The Findings of the Micro-banking Debate show that microfinance should be interconnected with the existing financial structure. According to this view, it is possible to sustain financial access by creating healthy financial systems that will offer multi-products for the impoverished populace. It also makes a strong emphasis on the role of rules and regulations, the market determined interest rates and saving and credit management (Helms, 2006).

Microfinance is also enriched by findings of Behavioral Economics. This field focuses on the effects of psychological characteristics and cognitive distortions within the financial affairs. For example, ideas like loss aversion, mental accounting, and self control that are very vital in explaining how microfinance clients handle their funds and make the repayment choices (Banerjee & Duflo, 2011).

Altogether with the help of these theories it is possible to outline the understanding of the microfinance segment. Thus, social capital, group formations, business model, financial inclusion and behavioral pattern are particular concerning the effectiveness and success of microfinance.

Previous Studies

A lot of empirical analysis has been done on micro finance and its effectiveness especially in the alleviation of poverty, improvement of access to formal financial services and the enhancement of socio-economic status of people. Other important stakeholders include

Morduch (1999) who concluded that microfinance programs improved income and decreased the vulnerability of the borrowers. Essentially, this research revealed a number of beneficial outcomes of the microfinance approach on economic steadiness and possessions.

The other well-known study by Khandker (2005) looked at the sustainable effects of microfinance intervention in Bangladesh. The research amidst the fact that micro finance affected poverty reduction and standard of living in those that participated in the financing; more so the female members. Another conclusion made by the study discovered the level of schooling among the children under microfinance household higher than a non-household, thus showing intergenerational impact.

Literature review on micro finance and its impact on the rural poor: In India context, Sinha (2005) studied the extent of micro-finance for rural transformation. ³The analysis for this paper centered on the SHG-Bank Linkage Program in the context of the BRAC and observed that the SHG-Bank Linkage Program became a positive influence on women's liberty, income production, and of social capital. In a related study, Swain and Wallentin (2009) explored the effect of microfinance on women's status in India and observed that women who engaged in microfinance empowered themselves by exercising more control in the decision-making processes in their various households.

Bathia, innovative credit for alleviation of poverty and its effects were analyzed by Armendáriz and Morduch in their paper on microfinance: emerging trends, evolution and and impacts 2010. They said though microfinance has achieved in outreach the poor in extension of financial services they stressed that problems like over indebtedness high interest rates operational sustainability remains. Their work also highlighted on issues relating to regulation and the place of technology in improving efficiency of Micro Finance Institutions (MFI)'s.

Recent literature has been discovered to concentrate on the impact of ICT in micro financial services.

Aker and Mbiti (2010) looked at the role used by the mobile phone in breaking the barriers of financial exclusion in Africa. This they discovered initiated by mobile banking with increased availability of financial services to clients especially in the rural regions. Using the same notion, Porteous (2016) discussed the prospects of digital financial services in the delivery of Microfinance in the developing world.

Concerning nawa Rajasthan, some particular works have been carried out in order to evaluate the microfinance programs' effects in the region. Sharma (2012) undertake an assessment of rural women's economic categorization in nawa Rajasthan and discover that micro financial support enhanced the income plus quality of the women. The study also reviewed the problems that it is facing such as problems of outreach for the beneficiaries and financial illiteracy associated with the program.

Research Gap

According to the findings of this study, there are still some areas where the literature remains scarce despite the available studies on microfinance, especially for nawa Rajasthan⁴. There is virtually little incorporation of thorough effects checkups that incorporate intrinsic and extrinsic examinations as succeeding additional set of techniques which can enrich the understanding of microfinance trends impact. Unfortunately, most of the papers offer an economic or social perspective only; thus, both are needed to appreciate the consequences.

This is particularly the case with another area that is has not been well researched on, the sustainability of micro finance institutions. It is important to note that there are many short-term researches that studied the effect of micro-finance on women and the MFIs that targeted them, but there is lack of longitudinal research that follow the sustainability of both the MFIs and their clients in the long run. This includes realizing what hurdles micro-financial institutions encounter in their endeavor to remain financially sustainable as well as in their quests in ensuring high repayment.

One of the largely unexplored opportunities regards the application of digital technology in the improvement of microfinance services. Although the mobile banking and digital platforms have been see to have a possibility of being implemented in microfinance models, there is a scarcity of literature as to how the two technologies can be incorporated in microfinancing in nawa Rajasthan. This entails analyzing the factors inhibiting the use of technology in and the effects of digital financial services to the clients.

However, more research needs to be conducted with regard to the nature of challenges that microfinance endeavour in the establishing rural and other hard-to-reach regions. , however, nawa Rajasthan has its own characteristic of socio-economic factors such as an area confined to a far-off place, culturally known to be quite restrictive and does not have many infrastructural facilities. For such regions, it is imperative for practitioners to comprehend those challenges and come with solutions that are relevant to the situation.

Finally, the non-financial returns of microfinance that concerns employee's wellbeing or the social fabric and the environment needs to be explored.⁵ Even though the emphasis is first of all placed on economical outcomes, the study of social and organizational consequences being caused by microfinance can shed light on the effectiveness of microfinancial operations and help in creating more complex and long-term interferences.

Research Objectives

The study objectives are to provide an overall evaluation regarding the effectiveness of microfinance intervention strategies in nawa Rajasthan.⁶ This research will analyze the impact of these measures on socio-economic status of the targeted population with reference to women and rural dwellers.

Primary Objective

The research is basically intended to measure the amount of influence exhibited by microfinance interventions on the socio-economic development of nawa Rajasthan. This primary objective would help in appraising the degree of the effectiveness of microfinance in the context of increasing the income and employment status of the beneficiaries as well as their standard of living. It seeks out to determine the various ways in which micro finance has empowered the poor in nawa Rajasthan and in the process reduced poverty levels.

Secondary Objectives

To ascertain the extent to which micro-finance services are availed by the targeted clients in nawa Rajasthan.

This objective is geared towards determining the extent to which microfinance services are and the extent to which the target population is covered. It will analyze the region where microfinance programs have been provided, the characteristics of the beneficiaries, and the existing obstacles to utilize those services.

To carry out a critical investigation on the impact or utilization of micro-financing as means of boosting women and other vulnerable groups.

This objective is more specific than the former and attempts to reveal how the microfinance activities

affect women and other vulnerable members in the nawa Rajasthan area. It will evaluate how the clients' social and economic power, decision-making ability, and status has been impacted by their microfinance involvement.

Consequently, to compare the sustainability and disclose the issues of microfinance institutions (MFIs) in nawa Rajasthan.

With reference to the aforementioned objectives, this objective tends to assess the operational and financial issues within the MFIs. It will analyze the factors like loan repayment ratio, cost structure, industry and institutional constraints and, patterns emerged from the business models that put feasibility and viability of the MFIs to make sustainable and efficient expansion.

To study the effect of digital technology in delivering micro financing services and checking the success of the services.

This objective will uncover how best MF institutions and other institutions such as mobile banking and digital platforms are being incorporated into the microfinance models prevailing in nawa Rajasthan.⁷ It will determine the productivity of these technologies in enhancing the delivery of services, increasing the client's satisfactions, and breaking down geographical and infrastructural challenges.

To assess the social responsibility performance of microfinance schemes in terms of social and environmental effects.

This is a long-term goal in addition to considering microfinance programmes' economical merits to comprehend the social and environmental consequences. It will look into areas like; the social connectedness of the people, their psychological well-being, or even the natural habitat and how each of these was affected by microfinancing the community to warrant such a decision.

To prepare CSM recommendations on how future microfinances could be more effective in nawa Rajasthan.

Therefore, this objective will establish policy implications for researchers, policymakers, MFIs, and other related stakeholders. These recommendations shall be targeted at managing the mentioned challenges, utilizing opportunities and improving the efficacy and adaptability of microfinance endeavours in the region.

Thus, by meeting these objectives, the research aspires to offer a profound assessment of microfinance practices in nawa Rajasthan, as well as their implications, opportunities, and limitations for the creation of sustainable social change and the enhancement of individuals' quality of life in the mentioned area.

III. Research Methodology

The following methodology gives the overall plan to be used in the study that will establish the efficiency of micro finance in operation at nawa Rajasthan. This section describes the research design, data collection procedures, sampling technique and data analysis procedures.

Research Design

The study will use both, and quantitative as well as qualitative data collection techniques in order to give a best response to research questions. The quantitative aspect shall entail the use of data of numeric nature which will be used in measuring the extents to which microfinance interventions have affected different social and economic parameters. The qualitative part will entail administering basic interviews and focus group discussions to get account of micro-finance beneficiary clients and stake holders.

This choice of mixed-methods design is because it builds on the qualities of quantitative and qualitative research. That is why quantitative data will offer the research an objective measure of the changes with regards to the microfinance initiatives, while the qualitative data will give an opportunity to explore the specific instances of the observed changes and their historical background.

Data Collection Methods

In order to ensure that the gathered information covers all the bases, both primary and secondary sources will be used for collection of the information.

Primary Data

Survey, interview, and focus group discussion will be conducted in order to collect primary data.

Surveys: Questionnaires will be structured and used in conducting a cross-sectional survey on the microfinance beneficiaries. Classification aspects will include employment income, the usage of financial services/trappings, and quality of life. This kind of questionnaire will permit the collection of both quantitative and qualitative information with both closed-ended and open-ended questions.

Interviews: The interviews are aimed to be semi-structured interviews with the participation of the representatives of MFIs, local government and community in the focus area. The findings of these interviews will therefore seek to establish business operations, tactics and consequences of micro finance endeavours as perceived by end implementers.

Focus Group Discussions (FGDs): Focus group discussions will be conducted with micro finance

beneficiaries in order to get more detailed information on their experience, difficulties and opinions concerning micro finance services. ⁸The following method will assist to obtain the aggregate reasoning within the community as well as the social interaction.

Secondary Data

Secondary data will be collected from various sources, including: Secondary data will be collected from various sources, including:

Reports and Publications: Studies including those from the MFIs, government and the NGOs will be compiled from relevant reports and publications. These documents will help to identify basic and over arching data and preliminary research completed on the subject of micro finance for women of nawa Rajasthan.

Academic Journals: Scholarly articles and research papers available in the peer reviewed journals will be used to establish the background and general literature review on microfinance.

Official Statistics: Demographic and socio-economic features of NWFA would be extracted from US census records and from a socio-economic survey that has been conducted in NWFA.

Sampling Technique

To get an appropriate sample of micro finance beneficiaries in nawa Rajasthan, a multi-stage sampling technique will be adopted.

Stage 1: Selection of Districts: For the region of nawa Rajasthan, it will be arranged according to the districts that constitute the region it is in. Another relevant sampling technique is purposive sampling in which few districts that are most included in micro financing activities will be chosen.

Stage 2: Selection of Villages/Towns: Random technique will be employed in the selected districts in a search for particular villages or towns where micro financing activities are most carried out.

Stage 3: Selection of Respondents: In the chosen villages or towns the procedure of random selection of respondents with equal numbers for gender, age, occupation levels will be used. The aforementioned approach will help in accomplishing diversity and representativeness of the sample.⁹

Data Analysis Methods

This means that methods of data analysis will include quantitative as well as qualitative analysis.

Quantitative Analysis: Quantitative data will be analyzed using software like SPSS or R SAS Descriptive statistics will be used to describe the collected data while inferential statistics will be used to tests hypotheses and to examine the relation between the different variables such as regression analysis or t-tests. The quantitative data will assist in putting figures to the effect of micro financing activities in relation to one or the other socio-economic factor.

Qualitative Analysis: Specifically, thematic analysis will be applied to the collected qualitative data in the form of answers to the interview questions and topics discussed in focus groups. . This process will entail a coding of the data with a view of realising the emerging themes and overall pattern. The qualitative analysis will help give richer and context specific information regarding the effects of microfinance on individuals and societies.

The integration of quantitative and qualitative findings will enable one to get an all-round analysis that will focus on the different sections of the research objectives in question. Using this approach, the study will be able to provide safe and proper interaction with the efficiency of microfinance operations in nawa Rajasthan and to contribute to the advancement of knowledge of microfinance theory and practice on similar regional contexts.

Study Area: nawa Rajasthan nawa Rajasthan refers to the newly-developed region that has been recently included in the State of Rajasthan and is cultural, socio-economically and historically significant region. The subsequent section of the paper characterizes the socio-economic, historical and contemporary situation in the field of microfinances in the area of operation of nawa-Rajasthan.

Socio-Economic Profile

nawa Rajasthan is mostly a rural area agricultural activity being the main economic activity in the region. The climate here is generally dry and people mainly depend on the monsoons for controlled irrigation farming. The people of population are from different ethnicity having their own culture and follow their own norms and values. nawa Rajasthan has a comparatively low literacy rate than the national average at 66. 04 percent, it also divides the literacy rate on the basis of area and sex.

As for the economic activities, the dominating ones are the agriculture, cattle breeding, and some simple hand-made crafts. The crops that are grown in this region are wheat; barley; pulses and the various vegetables. Specified livestock, especially cows and goats are relevant in the income generation and food security income of the rural districts. Further, it carries traditional arts and crafts which are popular and essential

due to their contribution to household income- textiles, pottery and ornaments.

Nonetheless, the company has to face some socio-economic issues that are described below. People in the affected area[s] live below the poverty line, and they have minimal access to various necessities that you and I take for granted like healthcare, education, clean water among others. The life of the rural population is less satisfying mainly because of unemployment or underemployment, their major income source being seasonal agriculture. Socio-economic suffers a lot whereby women lacks education and employment opportunities that lead to social sufferings.

Historical Background

At one point the part of nawa Rajasthan was included as a portion of Rajasthan and therefore its history is intrinsically bound to the history of Rajasthan and India. Over the years, the region has hosted many a dynasty and empire, thus giving it a very diverse cultural endowment. The region of Rajasthan in India, has always been region that was constituted of many small autonomic territories headed by local maharajas and thakurs. These rulers constructed elaborate forts, palaces, and temples, some of which have existed to this date reminding the people of the region's history and architecture.

nawa Rajasthan was accultured to the Rajput kingdom during the medieval ages which belonged to the fray of valor and chivalry. Feudalism was introduced by the Rajputs where the power and possession of fertile land act as central seemed to be the base of their authority.¹⁰ This system left a long mark on the socio-economic organization of the region, and we are able to witness here how the possession of land and belonging to a specific caste alludes social importance and decided the possibilities to obtain particular resources.

Several changes for the worse started manifesting in nawa Rajasthan with the beginning of colonization. The British introduced new policies and structures to the princely states and effectively gained administrative control of them. But, the social, political, economical and technological advancements that occurred during these centuries where to a greater extend enjoyed by the empires and the elite groups in the urban cities. A sizable part of nawa Rajasthan along with the rural population area retained its less developed status.

After attaining independence in 1947, several reforms were carried out in the state of Rajasthan with the ultimate goal of implementing land reforms especially geared towards issuance of new land rights to the poor and other socially and economically backward sections of society. Although these reformation measures didn't go completely unproductive, they were not totally effective in eradicating the real issues of poverty and injustice. The socio-economic inequalities could therefore be observed still existing, which required intervention approaches like micro financing.¹¹

Current Economic Conditions

From the economic conditions of present nawa Rajasthan, it is seen that it has the old techniques of the earlier stage along with new prospects. Agriculture remains the dominant economic activity, though it has its own problems, such as fluctuating rainy seasons, declining soil fertility, and high illiteracy rates when it comes to better ways of farming and the use of improved inputs on the farm. Consequently, the agricultural production efficiency is still low, which puts most farmers in a very difficult position of feeding their families.

As a result of this, people have slowly begun adopting non-farming activities in a bid to have other sources of income. Thus, it is possible to state that small-scale industries, especially those connected with the handicrafts and textiles sectors, have been developed. These industries also act as playing centers for maintaining historical traditions and culture of the region and are also a source of earning for many people. The attempts to promote such industries through cooperatives and self-help groups have been helpful in this regard.

Tourism is another avenue of growth most African countries that have not exploited can explore for the growth of the economy. The tourism in nawa Rajasthan region is numeric both domestic and international tourists by its historical sites, cultural festivals and Natural beauty. Tourism conduces to increasing employing opportunities and incomes of residents through investing in infrastructure and services.

However, similar to any Indian company in its stage of growth, nawa Rajasthan still experiences noteworthy economic problems. There is relatively poor negative physical infrastructural development, particularly in the areas of road network, electricity and water supply. Education and health services, including good-quality facilities, is still scarce especially in the rural areas. This makes poverty to persist and also acts as barriers to the economic development of the nation's population.

Microfinance, therefore, has come out as one of the effective ways of dredging some of these challenges. Microfinance goals to financially include the people who have no access to conventional banking services, and thus, to transform poor individuals, especially women and other vulnerable categories, into active entrepreneurs, education, and healthcare investors.

The effectiveness of these measures in nawa Rajasthan therefore lies in the accessibility to low income earner and other vulnerable groups as well as a consideration of the prevailing socio-economic characteristics.

Micro-finance Schemes in nawa Rajasthan

Micro finance has emerged as a very important source of marketing the financial requirements to the people who are socially excluded in nawa Rajasthan. This section gives an insight on existing micro finance products or schemes, introduces some of the major micro finance institutions in the region, describes services offered by these micro finance institutions, and gives real live examples of effective micro finance.

Overview of Microfinance Programs

The micro banking targets, therefore, are to deliver the necessary numbers of financial services to low income persons and 'Expressions of Differentiated Groups' in nawa

Rajasthan who cannot gain traditional banking services.¹² These are meant to support financial liberalization, woman, youth, and general population emancipation, as well as fight poverty. The structures of microfinance institutions in nawa Rajasthan implementing microfinance activities involve Self-Help Groups (SHGs), Joint Liability Groups (JLGs), and individual lending.

Self-Help Groups (SHGs): These are small and rather unstructured and consist of members who share between 10 and 20 in terms of the number and with the primary purpose of saving as well as providing loans to its members. SHGs are usually gender-oriented and mainly deal with micro-savings and micro-credit functions. The credit unions are reported to be associated with formal banks to offer members an opportunity to borrow bigger amounts.

Joint Liability Groups (JLGs): JLGs represent groups of 4-10 members where all members act as a guarantors for each other's loans. This model minimizes on the probability of credit defaults and fosters people cooperation. It was also observed that JLGs find more acceptance in regions where social capital is high; and most importantly, in rural settings.

Individual Lending: Additional some MFIs grant individual credit to the businessman and the owners of petty enterprises. These loans are usually bigger and insist on a higher evaluation of the credit worthiness of the borrower.

The non-governmental organizations (NGOs), cooperative societies, and the formal finance are the current suppliers of microfinance in the nawa Rajasthan area. All these entities help to promote the financial services enfranchisement of the rural and urban poor to foster economic development.

Top Microfinance Institutions (MFIs) In nawa Rajasthan

Here in nawa Rajasthan, there are several large MFIs, all of which serve a very important purpose in the region's credit system. Some of the key MFIs include: Some of the key MFIs include:

Bandhan Bank: Formed as an NGO in 2001, Bandhan took the formal structure of a bank in the year 2015. This micro finance institution is listed amongst the major MFIs in India and has a large operational base in the Now Rajasthan. The targeted niche for Bandhan Bank is microcredit issued mainly to women and small businessmen.

SKS Microfinance (Bharat Financial Inclusion Limited): SPANDANA is one of the largest Micro Finance Institutions making its presence in India with having microloan products, insurance, and savings. It is very much prevalent in rural populations and serves nawa Rajasthan.

Satin Creditcare Network Limited: Satin Creditcare network limited is one of the largest MFI company which is working mostly in North and central India. They include micro credit facility, business loans and other services meant to lift up the standard living of the needy.

Rajasthan Rural Livelihoods Project (RRLP): RRLP stands as revenue remittance and local power, which is a state government program assisted by the World Bank. They primarily target on the creation and development of the SHGs and JLGs with a view to financial non-emancipation and therefore socio-economic progress of the villages.

ASA International: ASA International is best described as an international MFI active in several countries among which India. Avishes offers microcredit, savings, and insurance services to base of the pyramid populations especially women.

Services Offered by MFIs

Microfinance institutions in nawa Rajasthan enact a variety of financial and non-financial services, which are made accessible to MLIs, and their clients.¹³ The primary services include:

Microloans: Micro credit coupled to person or a group for the purpose of earning income generating activities. Scholar concludes that such loans are taken for agriculture, small businesses and work of artisans in particular.

Savings Accounts: MFIs also offer savings to the clients as a way of encouraging them to save often by opening a savings account. Such accounts are convenient for the clients and help them establish savings and contribute to personal finance.

Insurance: Most of the MFIs in the developing nations provide health, life and asset microinsurance products. These products help low-income families to financially balance if the income of the family is interrupted by some unforeseen occurrences.

Financial Literacy: Education and training programs on financial literacy, or enhancing knowledge of their clients in the aspects of finance such, as budgeting, and investing. Such programs are very useful in a way that they help the clients to make the right decisions concerning their financial positions.

Skill Development: The JOB OF SOME OF THE MFIs necessary to provide the vocational training and skill development programs concerned with the employability and entrepreneurship of the clients.

Current Innovative Microfinance Collaboration and Best Practices Empowering Women through SHGs: Thus, the case of Pooja and her SHG.

Pooja is a villager from a small village of nawa Rajasthan who formally became a member of the Self Help Group (SHG) facilitated by Bandhan Bank. Savings formed the base of the SHG and it began with a weekly savings of a single digit figure from each member. This led to the gradual development of capital in the form of savings, through which basic credit services for the group's members could be offered over time. Pooja also took a loan for purchasing a sewing machine and began a tiny business of tailing. She used the earnings to repay the loan and took two more women from the village to work for her thus growing the business. By this initiative, not only Pooja's financial status was changed for the better, but also employment was generated in her society.

Agricultural Advancement: The Microfinance Industry: The case of SKS Microfinance

SKS Microfinance introduced a programme for the village small farmers in nawa Rajasthan. Ramesh one of the beneficiaries known to have benefited from the loan used it to purchase better seeds and fertilizer for his farm. ¹⁴Also, due to training offered to him on modern farming, SKS doubled his production Capacity of his crops. The same attributed to the quality of its productivity that facilitated the sale of surplus products in the local market to generate more income and enhance the standards of living of the family of Ramesh. This initiative demonstrated how micro finance together with exchange of knowledge resulted to agricultural growth.

Small Enterprise Development: Consequently, Satin Creditcare has been able positively impact the lives of a number of financially troubled consumers and sometimes reach out for Car.

Satin Creditcare Network Limited started an enzymatic microloan scheme of small businesses in nawa Rajasthan. Geeta , a small shopkeeper, required a loan to buy more stock as well as to renovat her shop. It also; provided for installation of solar lighting to reduce her electricity bills during her repayment of the loan. What used to take a large amount of time and was limited by the availability of few products, was suddenly taking just a fraction of the time while offering a wider range of products to the customers; this helped bring in more customers, and thus extra income to Geeta's shop. This success story addresses the ways in which microfinance plays an important part in small business and sustainable development.

Rajasthan Rural Livelihoods Project (RRLP): Improving the Quality of the Lives of the Rural Residents The Rajasthan Rural Livelihoods Project (RRLP) was intended to concentrate on the formation of the SHGs and JLGs in the poorest zones of nawa Rajasthan. Looking at the achievement of the said program, there was one village where women organized themselves in an SHG and go into dairy farming. Through grants and technical assistance from RRLP, the women were able to get credit facilities for buying firmer yielding cattle besides forming a milk marketing cooperative. This undertaking not only change their revenues for the better but also enabled them to vocate leadership roles of the society. The cooperative model that they adopted provided them with better and relatively fair prices for their produce and promoted the principle of the cooperative and pulling together.