



**AN EMPERICAL STUDY ON THE IMPACT OF MICRO FINANCE  
ACTIVITIES TO LIVING STANDARD OF COMMUNITY  
(SPECIAL REFERENCE TO BADULLA DISTRICT)**

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D.M..S. Udeshani

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## ABSTRACT

Microfinance is currently being promoted as a key development strategy for promoting poverty reduction and empowerment of people economically. Micro finance activities are most important to developing country. This research main aim is to identify the impact of micro finance activities to living standard of people in Badulla area. It tries to investigate the impact between micro finance and living standard. In order to achieve the aims, mainly primary data were used. The primary data were collected through questioners. Sample selected 150 in Badulla Divisional secretariat. After collecting questionnaire researcher tests the reliability test of the collected data. Correlation and regression analysis were used to investigate the relationship and impact between dependent and independent variables. The correlation result indicates there is positive weak relationship between independent and dependent variable. In the regression analysis the researcher investigate that there is fewer possibility to have relationship between two variables. The researcher proves that some other factors affect to improve living standard of people other than the micro finance activities. The research findings also indicate as a whole the study concluded that micro finance along cannot improve the living standard of people. Finally researcher gives the recommendation to improve the current position.

Key words: - micro finance activities, poverty reduction, living standards, factors.