ABSTRACT. After more than several decade of development effort poverty still remains as a major problem in Sri Lanka with in the war induced area. In order to alleviate poverty is a specific program to which increasing attention is now being directed by all development countries. The present paper attempts to analyze the impact of Samurthi program with in the ethnic violated areas of Sammanthurai. These research areas are mostly affected by the ethnic riots in 1989. Due to the ethnic riots, the communities' socio economic upliftment was destroyed and they were displaced from their place of origin relocated to other areas of Sammanthurai. After that the returnees were assisted by Government of Sri Lanka to restart their life with small grant. But at now the affected communities are mostly getting benefits by Samuthi rather than the non affected communities.

This research analyzed with special focus on poor rural affected communities comparatively. The main objective of the research is to identifying the impact of Samurthi program for reducing vulnerability and poverty in ethnic violated areas. This research is conducted through primary, secondary sources which are questionnaire survey, key informant interview and discussions with the relevant Samurthi beneficiaries. Primary data collected from structured interview with key informants, 07 people were interviewed. And 76 questionnaires were given to 11 Giram Nilathari Divisions and collected data from Beneficiaries. In addition to that interpretive, qualitative methods have been adopted in this research.

The finding of the research revealed that the program is an important role for reduction of rural poverty among this area 23.68% people benefited by Samurthi and the other 76.32% of people were not benefited. Most of beneficiaries were widow, widower, divorced and vulnerable people. Further non educated communities are unsatisfactory with regard to Samurthi. There are 44.73 % of beneficiaries say as satisfactory. 14.47 % beneficiaries say well and the others are unsatisfactory. The loan system of Samurthi Bank is much appreciated. The total numbers of community had taken loan from Samurthi Bank. 48 women are maintaining their account on their own. Further, just 14 beneficiaries are gaining income between 2000-4000 rupees and the other are below. The total number of community have voluntary saving system in the empowerment rate is high among them; it is as calculated 79%. In my conclusion, I proved, Samurthi program is an important role for poverty reduction among absolute poverty line community in this area, but still the communities are under difficulties due to the past ethnic conflict.

Key words: Poverty, Poverty Reduction Program, War Affected Community, Impact of Samurthi.