

# **Assessing Small and Medium Enterprises' (SMEs) Performance through Financial and Non-Financial Indicators in Sri Lanka**

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## **Abstract**

All developed and developing countries have recognized the importance of the development of SMEs, because, they play a significant role in economic development. SMEs perform as a useful vehicle for economic growth of countries, because they have the capacity to achieve rapid economic growth, while generating a considerable extent of employment opportunities (Reddy, 1991). Development of SMEs is significant in the developing countries, which suffered from problems of unemployment, lack of investment, balance of payment, poverty etc., because, growth of SME's provides solution for the complex economic problems of a country. In addition, SMEs are assumed to play a key role in social and economic development.. The present study is analysed SMEs performance through financial and non financial performance. The outcome of this research is beneficial for policymakers, planners and development economists to formulate effective strategy of entrepreneurial development in Sri Lanka and other similar countries