Impact of Micro Loan on Women's Livelihood: Evidence from Manmunai North Division, Batticaloa

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ARTICLE INFO			ABSTRACT

Microcredit is a broad term that includes deposits, credits and payment services to the poor. In Batticaloa district the number of Micro Loan institutions have increased significantly especially in this last decade. This research is carried out with a main objective to find out the impact of micro loan on women's livelihood in Manmunai North division of Batticaloa district. In this study, a sample of 150 women from Manmunai North division who have been engaged in microfinance activities for at least 5 years. In this study, we considered Microcredit as an independent variable and Livelihood as a dependent variable. There are four independent variables as repayment, lending, interest rate, time and four dependent variables as poverty, education, saving, family size which are used to examine the percentage analysis on the basic background of women's livelihood. The study has covered primary data and analyzed the data by women's descriptive statistics, correlation and regression models. Correlation and regression analysis is used to find out the relationship and strength between microcredit and women livelihood. According to the results of regression coefficient it presented the specification of four variables (lending, repayment, interest rate, time) and reveled the ability to predict decision-making (R2=0.164). The respective R2 value is 0.164 denotes that 16% of the observed variability in women's livelihood can be explained by the differences in all independent variables. The finding of the research is both variables have a positive coefficient, which means microcredit increases with the increasing level of interest rate and repayment.

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INTRODUCTION

The concept of micro loan is not new. Traditionally people have saved with and taken small loans from individuals and groups within the context of self-help to start businesses or farming ventures. Micro loan has gone through four distinct phases worldwide of which Sri Lanka is no exception. Moreover, the study and practice of Micro loan in Batticaloa district started in

the late 19s when people from different occupational backgrounds agriculture, fisheries, commerce, minor business, self-occupation, social work decided to move into rural communities to study the dynamics of the local financial market in developing countries and to assess possible operational success of such Financial Institutions.[1]

The economics with positive growth rate of gross national product (GNP) were measured by their poverty mitigation. Micro loan is not a new development. Some developed countries as well as developing countries particularly in Asia have a long history of micro loan.[2] During the eighteenth and nineteenth centuries in number of European countries micro loan involved as a type of the informal banking for the poor. Informal finance and self-help have been at the foundation of micro loan in Europe. The early history of how self-help led to financial innovation legal backing and conductive regulation and creating a mass micro loan movement.[3] Loans were granted on short-term basis and installments were scheduled on weekly basis.[4]

The Rural and Community banks were established in 1976. These banks play very important role in micro loan in the country. They were established specifically to advance loans to small enterprises, farmers, individuals and others within their catchment areas and also provide opportunity for people to save their excess monies.[5]

Most of the research studies showed that micro loan could provide a lot of positive results on people's household economy such as creating more job opportunities, increasing household incomes, building up women's abilities, improving household education and family welfare. However, micro loan could also be a heavy responsibility for people too. When people used financial service, they could increase household income more easily than before buy more household's assets and improve their living standards. Especially the group of poor households who have used micro loan to change their daily livelihood by preparing their future plans such as household investment and income, building and fixing their houses, improving family welfare and education.

In Batticaloa district the number of Micro loan institutions has increased significantly especially in this last decade.[6] A number of people borrowed funds from those MCIs to set up their economic activities but up until now there has been no research study that shows how micro-loan affects people's lives. Therefore, this study was conducted to find out the impacts of micro-loan on women's living status. There are fourteen divisions in Batticaloa district. This study going to focused on Manmunai North division.

Problem Statement

The impact of micro loan on women's livelihood is an important issue. Thus, the main idea of this study is to examine whether or not the independent variable factors (micro loan) taken into consideration in this study can influence the women's livelihood. In order words, the issue of concern is how the micro loan influences on women's livelihood in Manmunai North division. The terms microfinance and micro loan are often used interchangeably, but it is important to highlight the difference between them because both terms are often confused.

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[1] Alexander Ferka (JULY, 2011)
[2] K. Srnec, E. Svobodova (2009)
[3] Mohammad Arifujjaman Khan Mohammed Anisur Rahaman (2007)
[4] https://www.essaysauce.com/free-essays/finance/microcredit.php [Accessed 26.02.21]
[5] Baidoo Tawiah William (April, 2014)
[6] V. Navirathan (October 2018)

Sinha states that "microcredit refers to small loans whereas microcredit is appropriate where NGOs and MFIs supplement the loans with other financial services such as savings and insurance". Therefore, micro loan is a component of micro loan in that it involves the provision of credit to the poor whilst microcredit add on non-credit financial services such as savings, insurance, pensions and payment services (Ayertey, 2008). According to common definition of ADB (2000), micro credit is the provision of a broad range of financial services such as credit saving insurance and money transfer for low-income individual or households. The term low income used in the definition of micro loan is a relative concept. It varies from countries to countries or even among different areas within country. Throughout the 1980s and 1990s the original methodologies and bucked conventional wisdom about financing the poor repay their loans willing and able to pay interest rates that cover the cost financial services for the poor have proved to be a powerful instrument for prove build assets, increase incomes and reduce their vulnerability to economics stress. But people still lacking access to basic financial services, especially the very poor through services to them remains.[7]The issue is these Microcredit Institutions (MCIs) and their activities having impact on the women's livelihood. Has the poverty level reduced in those areas as has been trumpeted to be the miraculous nature of micro loan?

Research Question

In order to gain an insight and understand the relationship, if any, impact of microcredit on women's livelihood in Manmunai North division, the following questions below are addressed in the course of the study.

1. What association exists between micro loan and women's livelihood in Manmunai North division?

2. Is there any relationship between micro loan and women's livelihood in Manmunai North division?

3. To what extend micro loan impact on women's livelihood?

Research Objectives

The main objective of this study is to examine impact of micro loan on women's livelihood in Manmunai North division.

- To examine the relationship between micro loan and women's livelihood.

- To examine which micro loan institution is mostly consumes by people in Manmunai North division.

- To give suggestion to micro loan institutions.

Signification of the study

This study investigates the impact of micro loan on women's livelihood changes in Manmunai North division of Batticaloa district. This consists of 48 towns and villages. Understanding whether or not micro loan services are really effective economically empowering women has important policy implication. In this regard the study made important findings regarding the impact of micro loan on women's livelihood. Since micro loan can

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[7] Jonathan Morduch (Dec.1999)

increase the availability of capital developing income generating micro loan in institutions and rural agriculture while providing savings and other financial products at village level for increasing the financial security of the poor and low-income persons. Due to this micro loan has emerged as major instruments top provide financial facilities to low-income group clients including the small entrepreneurs. Because of this, in recent times there is a huge demand foe micro loan activity all over the world. Especially in developing countries like Sri Lanka. This reflected in rapid growth of the number of institutions engaged in micro loan activity. If the micro loan is to be a good financially performance. Main purpose of this study gives the awareness to women to get the micro loan in relevant institutions.

- Most of women do not know that how to get and where to get. But this research gives the hand to make better decisions.

- Findings of this research will highlight the present situation of the micro loan activities in Manmunai North division.

- Finding of the research will help to the institutions to find the relationship between micro loan and women's livelihood.

- Manmunai North division women have more opportunity now to get the micro loan in different institutions although all of the, do not have full knowledge about that. Therefore, researchers believe that study guide to women to make decisions.

- This study helped to determine about micro loan. Here all people not only the Manmunai North division but also entire country can understand about micro loan factors how to link with their livelihood.

RESEARCH METHODOLGY

Target Population

Micro loan institutions are rapidly increasing in Batticaloa district.[8] The researchers selected LOLC, COMMERCIAL CREDIT, PIMPUTH, ALLIANCE, HNB, GRAMING institution in this district. This research is undertaken based on five years data of each institution. Generally micro loan provides financial security to poor and low-income people. The researchers choose this topic to find how micro loan impact on women's livelihood.

Sample Selection

This study had been organized to collect data from the respective residential women who have involved with microcredit in Manmunai North division. To make the selection effective sample is collected through Stratified random sampling techniques. This study is concerned with microcredit and its impact women's livelihood. When the research population is seen large or in extreme, the researchers mostly use samples of research because it is difficult to take as a whole for the research. Regarding the research there are 47,081 women's living in Manmunai North division.[9] So, researchers have selected 150 women for research purpose in Batticaloa district. Stratified random sampling techniques were used to get a total of 100 respondents.

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[8] National Microfinance Study of Sri Lanka: Survey of Practices and Policies, June 2002, Colombo.
[9] Population Distribution by GN Division for Manmunai North Divisional Secretariat - 2018

Sample population of Manmunai North division

Table 1: *Population of Manmunai North division*

Place	Agriculture	Self-occupation	Fishing	Retail shop	Others
Thiraimadu	1021	220	95	34	16
Koolavady	765	187	72	18	09
Sathurukondan	580	146	69	23	23
Arasady	326	97	20	12	15
Amirthakali	216	88	05	30	10
al	**2908**	**738**	**261**	**117**	**73**

Source: Survey Data, 2020

Data Collection Techniques

The primary data consist of collection by questionnaire, discussion, time and expenditure would be needed for these secondary data are collection from the office document in the micro finance institutions and banks. These secondary data would have already obtained and properly arrayed.

Questionnaire:

Data is collected through questionnaire. The questionnaires consisting microcredit and women's livelihood. These questions are used to collect data for measuring self-evaluation of the women's livelihood.

Table 2: *5-point Likert scale for questionnaire*

Totally accept	accept	Do not accept	Not decided	Totally do not accept
1	2	3	4	5

Source: https://www.wallstreetmojo.com/likert-scale/

Based in the questionnaire the researchers can be able to identify that there is an impact of microcredit and women's livelihood.

Data Analysis

To measure data, 5-point Likert scale from strongly agree to strongly disagree was used. SPSS (Statistical Package for Social Science) version 20.0 was used to analyze the responses obtained from questionnaires. The correlation analysis was used to measure the magnitude and the direction of the relationship between microcredit and women's livelihood. The significance level of the correlation coefficient is considered to explore the meaningful linear relationship between the variables. In addition, multivariate regression technique is used to quantify the relationship between variable.

The data analysis part was done by using the statistical method to the analysis of data obtained from primary source. Data analysis was done by using descriptive statistics such as mean, media, and standard deviation method.

Statistical Tools in the Study

Correlation (r)

To identify the relationship between microcredit and women's livelihood. If change in the value of one variable, it accompanied by change in the value of another variable, the two variables said to be correlated.

This analysis measures the relationship between two data that are scaled to be independent of the unit of measurement. The value of the co-related rations calculated through the following formula.

$$r = \frac{n(\sum XY) - (\sum X)(\sum Y)}{\sqrt{[n(\sum X^2) - (\sum X)^2][n(\sum Y^2) - (\sum Y)^2]}}$$

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Regression:

To find out the impact of microcredit on women's livelihood. In general, regression analysis describes the mathematical equation, that best first the value recorded for the two variables. While nonlinear equations may be used for this purpose, the researchers limit the discussion to regression equation of the linear (Strength line) type. The purpose of this analysis is to predict or estimate what a dependent variable will be for a given values of independent variable. Simple regression is used to find out relationship between of microcredit and women's livelihood determines a best fit equation of the firm.

Y = a + bX

Where,

Y – Dependent Variable.

a – Y intercept of the equation.

b – Slope of the equation.

X – Independent Variable.

In this research, microcredit is independent Variable (X) and women's livelihood is dependent variable (Y). Regression will be help to draw the regression line and hence will show the relationship between characteristics of microcredit and women's livelihood.

Conceptual Framework

In this research the main problem is that how impact microcredit on women livelihood. This problem could be conceptualized based on the factors assumed that can cause for this problem.

Figure 1: *Conceptual Framework Model*
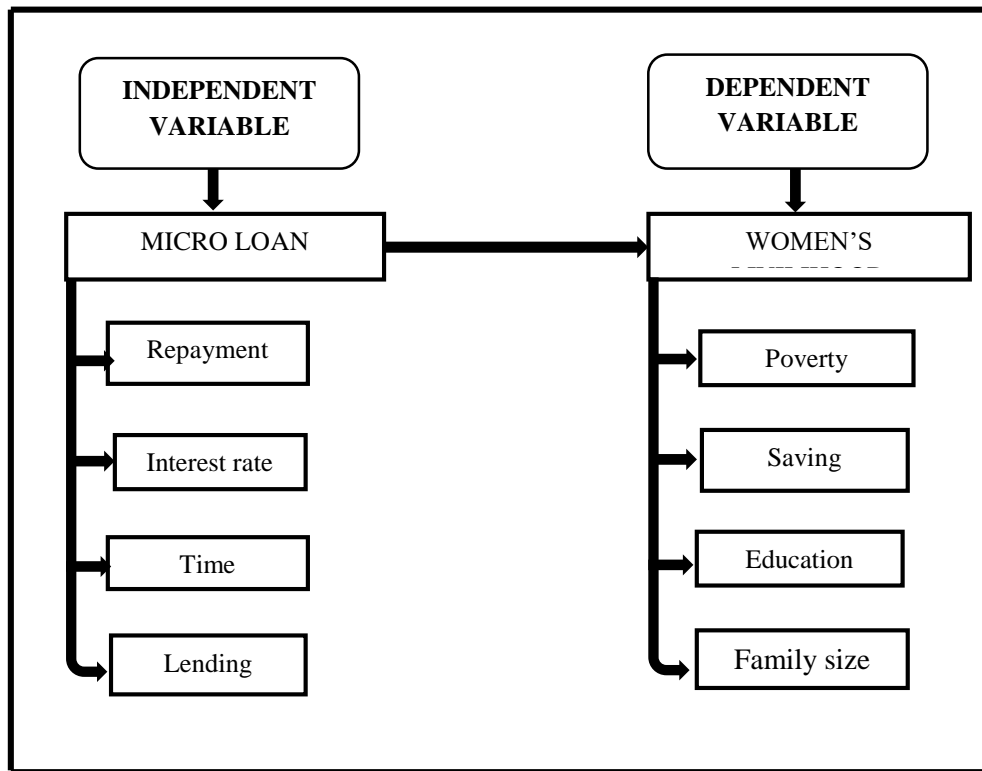
Source: Survey Data, 2020

Key Variables and Measurement

Table 3: *Variables*

Concept	Variable	Indicator	Measurement
Microcredit	Repayment	Questionnaire	Questionnaire Q14,Q23
	Interest rate	Questionnaire	Questionnaire Q17-Q21
	Lending	Questionnaire	Questionnaire Q25,Q26,Q27
	Time	Questionnaire	Questionnaire Q24
Women's livelihood	Poverty	Questionnaire	Questionnaire Q28,Q29
	Saving	Questionnaire	Questionnaire

			Q13,Q15,Q16
	'Education	Questionnaire	Questionnaire Q30,Q31
	Family size	Questionnaire	Questionnaire Q 32, Q33

Source: Survey Data, 2020

Microcredit:

In this studies microcredit is independent variable. Microcredit is the extension of very small credits to impoverished borrowers who typically lack collateral, steady employment and a verifiable credit history. It includes lending, repayment, interest and payment.

Livelihood

Livelihood is a dependent variable of this studies. A livelihood is a means of making a living. It encompasses people's capabilities, assets, income and activities required to secure the necessities of life. It includes poverty, education and family size.

The variables have been operationalized into indicators and for which measurements have also used. Methodology has included the population and sample, development method of questionnaire, questionnaire administration, data analyze and data evaluation. The descriptive statistical analysis and factor analysis are used to get the results of the research study.

RESULTS AND DISCUSSION

In this research the process is undertaken from the pattern of the classified schedule of data. In a way the data collected is presented in tabular and graphical form. This data presentation includes the common data also such age, income level, education, family size and so on.

Percentage analysis on the basic Background of women's livelihood or Profile of the women's livelihood.

The percentage analysis is very easy method for analysis the data. Here, all variables are analyzed totally and in terms of personal information about women. There are a total twelve of questions asked under the women's demographic part which included age, civil status, family size, education qualification, occupation, microcredit institutions, purpose of microcredit, income before you got the loan, kind of microcredit, times of you got the microcredit loan, amount of microcredit and so far, background of women are given on the basis of the following.

Percentage Analysis on the basis of women age

Table 4: *Analysis on the basis of women age*

		Frequency	Percent	Valid Percent	Cumulative Percent
	18-25	17	17.0	17.0	17.0
	26-30	45	45.0	45.0	62.0
Valid	31-40	22	22.0	22.0	84.0
	<40	16	16.0	16.0	100.0
	Total	100	100.0	100.0	

Source: Survey Data, 2020

The Table 4 and Figure 2 exhibit those, majority of the respondent are in the age group of 26-30 years constituting 45.0%. The age group of 31-40 years is 22.0% which is higher than that in contrast 22.0% of respondents are with the age group of 18-25 years, which is higher than those age groups of 18-25 years are with 17.0%. On the other hand, small percentages of respondents are in the age of over <40 years with constituting 16.0%.

Percentage Analysis on the basis of Civil Status

Table 5: *Percentage Analysis on the basis of Civil Status*

CIVIL STATUS					
		Frequency	Percent	Valid Percent	Cumulative Percent
	UNMARRIED	17	17.0	17.0	17.0
Valid	MARRIED	83	83.0	83.0	100.0
	Total	100	100.0	100.0	

Source: Survey Data, 2020

According to the Table 5 and Figure 3, major proportions of respondents are married entrepreneurs consisting 83.0%. On the other hand, 17.0% of respondents are unmarried.

Percentage Analysis on the basis of Family Members

Table 6: *Percentage Analysis on the basis of family members*

FAMILY MEMBERS					
		Frequency	**Percent**	**Valid Percent**	**Cumulative Percent**
Valid	1-2	12	12.0	12.0	12.0
	3-5	53	53.0	53.0	65.0
	6-8	32	32.0	32.0	97.0
	9-10	3	3.0	3.0	100.0
	Total	100	100.0	100.0	

Source: Survey Data, 2020

According to the Table 6 and Figure 4 denotes the 53.00% of women has 3-5 range family members. That is higher percentage. 32.00% of women has 6-8 range family members, 12.00% of women has 1-2 family members, 3.00% of women has 9-10 family members. That is lowest value.

Percentage Analysis on the basis of Educational Qualification

Table 7: *Percentage Analysis on the basis of Educational Qualification*

EDUCATIONAL QUALIFICATION					
		Frequency	**Percent**	**Valid Percent**	**Cumulative Percent**
Valid	PRIMARY	13	13.0	13.0	13.0
	SECONDARY	26	26.0	26.0	39.0
	G.C.E.ODINARY LEVEL	28	28.0	28.0	67.0
	G.C.E.ADVANCE LEVEL	24	24.0	24.0	91.0
	GRADUATE	9	9.0	9.0	100.0
	Total	100	100.0	100.0	

Source: Survey Data, 2020

The Table 7 and Figure 5 depicts that majority of the women are in the educational qualification 28.0% of G.C.E O/L, 26.0% of secondary, 24.0% of G.C.E advance level, 13.0% of primary and 9.0% of graduate.

Percentage Analysis on the basis of Occupation

Table 8: *Percentage Analysis on the basis of Occupation*

OCCUPATION					
		Frequency	**Percent**	**Valid Percent**	**Cumulative Percent**
Valid	AGRICULTURE	17	17.0	17.0	17.0
	SELF OCCUPATION	31	31.0	31.0	48.0
	FISHERING	28	28.0	28.0	76.0
	MINOR BUSSINESS	20	20.0	20.0	96.0
	OTHERS	4	4.0	4.0	100.0
	Total	100	100.0	100.0	

Source: Survey Data, 2020

Figure 2: *Percentage Analysis on the basis of occupation of the women*
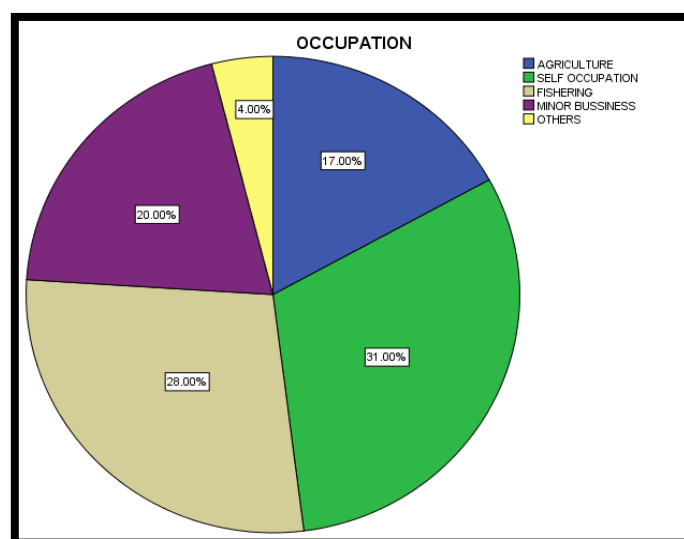
Source: Survey Data, 2020

According to the Table 8 and Figure 6 denotes the 31.0% of women's loan occupation is self-occupation, 28.0% of women's loan fishing, 20.0%of women's loan minor business, 17.0% of women's loan agriculture and 4.0% of women's loan others.
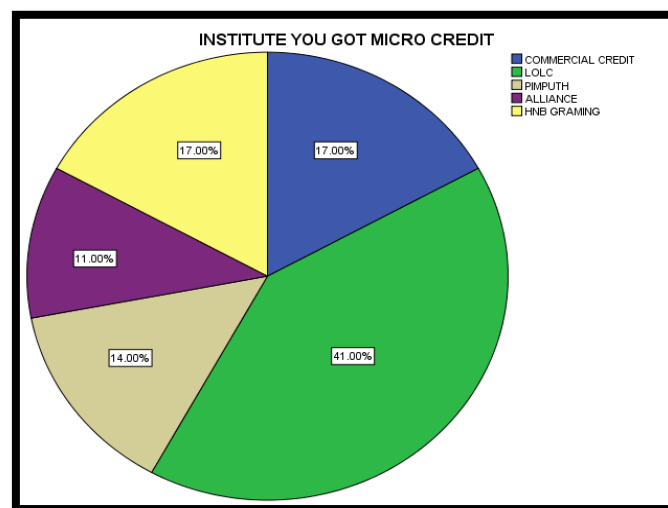
Percentage Analysis on the basis of Institute You Got Microcredit

Table 9: *Percentage Analysis on the basis of Institute You Got Microcredit*

INSTITUTE YOU GOT MICRO CREDIT		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	COMMERCIAL CREDIT	17	17.0	17.0	17.0
	LOLC	41	41.0	41.0	58.0
	PIMPUTH	14	14.0	14.0	72.0
	ALLIANCE	11	11.0	11.0	83.0
	HNB GRAMING	17	17.0	17.0	100.0
	Total	100	100.0	100.0	

Source: Survey Data, 2020

Figure 3: *Percentage Analysis on the basis of Institute You Got Microcredit*

Source: Survey Data, 2020

According to the Table 9 and Figure 7, 41.0% of women got loan from LOLC, 17.0% of women got loan from commercial credit and HNB Graming, 14.0% of women got loan from Pimputh and 11.0% of women got loan from Alliance.

Percentage Analysis on the basis of Purpose of Microcredit

Table 10: *Percentage Analysis on the basis of Purpose of Microcredit*

PURPOSE OF MICROCREDIT					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	AGRICULTURE	18	18.0	18.0	18.0
	SELF OCCUPATION	36	36.0	36.0	54.0
	FISHERING	17	17.0	17.0	71.0
	MINOR BUSSINESS	29	29.0	29.0	100.0
	Total	100	100.0	100.0	

Source: Survey Data, 2020

According to the Table 10 and Figure 8, 36.0% of women's loan purpose is Self-occupation, 29.0% of women's loan purpose is minor business, 18.0% of women's got loan purpose is agriculture and 17.0% of women's got loan purpose is fishing.

Percentage Analysis on the basis of Income before You Got Microcredit

Table 11: *Percentage Analysis on the basis of Income before You Got Microcredit*

INCOME BEFORE YOU GOT MICRO CRDIT					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	>5000	17	17.0	17.0	17.0
	5000-10000	38	38.0	38.0	55.0
	10000-15000	42	42.0	42.0	97.0
	15000-20000	3	3.0	3.0	100.0
	Total	100	100.0	100.0	

Source: Survey Data, 2020

According to the Table 11 and Figure 9, 42.0% of women's income is Rs.10000- Rs.15000, 38.0% of women's income is Rs.5000-Rs.10000, 17.0% of women's income is Rs.>5000 and 3.0% of women's income is Rs.15000-Rs.20000.

Percentage Analysis on the basis of Kind of Microcredit

Table 12: *Percentage Analysis on the basis of Kind of Microcredit*

KIND OF MICRO CREDIT					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	SUSTENANCE LOAN	9	9.0	9.0	9.0
	SELF OCCUPATION	49	49.0	49.0	58.0
	GROUP LOAN	38	38.0	38.0	96.0
	INDIVIDUAL LOAN	3	3.0	3.0	99.0
	GUARANTY LOAN	1	1.0	1.0	100.0
	Total	100	100.0	100.0	

Source: Survey Data, 2020

According to the Table 12, 49.0% of women's kind of loan is self-occupation, 38.0% of women's kind of loan is group loan, 9.0%of women's kind of loan is sustenance loan, 3.0% of women's kind of loan is individual loan and 1.0% of women's kind of loan is guaranty loan.

Percentage Analysis on the basis of Amount of Microcredit

Table 13: *Percentage Analysis on the basis of Amount of Microcredit*

AMOUNT OF MICROCREDIT					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	20000-50000	33	33.0	33.0	33.0
	50000-80000	38	38.0	38.0	71.0
	80000-100000	26	26.0	26.0	97.0
	100000-150000	3	3.0	3.0	100.0
	Total	100	100.0	100.0	

Source: Survey Data, 2020

According to the table 13, 38.0% of loan amount is Rs.50000-Rs.80000, 33.0% of loan amount is Rs.20000-Rs.50000, 26.0% of loan amount is Rs.80000-Rs.100000 and 3.0% of loan amount is Rs.100000-Rs.150000.

Descriptive Statistics

To assess how the microcredit impact on women's livelihood, the following data is presented as descriptive statistics.

The below Table 14 clearly shows minimum, maximum, mean and standard deviation for lending, repayment, interest rate and time. Lending has 6 of minimum value, 10 of maximum value and 7.69 of mean which is indicated high level contribution. Repayment has 2 of minimum value 4 of maximum value and 2.73 of mean which is indicated low level commitment. Interest rate has 5 of minimum value13 of maximum value and 6.87 of mean which is indicated high level contribution. Time has 1 of minimum value 2 of maximum value and 1.52 of mean which is indicated low level commitment. Saving has 3 of minimum value, 7 of maximum value and 4.34 of mean which is indicated moderate level contribution. Poverty has 2of minimum value, 4 of maximum value and 3.02 of mean which is indicated moderate level contribution. Education has 2 of minimum value, 6 of maximum value and 3.05 of mean which is indicated moderate level contribution. Family size has 2 of minimum value, 5 of maximum value and 3.07 of mean which is indicated moderate level contribution.

Table 14: *Descriptive Statistics*

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
Lending	100	6	10	7.69	1.125
Repayment	100	2	4	2.73	.633
Interest rate	100	5	13	6.87	1.600
Time	100	1	2	1.52	.502
Saving	100	3	7	4.34	.977
Poverty	100	2	4	3.02	.853
Education	100	2	6	3.05	.936
Family Size	100	2	5	3.07	.879
Valid N (listwise)	100				

Source: Survey Data, 2020

FINDINGS OF THE STUDY

Based on the correlation and regression analysis many findings related to the relationship between microcredit and women's livelihood are identified.

The value of correlation between lending and women's livelihood in Manmunai North division is 0.55 which is not significant at 0.05 levels, represents weak positive relationship between the lending and women's livelihood in Manmunai North division. That is rejected. Previous study of Keller and Siegrist, (2006) is also said that. The relationship between

repayment and women's livelihood in Manmunai North division is represented a weak positive correlation with value of correlation between repayment and women's livelihood is 0.300 which is significant at 0.01 levels. That is accepted.

The value of correlation between interest rate and women's livelihood in Manmunai North division is 0.289 which is significant at 0.01 levels, represents weak positive relationship between interest rate and women's livelihood in Manmunai North division. That is accepted. According to prior study of Breckler &Wiggins, (1989) is identified that relationship of interest rate and women's livelihood. The value of correlation between time and women's livelihood in Manmunai North division is 0.042 which is not significant at 0.01 levels, represents weak positive relationship between the time and women's livelihood in Manmunai North division. That is rejected. That relationship is proved by previous study of Sitkin and Weingart (1995).

According to the results of regression coefficient it presents specification of four variables (lending, repayment, interest rate, time) reveled the ability to predict decision making (R^2=0.164). Respective R2 value is 0.164 denotes that 16% of the observed variability in women's livelihood can be explained by the differences in all independent variables. The remaining 84% of the variance in decision making is related to other variables not depicted in this research. In this results, t values are significant for independent variables namely interest rate and repayment (Sig< 0.01). Both variables have a positive coefficient, which means microcredit increases with the increasing level interest rate and repayment.

The research concentrated on lending, repayment, interest rate, time attitudes as factors determining microcredit in the Manmunai North division. However, the study recognizes that there are other areas which need to be explored in explaining the microcredit on the Manmunai North division. The following areas are recommended for further research.

CONCLUSION AND RECOMMENDATIONS

Conclusion

This research has shown that women are more likely to get the loan where performance is over long periods due to a lower interest rate than when presented with a succession of short period return. And when making decisions, people tend to be influenced by what can be readily remembered.

The success of the women livelihood depends upon how microcredit impact on women's livelihood in order to achieve their objectives and goals. The interest rate and repayment are mostly influenced on microcredit and women's livelihood but all of the independences variables are positively related to the women's livelihood. Therefore, women try to develop their microcredit factors to increase their operational and future decision on microcredit to achieve return.

Recommendations

Suggestion to manage microcredit and women's livelihood. In this analysis, it is given that how microcredit impact on women's livelihood. So, suggestion is presented to manage the microcredit and women's livelihood. Some of Suggestions are given below.

- There should be improvement in the microcredit activities in Manmunai North division. women should be having microcredit knowledge and about the microcredit activities.

- There is need for financial institutions like LOLC, Commercial credit and other institutions. And this will help them provide a more microcredit loan facilities and information when get the loan.

- We can encourage participation from household to get the loan so that company will also get customer base and the margin will increase.

- People give more importance to self-occupation so as per their likings more opportunities should be provided.

- The communication should be increased and more personalized service should be given to get the loan to earn trust and long run relationship.

- Many times, it may happen that people land up in mess or huge losses due to higher interest and not proper information or guidance, and if they want to know where they are going? A financial planner would do a world of good to them.

- We must put up some "microcredit literacy campaign" as many people are still not having the loan knowledge.

The research concentrated on lending, repayment, interest rate, time attitudes as factors determining microcredit on the Manmunai North division. However, the study recognizes that there are other areas which need to be explored in explaining the microcredit on the Manmunai North division. The following areas are recommended for further research.

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