

FINANCIAL INCLUSION FOR RURAL SUSTAINABLE DEVELOPMENT THROUGH MICROFINANCE IN INDIA

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ABSTRACT

*P*romotion of financial inclusion has been an important social and financial need across countries. The financial sector reforms in India with financial inclusion emerging as a major objective for the policy planners to search for products and strategies for delivering financial services to the poorer and small entrepreneurs mainly of rural area in a sustainable manner who generally lack direct access to the banking services. NABARD was the first organization to introduce the concept of microfinance to enhance the agriculture and rural development activities in India. After that the spread of microfinance is steadily growing through SHGs. Government of India and RBI has also done a lot for easy accessibility of financial services to poorer and small businesses. Microfinance sector has made substantial progress over the past few decades and brought number of people above poverty line in India. The paper is to examine the micro finance in the empowerment of people and the realization of financial inclusion in India. The main objective of this paper is to understand the concept of financial inclusion and Role of NGOs, Governments, SHGs contribution towards empowerment of people and rural development through microfinance in India.

KEY WORDS: *Financial Inclusion, Rural, Development, Microfinance, India*