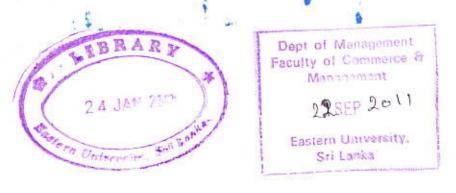
## THE IMPACT OF MICRO FINANCE OF SEEDS ON WOMEN

## ENTREPRENEURSHIP IN BATTICALOA DISTRICT



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## ABSTRACT

Microfinance provides small-scale financial products including credit, savings and insurance services to poor people who are usually excluded from formal financial institutions. Although a number of research work have been done in Sri Lanka, there are a few studies focusing on the impact of Microfinance women entrepreneurs in Batticaloa.

In this study, the researcher assess the impact Microfinance loans on women owned small businesses and the socio-economic aspect of their household. Additionally, the researcher examines the sources of finance for women small business owners and if their demand for loans has been met by the Microfinance programs. Data were collected through questionnaires and informal discussions with 100 entrepreneurs selected from a list from the Batticaloa District Regional office of as Sarvodaya Economic Enterprise Development Services Guarantee Limited. The research findings shows a moderate impact of Microfinance on the growth of the women owned small businesses in terms of turnover and increase in market share while the socioeconomic aspect of their households has a moderate impact in terms of disposable income, savings and livelihood improvement and education level. Furthermore, women small business owners depend mostly on informal sources such as their own funds and money borrowed from their family members during the start up age but Sarvodaya Economic Enterprise Development Services Guarantee Limited play a major role in providing capital when their business progresses. They are highly satisfied with the group based lending system and savings facilities provided by Sarvodaya Economic Enterprise Development Services Guarantee Limited but have great displeasure towards the pre-requisites or collateral rules.

Finally if the Micro finance institution have to be effective when the institution should be strictly managed and supervised the selection criteria in the Micro finance institution process.

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