

**PERCEIVED IMPACT OF FINANCIAL ASSISTANCE ON THE
SOCIO-ECONOMIC STATUS OF FARMERS IN WELIMADA
REGION**

By



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ABSTRACT

Agriculture sector makes up 9% of Sri Lanka's GDP and is recognised as a key source of foreign exchange. Availability of finance is important for sustaining the production of agricultural commodities. Moreover, availability of finance contributes to increased income productivity improvements and efficiency improvements.

Socioeconomic status (SES) is an economic and sociological combined total measure of a person's work experience and of an individual or family's economic and social position in relation to others, based on income, education, and occupation. Despite the significance of the agricultural sector to poverty reduction and overall development, the sector is characterized by low production and poorly functioning markets for outputs. Micro finance is the process of lending small amount of money without collateral to help poor people to become entrepreneurs. This survey was designed to report on perceived impact of financial assistance on socio economic statuses of farmers (special reference to Welimada region).

Cross – sectional survey using structured questionnaire was used to collect data from 100 farmers with the Welimada region and all the items in the independent variables were tested through reliability test to ensure the consistency of the scale used to descriptive statistics was carried out the results show in financial assistance. Univariate analysis was carried out and the results show moderate level financial assistance and moderate level socio – economic status of farmers. The correlational analysis was carried out and the result indicated there was a high positive relationship between financial assistance and socio – economic status of farmers in Welimada region. The regression analysis was carried out and the result indicated financial assistance has a positive impact on socio – economic status of farmers in Welimada region. Finding of this research are useful to further develop the financial assistance on socio – economic status of farmers in Welimada region.

Keywords: Financial assistance, farmers' business income and profit, farm extension, capital, saving, employment opportunity and input.

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