

Factors Influence in Low Income Level Farmers' Perception Towards Micro-Insurance in Sri Lanka; With Special Reference to North Western Province

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ABSTRACT

Introduction-The micro insurance concept is an important element in developing countries. Even if this phenomenon is most successful in several countries, micro insurance has less popularity in Sri Lanka due to the poor knowledge and wrong opinions in the society. Low accessibility to credit facilities has been devastating the lower-income level farming business in Sri Lanka. Therefore, the lower-income level farmers in Sri Lanka encounter difficulties as these farmers cannot directly access credit facilities to boom and develop their farm business activities, which has led to agricultural business setbacks in the country. This paper investigated how micro-insurance policy has influenced peace of mind among lower-income farmers in Sri Lanka.

Design/Methodology/Approach - The study used a survey research methodology, with the sample of low income level farmers in North Western province of Sri Lanka as the scope of the study. The data for this study was extracted from the primary sources through good designed, structured questionnaires, using correlation regression analysis to analyse the extracted data. Moreover, this aims to determine the present and future relationship between the variables; Accessibility, Knowledge, Ability to pay, behaviour of agents. and the perception of low income level farmers to micro insurance.

Findings-The findings revealed that using micro insurance as a health risks management tool among lower-income farmers in rural areas.

Conclusion - the study concludes that Micro-insurance can mitigate the vulnerability among the lower-income level farmers in the country.

Keywords: *Ability to pay, Accessibility, behaviour, Knowledge, Micro insurance, Perception*