

The Impact of Microfinance on Poverty Alleviation (With Special Reference to Kaluthara District)

R.A.M. Hansani¹ and R. Abeysekera²

Department of Finance, University of Kelaniya, Sri Lanka^{1,2}

mahee.hansi96@gmail.com¹, ruwanab@kln.ac.lk²

ABSTRACT

Introduction: The purpose of this study is to analyse the impact of microfinance on poverty alleviation in the Kalutara district. The study focussed on how loan facility, Saving Facility, Member's ability and training affect poverty alleviation.

Design/Methodology/Approach: To achieve the research objectives, the researcher collected data from 150 customers of microfinance institutes in the Kalutara district. This study used the stratified random sampling technique. Questionnaires were used as the main source of the data collection method in this study. Descriptive Statistics, independent sample T-Test, and ANOVA test were used for data analysis and SPSS was used as statistical software to analyse the survey data.

Findings: The findings revealed that factors including loan facility, Saving facility, and Training affect poverty alleviation.

Conclusion: This study fills empirical and practical gaps. Microfinance institutions must concentrate on loan facilities, saving facilities, and training to alleviate poverty.

Keywords: *Poverty alleviation, Microfinance, Sri Lanka, Micro Loan, Saving, Training*