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FIGHTING POVERTY WITH INTEREST-FREE MICROFINANCE

INTRODUCTION

One example revealed in the case “Fighting Poverty with Interest-Free Microfinance” is interest-free micro-finance as a way to fight poverty.

Conventional microfinance processes that involve lending money have some procedures like interest rates, which can be a problem to the borrowers.

BENEFITS TO BORROWERS

Thus, the major strength of interest-free micro financing is that it encourages the spirit of entrepreneurship. This way individuals can give out small loans for use in business with no intention of charging interest, this makes individuals start up a business or expand their businesses hence creating employment and increasing income levels.

CHALLENGES AND SUSTAINABILITY

That said, interest-free micro-finance is a good concept to advance; it has its problems though. From the above scenario of the microfinance institution it becomes challenging to sustain its financial requirements without interest income. In the long run, most such organisations need to seek funding from other sources for example through donations or partnerships with organisations that are inclined towards philanthropy.

CONCLUSION

It is quite worthy to emphasize a case solution provided by TheCaseSolutions.com is also perhaps the best solution to fight poverty through interest free micro financing. The above model is therefore, relevant and an effective way of implementing sustainable and ethical means of empowering people without compromising on the Vice of poverty in the developing nations.

RECOMMENDATION

This is just a sample partial case solution. Please place the order on the website to order your own originally done case solution

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