

Title: Microfinance Banks as a tool to
alleviate poverty: A Case Study of
Islamabad

Waliullah Khan 01-221102-069

Nida Ali 01-221102-053

Waqas Nawaz 01-221102-016

Yasir Ghaus 01-221102-071

Supervised By:

Mr. Ahmar Athar

Bahria University Islamabad.

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The Degree Of MBA.**

Supervisor Name: AHMER ATHAR

Supervisor Sign: _____

Group Members and Contact Numbers:

Waliullah Khan 0333-5325041

Nida Ali 0333-5357390

Waqas Nawaz 0345-5231461

Yasar Ghaus 0345-5158609

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Abstract

Poverty poses as a great challenge and appears to be the root cause of many problems such as increased crimes, suicides, depression, illiteracy, malnutrition and many others to name. Therefore, the emphasis needs to be placed on alleviating if not completely eradicating poverty. For this reason, the study is intended to identify and analyze the impact of microfinance banks as a tool to alleviate poverty in urban slums of Islamabad. The impact is studied through variables like increase in incomes, increase in employment opportunities and number of small businesses and improved standard of living of the recipients of microcredit. The element of carrying out the research with reference to urban slums of Islamabad sets the study as different from other studies of its kind. A sample of ninety clients of different microfinance banks located in Islamabad was selected and data was collected through questionnaires and interviews/observation. After carrying out detailed research and analysis, the results proved the fact that provision of microcredit by microfinance banks does play an important role in alleviating the lives of the recipients by having a positive effect on incomes, standard of living and number of small scale businesses.

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