FACTORS INFLUENCING THE PERFORMANCE OF MICRO FINANCE GRANT TO SELF EMPLOYMENT THROUGH MICRO FINANCE PROVIDERS (WITH SPECIAL REFERENCE IN AMPARA DISTRICT)

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ABSTRACT

The main purpose of this investigation was to analyze the relationship between Performance of Micro finance and independent variables such as loan repayment, credit worthiness of burrowers and credit risk. In addition to analyze socio and economic characteristics of micro Finance beneficiaries as well as, to analyze contribution of Micro Finance for poverty alleviation. Secondary Data were collected from four Micro Finance suppliers in Ampara District by using annual reports and journals of Micro Finance relevant to 2008-2011 time periods. In this study descriptive and correlation analysis were used to analyze the data.

The results of descriptive analysis revealed that only two variables of selected variables have affected to the Micro Finance performance and other one is not affected. The result of correlation analysis found there is a significant positive relationship between both loan repayable and credit risk with performance of Micro Finance. Therefore there is a negative relationship between credit worthiness of burrowers and performance of Micro Finance.