



**“ANALYZING THE PERSONALIZED DETERMINANTS**

**OF PAYING BACK LOANS BY POOR**

**(With special reference to tea estate sector in Kotmale DS**

**Division, Nuwara Eliya District)”**

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Poor**

**With Special Reference to Kotmale DS Division, Nuwara Eliya District**

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**Abstract**

According to the statistical report, it mentioned that the estate sector and the rural agriculture sector have the more poverty rate in Sri Lanka. Recent literature indicates that government supports in many ways to eradicate of poverty in the rural agriculture sector and estate sector, and it mentioned that concern parties provide and support them with low rate loans, markets accesses opportunities, insurance protection crops etc. However the people who are below the poverty line are facing problems in paying back loans. But there are several arguments say that the estate sector employees do not have enough salary and facing difficulties to fulfill their basic needs. Whether the estate sector people are facing difficulties or not when they are paying back loan is an open question. Therefore it is relevant to examine what are the personalized determinants are influencing in paying back loans by poor, and also to identify the difficulties faced by the poor when they pay back their loans. This paper is an effort to quantify the above problem econometrically and descriptively. Especially Binary logistic method has been employed to test the relationship between personalized determinants and paying back loans. As well as I used descriptive analysis to identify the difficulties faced by the poor when they pay back their loans. The results show that there is a significant effect of the variables income level, number of dependents and expenditure level on paying back loans by poor.

Key words: - Personalized determinants, Loans pay back, Poor, Econometric analysis