

**“PERFORMANCE APPRAISAL FOR THE MICRO
FINANCE – SAVINGS AND CREDIT FORUT
PROJECT IN VAVUNIYA – SOUTH”**

068.54072
NAV

PR

PANNEERSELVAM NAVARATNAM

REG NO: - EU/IS/99/MS/37

INDEX NO: - MS 396



Project Report
Library - EUSL

**Department of Management,
Faculty of Commerce and Management,
Eastern University, Sri Lanka.**

2004

ABSTRACT

In the Micro Finance – Savings and Credit Project, the overall Objective is to rebuild the socio-economic structure of the resettled target families through Savings and Credit programmes in the project locations and increase their strength and capacity through the established base for self-sustenance that will lead to better living conditions. I have started to do a research study on **“Performance Appraisal for the Micro Finance – Savings and Credits FORUT Project; in Vavuniya – South”**. This research analysis consist of six chapters, every chapter has its own importance.

The first chapter is the introduction. This deals mainly the introduction of the research, problem identification, objectives of study, and assumptions of study and limitations of this study.

The second chapter is the literature review. It deals mainly the introduction to the Micro Finance, results of some recent studies reveal, Definition of the Micro-Finance, the Principle of the Microfinance, Guidelines for advisors to facilitate access to credit for micro and small enterprises, demand for Micro Finance, goals, strategies and etc

The third chapter is research methodology. It concerns the conceptualization and methodology under this method of sampling method, method of data presentation and methods of evaluations.

The fourth chapter is data presentation and analyzing. This analyzes the target project performance responded by the target people through a structured questionnaire relating to the Savings and Credit Project in the Vavuniya-South.

The fifth chapter is problem identification. Which deals with the discussion of three concepts of the influencing performance and problems of this project.

The final chapter is conclusion and recommendations. What is the present situation of this project in the target area, what are the changes should be made by the FIRM which are the functioning in the Vavuniya-South.

	Page
Title Pages	i- iii
Acknowledgement	iv
Abstract	v
Contents	vi - xi
List of Tables	xii - xiii
List of Figures	xiv - xv
 Chapter -1 Introduction	 1- 5
1. Introduction.	1-3
2. Problem Identification.	4
3. Objectives of Study	4
4. Limitation of the Study	5
5. Assumption of the study	5
 Chapter - 2 Literature Review	 6- 40
2.1. Introduction to Microfinance	6-7
2.2. Results of some recent studies reveal.	7
2.3. Definition of the Micro-Finance	7-9
2.4. The Principle of the Microfinance	9-10
2.5. Guidelines for advisors to facilitate access to credit for micro and small enterprises	10-11
2.6. Environment conditions and micro finance programs in post conflict settings	11-13
2.7. Essential Preconditions	13-16
2.8. Special Populations in Service Area	16-20

2.9. Additional Important Consideration	20-21
2.10. Demand for Micro Finance	22-23
2.11. Goals	23-24
2.12. Strategies	25
2.13. The Micro Finance Experience with Saving Mobilization	25-32
2.14. The twelve Golden Rules of Credit	32-38
2.15. Role of Capital, Savings, and Credit	38-40

Chapter -3 Conceptualization and Methodology **41-49**

3.1. Conceptualization of Research.	41
3.1.1. Credit.	42
3.1.2. Employment.	42
3.1.3. Savings Services.	42-43
1. Short-term savings instruments	
2. Longer term saving.	
3.2. Methodology of Study	44
3.2.1. Method of Data Collection	44
3.2.1.1. Primary data	
3.2.1.2. Secondary data	
3.2.1.3. Sampling Methods.	44-45
3.2.1.4. Questionnaire	45-46
1. Personal Information.	
2. Research information.	
3.2.2. Method of Data Presentation.	46-48
3.2.2.1 General information	
3.2.2.2. Research information	
3.2.3. Methods of evaluations.	48-49

4.0. Data Presentation and Analyzing	50
4.1. General information	50
4.1.1. Sex	50-51
4.1.2. Age	51
4.1.3. Civil States	52
4.1.4. Educational Level	53
4.1.5. Occupation	54
4.1.6. Income Level	55
4.2. Research information	56
4.2.1. Credit information	56-63
4.2.2. Employment information	64-68
4.2.3. Savings information	69-73
4.2.4. Savings and Credit Project information	74
4.3. Analysis, Presenting and Relationship between the Performance of this Micro Finance – Savings and Credit project and Credit, Employment and Saving.	75
1. Correlation between the Performance of this Micro Finance – Savings and Credit project and Credit.	75-76
2. Correlation between the Performance of this Micro Finance – Savings and Credit project and Employment	76-77
3. Correlation between the Performance of this Micro Finance – Savings and Credit project and Saving.	77-78
4. Correlation between Savings and Employment	78-79
5. Correlation between Savings and Credit	79-80
6. Correlation between Credit and Employment	80-81

Chapter -5	Discussion and Findings	82-88
5.0.	Discussion and Findings.	82
5.1.	Problems related to the credit.	82-83
5.2.	Problems related to the Employment	83-85
5.3.	Problems related to the Savings	85-87
5.4.	Lower educational families.	87
5.5.	The members' commitment is poor	87-88
5.6.	The records are not maintained in proper way.	88
5.7.	The monitoring function is not effectiveness.	88

Chapter -6	Conclusion and Recommendations	89 - 98
-------------------	---------------------------------------	----------------

6.1.	Conclusion	89-90
6.2.	Recommendations	90
6.2.1.	Recommendations related for the credit	90-92
6.2.2.	Recommendations related for the Employment	92-94
6.2.3.	Recommendations related to the Savings	94-95
6.2.4.	Motivate their educational level.	95-96
6.2.5.	Increase the members' commitment in every village.	96-97
6.2.6.	The records should be maintained in proper way	97
6.2.7.	To make effective monitoring function in these target areas.	97-98

References

Questionnaire – English

Questionnaire – Tamil

Appendix