



IMPACT OF MICROFINANCE ON SME WOMEN'S EMPOWERMENT

(WITH SPECIAL REFERNCE IN UVA PROVINCE)

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Name of the candidate: P.R.M.N. Perera

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Department: Management Sciences

ABSTRACT

Microfinance is a type of banking service that is provided to unemployed or low-income individuals or groups who would otherwise have no other means of gaining financial services. The main aim of microfinance is to empower women. Microfinance has made an enormous impact on rural development in Sri Lanka. There is a definite improvement in social empowerment among rural women as a result of participating in microfinance. In this process the Government plays a key role in building a favorable environment for all poor and underserved people. The Government has from time to time promoted microfinance through the state banks through an extensive program to provide concessional funding to counter market manipulation in rural finance. Reaching the poor households in efficient ways, women empowerment has been the key theme during this decade where the budget proposals of 2013 and 2014 made commitments to develop women Entrepreneurs Island wide.

In this paper the role played by Microfinance in small and medium women entrepreneur's empowerment are considered into two dimensions namely social and economic. Analysis showed that there is a gradual increase in both factors among rural small and medium women entrepreneurs. This study is an evaluation of the impact of microfinance on SME women empowerment conducted in Uva province in Sri Lanka. The information has been gathered by using primary data using questionnaires and secondary data which was the reports, documents and statistical surveys. To find out the association and impact among the variables the correlation and regression analysis tools have been used by using SPSS software package.

Key Words– *Women Empowerment, Microfinance, Economic and Social Factors*