

The Role of Micro credit and Micro Finance Institutions (MFIs)

- Extent and Intensity of poverty, poverty alleviation and Outreach

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Abstract

This study is about micro credit and its contribution to the improvement and poverty reduction for millions of the poorest people of Bangladesh. Micro credit has a huge impact on the lives of millions of poor people particularly to women. Numerous scholars and NGOs have been working with micro credit to reach poor people, who are still not benefited by the conventional financial system. In this study, it has been tried to present evidence of the important contributions made by micro credit in the eradication of poverty by increasing the income generating activities, empowerment of poor people to access development services such as health and education, and reduction in vulnerability. Micro credit is now being considered as one of the most important and an effective mechanism for poverty reduction. Present study describes about micro credit activities and helps to investigate the impact of micro credit on the poor people of the society with the main focus on target people of the study area. Researcher mainly concise this study through client's (the poor people, who borrowed loan from micro credit institutions) perspective and build up this research based on questionnaire survey and field observation. Therefore, the objective of this study is to show how micro credit works to improve the quality of poor targeted groups and reducing poverty and how it affects the living standard (income, saving & health etc.) of the poor people in study area. Several micro credit institutions are working in the study area. Grameen Bank, BRAC, ASA and PROSHIKA are some of the prominent of them. These institutions are working tremendously to the empowerment, poverty reduction and improvement of living standards for the poor people in the study area.

Keywords: Micro credit, MFIs and Poverty alleviation.

1. Introduction

Landlessness, low income and unemployment characterize rural Bangladesh, resulting in a high incidence of poverty. About 50 percent of its population lives below the poverty line. Keeping this in view, Bangladesh has been undertaking or implementing rural development and poverty reduction program since its emergence in 1971 both at government organizations and non-government organizations (NGOs) levels.

In respect of poverty reduction, principal instruments of NGOs program involve micro credit, skill development and employment generation (Chowdhury et al 1997)

It is estimated that nearly 80 percent of the villages in Bangladesh are now covered under NGOs activities but not necessarily 80 percent of the poor who need help. About 13000 NGOs are engaged in micro credit operations. The overwhelming majority of these NGOs are small: the few large NGOs are Grameen Bank, BRAC, Proshika and ASA. About 95 percent of Micro credit disbursed by the NGOs in the rural areas. As of June 1999, the total number of active members benefiting from NGO program stood at 8.7 million and 85 percent of the beneficiaries being women. Micro credit is provided to the poor for self-employment, income-generating activities and afforestation and other poverty reduction program (Hashemi 2002)

In Bangladesh about 80 percent of the people live in rural areas and more than 75 percent of it depends on agriculture .It is the seventh most popular country of the world. The performance of Bangladesh is also poor in terms of human development .The poverty situation deteriorated day by day due to increasing landlessness and slow growth of productive non-firm activities (Zahir, 2000). NGOs working innovation led to a concentration of efforts into small-scale, home-based income-generating activities such as cattle and poultry rearing, food processing, social forestry, apiculture and rural handicrafts, combined with the provision of micro credit, to which the landless had previously been denied. As the economy of the country is predominantly rural, the government of Bangladesh had been undertaking and implementing rural development and poverty reduction activities since long. Rural development program was given importance in all five-year plans in varying degrees to promote overall development of the rural poor.

The overall findings showed that among the BRAC members there have been gradual improvements in the indicators such as wealth, revenue earning assets, value of house structures, the level of cash earned, per capita expenditure on food and total household expenditure (Husain et al 1998).

Empirical studies on micro credit program of two other large NGOs, viz., Proshika and ASA, produced similar positive impact. The impact assessment of Proshika conducted in 1998-99 found positive results of its program in terms of increased income, savings, school enrollment rate, and reduction in infant mortality and improvement in gender relations (Proshika 1999).

The impact assessment of ASA program on its participants also showed positive results indicating an annual growth of 5-7 percent compared to the control group, increase in food consumption, improvement in health and child education, and higher increase in assets (Bruntrup et al.1997).

This study is about micro credit and its contribution to the improvement and poverty reduction for millions of the poorest people of Bangladesh. Micro credit has a huge impact on the lives of millions of poor people particularly women. Numerous scholars and NGOs have been working to take micro credit within the reach of poor people, who are still not benefited by the conventional financial system.

2. Objectives of the Study:

1. To Know the geography and environmental condition of the study area,
2. To identify the socio-economic characteristic of the respondents in the study area,
3. To evaluate the impact of micro credit in poverty reduction in the study area,
4. To evaluate the comparative poverty Reduction strategy of BRAC, ASA and Grameen Bank of the study Area.

3. Methodology of the Study:

3.1 Selection of the Study Area

In the light of the above criteria initially it's very difficult to select an area, as a number of rural areas of Bangladesh bear the aforesaid characteristics. But after depth studies its help me to select this study area because it's the model union for micro credit program and national leading NGOs working in the union about last 16 years. That is why one union of lakshmipur district under Sadar Upazila has been selected for this study.

Sample has been collected by random sampling technique for the study and interviewed the people who are already involved in micro credit activities. Therefore, the accuracy of the data analysis heavily relies on the data provided by the people. It is apparent that women become the primary target of the micro credit program because of their socio cultural vulnerability. The micro credit programs extend for women, but in the household women often pass their loans to men. Men take control over women's loans, and this loan is used to meet the emergency consumption needs of the household. In this system, women borrowers often lose control over their loans but bear the consequences of the debt burden in their households and loan centers. Its also finds out that geo-spatial condition influence the local poverty level and proper utilizes this opportunity would help to reduce the poverty.

3.2 Criteria for Selection of the Study Area

The selection of the study area was based on the following criteria:

1. Its must be the area which are covered by national leading NGOs activities (Grameen Bank, ASA, BRAC and Proshika etc).
2. Geography and environmental condition is also considered for this purpose.
3. Its must be area where the Grameen Bank is the model bank (Branch office) in the greater Noakhali district in term of its micro credit distribution and poverty reduction program from the last 16 years.
4. Its should be the area where the rate of distressed and destitute women is high.

3.3 Source of Information

To complete the study the data and information have been collected from primary source as well as from secondary sources. Information gathered from the secondary sources helped us to get pictures, maps, and others official document from different NGOs and voluntary agencies works in poverty reduction in national scale in the study area and literature related to its study and so on. Different libraries (CDL, BIDS, GB, BBS and Public Universities) are used to collect secondary information's. Information has also collected from the newspapers and related journals. On the other hand, primary information's assembled from the study area.

3.4 Secondary Source Collection

Although the result of the research is highly dependent on the primary sources that gathered from the structured interview, but it also utilizes some secondary sources of information to understand the concepts, definitions, theories and empirical result. This research has consulted several books, research literatures, articles, journals and thesis, as secondary sources. Internet sources were also used as a secondary source for this thesis. Since for many reasons, the internet sources are less reliable; we have been used some limited sources of the web pages of prominent organizations like Grameen Bank, BRAC, ASA and PROSHIKA. Most of the sources, we tried to use, reliable and acceptable almost everywhere. Further, we have also used the handbooks and annual reports of some of the MFIs in Bangladesh. I had to go through numerous references related to this topic, to find the suitable materials. These materials were mainly collected from the university library and using available search tool.

3.5 Techniques of Data Collection

Interviews with the beneficiaries, observation and focused group discussion have been used to collect primary data and information to evaluate the performance of Micro credit in poverty reduction and for this purpose questionnaire method were followed. Different NGOs local office and activities location also located by using GPS and plot-to-plot survey method also applied to prepare land use map of the study area.

3.6 Sample Selection and Data Procedure

The population for study encompasses the people who have been engaged in micro credit activities for at least two years and live in this union. We chose the people with a long experience in micro credit activities because they are well informed and know much about the pros and cons about its activities, so they can reflect better to our questionnaire. We have used structured questionnaire for collecting the data by interviewing the clients attached to the MFIs. The people for the interview were selected randomly. To get the address and particulars of the interviewees in different areas, we took help from the local branches of MFIs and from the local people of the particular areas.

3.7 Techniques of Data Analysis

Collected data from the field has been processed both manually and by using computer. Simple and cross table has also been prepared manually as part of mathematical and statistical analysis of the collected data. On the other hand, computer used for the graphical presentation of the gathered data and information. Mean

of age, family size, and amount of arable land and standard deviation of monthly personal income, monthly expenditure, and amount of saving, amount of loan and yearly household income of the loan recipients has been ascertained. In data analysis statistical techniques has also been employed to determine the magnitude of improvement of living standards of the loanee and significances of the role of NGOs and others micro credit distributor organizations.

4. Findings of the Study

Micro finance is recognized as an effective tool to fight poverty by providing financial services to those who do not have access to or are neglected by the commercial banks and financial institutions. Financial services provided by micro finance institutions (MFIs) generally include savings and credit. According to an estimate, currently 67.61 million people around the world have access to micro financing. This number is expected to grow steadily in the future since the target is to reach 100 million poor people with credit by the end of the year 2015. The main features of the micro credit institution which differentiate it from other commercial institutions are, it is (1) a substitute for informal credit; (2) generally requires no collateral; (3) have simple procedures and less documentation; (4) mostly group lending; (5) easy and flexible repayment schemes; (6) financial assistance of members of group in case of emergency; (7) the most deprived segments of population are efficiently targeted, and the last but not least is (8) groups interaction with each others. The major objectives of micro credit schemes are: (1) to stop exploitation of the poor caused by expensive informal credit; (2) to provide small loans to poor people at relatively lower cost as compared to accessible informal loans; (3) to finance economically and socially viable projects those cannot be financed otherwise; (4) to empower women within households as decision makers and in society through active economic participation; (5) to create maximum employment opportunities; (6) to create self sufficient and self-employed people and the most importantly; and (7) to reduce poverty, accelerate growth and improve the living standards on sustainable basis.

The NOVIB report on Bangladesh finds "The NGOs have not yet taken a pro-extreme poor approach to poverty .The same report also points out "The existing saving and credit program is designed for the moderate poor as because they have to repay loans on weekly basis". Since then a number of studies have been carried out by the NGOs to evaluate their own positions about targeting the extreme poor and all such studies have come up with the same finding that the participation of the poorest in their respective programs are very low.

4.1 Socio-economic Information of the Respondents

The people of Char Ruhita union were interview through formal questionnaire. Most of the interviews were conducted with age group 25-55 years. (**See appendix-1**) and interview mainly conducted with female respondents. Among the respondents most of them (76 Percent) are housewife followed by involved with cottage industry, business and service etc. most of the respondents can sign only (76.8 Percent), and only 10 Percent completed primary education. Most of the respondent's monthly income below Tk. 5000 and most of the respondent's house made of corrugated iron sheet.

Table-2 (**see appendix-2**) provides the information about the gender distribution of the respondents. It shows that 99.6 percent of the respondents were female and whereas 4 percent were male. The lion shares of the respondents were women that testify to the fact that most of the beneficiaries of micro credit are female because we have selected people randomly without any bias towards the gender. There are good reasons to target women by MFIs, because gender discrimination is one of the major causes of poverty, slower economic growth, weaker governance and lower standards of living and women are poorer and more disadvantaged than men. However, women contribute decisively to the well being of their family comparatively more than men. In terms of age, 68 percent of the respondents were in the age group of 25 to 40 years. 14.4 percent were less than 25 years of age and remaining 12.4 percent were 40 years and above. We also classified the respondents in terms of their educational experience. It could affect the way in which they manage and live their daily lives and manage the household and business. From this survey, we realized that many of our respondents had at least basic education (can sign only), which represents 76.8 percent of our sample, however 10.4 percent had primary and secondary educational experiences and rest of the 2.4 percent had no educational background (**See appendix-7**).

Our analysis shows that 50.8 percent of respondents had more than three members in their family, which indicates that respondents were either illiterate, or had no knowledge about family planning. 30.8 percent had 3 to 4 members and rest of the 3.6 percent had 0-1 members (**See appendix-10**)

We tried to find out how many family members each respondent have because a large family size usually has higher expenses than a smaller family. In microfinance field most of the business have sole proprietors. Family members contribute to this small-scale business as additional workers.

Therefore, we can see that more than 50 percent of the respondents were part of the large families, and at the same time higher proportion of the people did not have any business experience before joining MFIs. So indirectly, MFIs were able to reach and benefit more people than those formally linked to them, as when they provide the business opportunity to a large family, other members are also benefited naturally.

4.2 Housing Facilities of the Respondents

Housing facilities is one of the fundamental rights of human being. In the third world country like Bangladesh housing facilities is very poor. PROSHIKA and CARE (1999) study show that extreme poor own less than 50 decimal land live in thatched house have ten months' food deficit per calendar year both men and women sell labour year-round some of them begging for a living or involved in sharecropping have no educational facilities and if they have they don't send their children to school due their household problems or needs for child labour access to NGOs loan but have no bank facilities operational zing household livelihood security. From the study area, it is found that about 74 percent respondents live in corrugated iron sheet home, 20.8 percent respondents passing their life in semi katcha house 4.4 percent shelter them self in thatched house. This figure indicates the very poor condition of housing of study area

people.

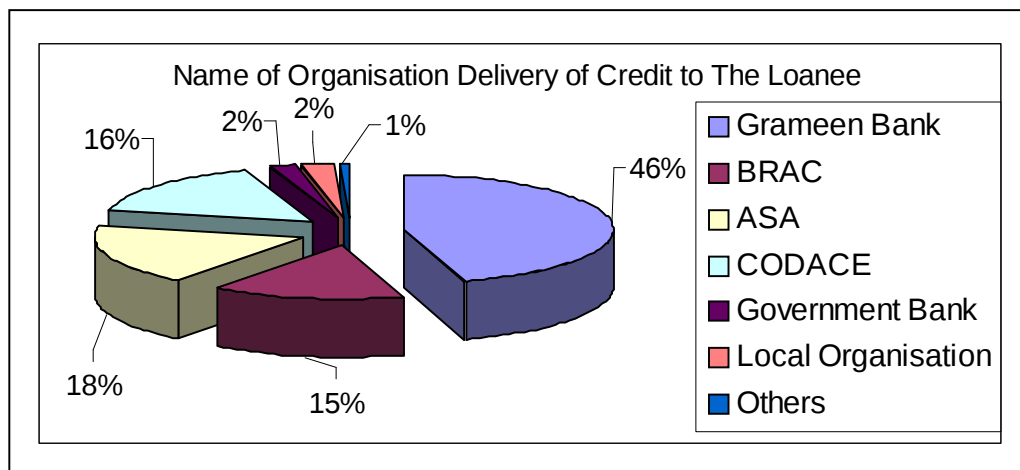
Table 5: Housing condition of the respondents.

Housing condition	Frequency	Percentage (Percent)
Semi-Katcha	52	20.8
Corrugated iron sheet	185	74
Thatched	11	4.4
Semi-pucca	2	.8
Total	250	100

Source: Field survey, 2008

4.3 Micro credit Program

Naved (1994) who finds that the women credit-program help them to improve their status and improved within the household due to the fact that they were seen as income earners for the family through their access to credit. The credit are delivered by mainly from



NGO followed by Grameen Bank, BRAC, ASA, CODAEC, etc. The study area is the model union in term of its credit delivery and recover rate (Grameen Bank).most of the NGOs have own office in the union headquarter and they disbursement of their credit in the remote area of the study union through their centre (Locally called Kandro) on the basis of groups.

The amount taken from the organization varies notably from Tk. 0-5000. The loan were received mainly for business purpose followed by house loan, agriculture etc. most of the people didn't face problem in case of repayment of loan. Group meeting are held in weekly basis and one group leader nominated for this purpose and after eight week one candidate considered as a loanee for get credit. After getting loan one should to repayment the loan as weekly basis and the respondent asked about repayment problem, they give answer that most of them not face problem to repayment of the installment.

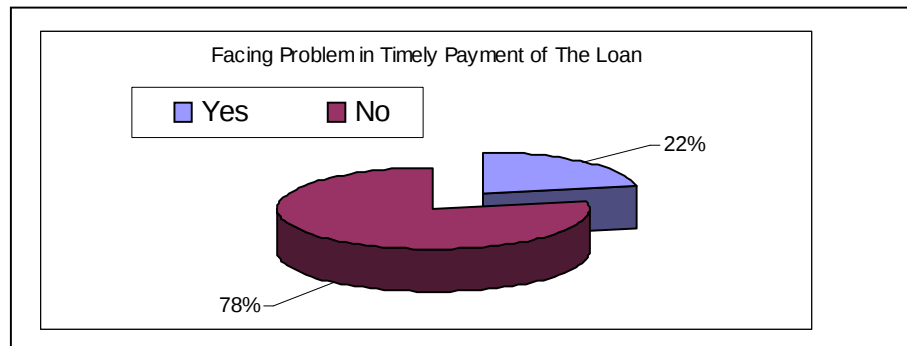


Figure 2: Facing problem in timely payment of the installment.

4.4 Amount of Installment Taken from MFIs

In the following figure, we analyzed the loans granted to individuals on three different scales, less than 5 thousand Taka, 5 to 10 thousand Tk and more than 10 thousand Tk. Majority of granted loans, around 60 percent are within 5000 Taka, which implies that MFIs basically emphasize on micro-credit. Few of respondents also got loan above 10,000 Tk, which goes into another criteria of loan offered by MFIs (See appendix-4). Indirectly, the result shows the lack of sufficient capital to start up a medium-scale business due to less amount loan offered by MFIs.

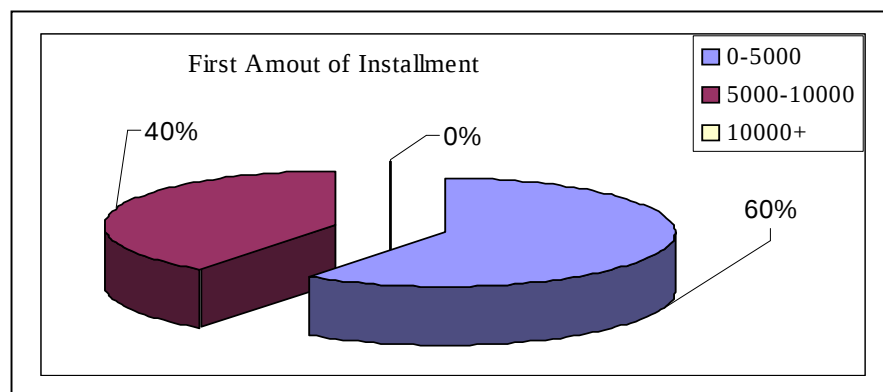


Figure 3: Nature of installment (Amount) getting from the NGOs

4.5 Micro credit Impact on the Loanee

It has been found that after getting loan the household. Wetland in term of land has decreased.

Table 6: Impact on land asset before and after getting loan.

Types of land	Decimal	Before (%)	After (%)
House hold	0-1	45	35
Shop	1-2	15	25
Wetland	2-3	26	15
Agricultural land	3-4	4	20
Garden	4+	10	5

Source: Field survey, 2008

On the other hand, shop, agricultural has increased. This implies that the loanee has invested in this sector. it is notable that non-land asset did not change notably (see appendix-9). Most of the respondents taking the loan in the purpose of house made and Business loan but they not use the loan in particular field but they utilized the credit personal aspect and as a result their land asset decreased after receiving credit due to recovery the weekly installment.

4.6 Occupational Structure

A notable change has been occurred during two-time period. Maximum housewife shifted to business, followed by agriculture, daily labour.

Table 7: Impact on occupational structure

Types	Before (%)	After (%)
Housewife	80	25
Agriculture	0	5
Business	5	45
Seasonal labour	0	0
Daily Labour	10	15
Service	3	10
Others	2	0

Source: Field Survey, 2008

4.7 Impact on Socio- economic Status

There are different ways to measure the impact of micro credit on income and consumption. First there is the borrowers' recall of the "before-after" situation. Using this method in the early 1980s, Hossain concluded that both per capita income and household income were positively associated with the amount of credit obtained from Grameen Bank.

The impact can also be gauged through member perception. On the basis of a survey of 1986 measuring borrower perception, Hossain found that 91 percent of Grameen Bank members improved their economic conditions after joining Grameen Bank the Impact of Micro credit in Bangladesh More recent research uses income and consumption as dependent variables for the measurement of micro credit programs' impact. Using this technique, most authors conclude that micro credit institutions can have a positive impact on combating poverty. Khandker takes the lead in this positive evaluation. Together with Chowdhury, he examines the impact of Grameen Bank and BRAC. They find for both institutions that a greater number of loans mean a lower incidence of poverty for all program participants.

It has been found that people's asset have increased after receiving credit. It has been also found that income has also increased. But negative have been found on school going children, their number decreased after receiving credit.

Table 9: Impact on school going children

Types	Before	After
Yes	51.2	23.2
No	49.8	76.8

Source: Field Survey, 2008

Respondents took treatment from government, local sources before receiving credit. After receiving credit local dependency increased together with derogative sources. Among public utilities electricity facilities have increased after receiving credit. Respondents thought their status have increased after receiving credit.

5. Result Discussion

The study area represents the rural Bangladeshi real features. It is also poor dominating area and micro credit program provide the villagers different size of loan to recovery their economics condition, NGOs wants to provide support to the marginal farmers who own more than .50 acre of land. This fact has situated the present research. This study reviews the operational mechanisms of micro credit program initiated by different country famous organization in village of Char Ruhita, sadar thana in Lakshmipur district and attempts to assess the efficiency of micro credit in reducing poverty in the study area.

The socio-demographic profile of the sample loaners reveals some interesting facts. According to the age group distribution majority falls into the age group of 25-35 years. This fact suggests that the credit program is targeted towards an actively working age group. It is also found that loanee are divided with religion basis and it is interesting to note that micro credit operations prefer disbursing loan to minority religion groups, as it is easier to recovery from them. Housewives of the households get priority in credit sanction; this is because NGOs aim to increase women involvement in livelihood projects through the provision of capacity building initiatives and direct access to income generating activities.

The literacy rate of the study areas respondents is very poor, only 76.8Percent can sign only, 10.4 percent complete primary education and there is no graduate. The prevailing literacy rate puts them into dark and suggests a low level of awareness regarding their dusting and role in the society.

Most of the loanee have no clear idea about service charge, they only sign security bank at the time of barrowing from the NGOs majority of the respondents are married because they have face some financial problem and their husband encourages them to take loan from the NGOs.

It is observed that the respondents increase their property like land and new land asset, but most of they get low land asset like furniture, ornaments, electronics home shed. They could not recovery their poority but their life expenditure increases after receiving credit. Few of them satisfied about their post loan economic condition.

6. Conclusion

The goal of this research was to study the impact of micro credit on reduction of poverty through improvement of living standards and increasing empowerment of poor and marginalized quarter of the society. The analysis of data using the survey I have done, demonstrates that almost 99 percent clients of MFIs are women and most of them just had primary education.

Most of the women started their business by taking loan from MFIs as compared to other sources. They were able to increase their income and provided not only with the financial help to their families but also had positive impact on other factors of daily life. These poor women brought about a positive change to their financial and social situation and started taking active part in the decision making process of the family and society.

The results obtained from my analysis regarding the success of increasing role in decision making process in the family, reveals that micro credit schemes are highly associated to build up of social and economic empowerment.

In addition, the analysis of the data obtained in this study indicates that the procedure of obtaining loans

from MFIs is easier than conventional banking. Based on my first hand experience of society back home and from my observation it can be no requirement of collateral to take the loan from MFIs have made it possible for everyone to join the formal monetary process. It is one of the most propitious reasons to take loan from MFIs unlike the conventional banking where collateral was the first and foremost requirement. Furthermore, results of this research portray that a significant portion of the respondents deem the interest rate of micro-credit is reasonable despite the fact that the interest rate of micro-credit is higher than commercial banking. Yet micro credit is becoming popular day by day among the poor people.

There are few reasons, which we can present here based on the experience we gathers while conducting this study. Firstly, all poor people can get loan from MFIs without any collateral. Secondly, the loan taking procedure is less complex than that of commercial banks. Thirdly, according to our findings most of the respondents were not aware of the interest rate of traditional banking system owing to not having easy access to information. What's more! They cannot compare the interest rates between the MFIs and conventional banks because of lack of education. Another underlying reason is that the services of conventional banking are not available in the villages.

As was explained in the analysis section, correlation analysis states that income and savings are positively correlated which implies that if income increases, the client's ability for savings also increases. If the savings increase, then there will be a positive impact on financial situation of the family. Henceforth, increase in income as well as savings is mostly associated with the establishment of economic empowerment because income, savings and employment opportunities are interrelated. The linear relationship among these economic components was also found in my study.

The study also established the conception about operational assistance of NGOs that affect positively to run the business successfully. This is also one of the reasons of micro-credit scheme being popular. It is an effective mechanism, which assists both lenders and borrowers. The borrowers get the guidelines from the MFI's workers to develop or to run the small business, which can hardly be expected from conventional banks. This is another reason of poor people to become MFIs oriented. Another impact of MFIs that was found to be important is the creation of employment opportunity. From the study, it can be interpreted that MFIs affect the creation of employment.

It was found from our observation that most of the family members of borrowers contributed to run the business directly or indirectly, unrelated to the matter that which member was sanctioned the loan. To sum up, it can be noticed from my overall analysis that there is significant impact of micro credit activities on improvement of the living standard of the family not only in economic term but also in social term. Amazingly, the relation between different factors of society and family became evident and clear, which were being neglected and not thought about during the period of existence of only conventional banking system.

From my study and research, I have come to the conclusion that there is a noticeable and positive impact of

micro credit activities on the living standards, empowerment and poverty reduction among the poor people in the society. If one can help, a poor person to stand on his own that cannot only bring about a revolution in their lives but also in the society.

It is also implies from my studies that poverty level are varies by spatial factor's like, soil fertility, climate condition and vegetation cover. On the other hand agricultural facilities in the study area also influence the poverty level.

The dream of a healthy and educated society with no discrimination and biased can be achieved through this simple thought, the dream which seems to be coming true and becoming practical. The hope of a life that no one will sleep hungry, no one will die due to lack of medication, and our children can read and write on their own and everyone will be the pillar of the society

7. Recommendation

Now Bangladesh is known as a micro-credit model country in the world and got Nobel Prize for its. Some successful cases are not the real feature. The policy of the poverty reduction can not be limited in the solution through micro-credit program only the program should be tailored in ways so that people could get opportunity to become self-employed. Credit operation system should be user friendly that would produce no negative impact.

In view of the above, following recommendation can be made for the NGOs leader, planners and concerned groups.

1. The target group selection should be area specific, often in village most have huge size of very poor and our should exit of them form an entire group. This requires especial sensitization of the group members and neglected overlapping problems.
2. Necessary measure should be taken so that the rural women get the scope in income generating activities.
3. Geo-environmental condition should be considered to implementation of micro credit program and taking strategies.
4. Income criteria for selection of loanee should be refixed. It should be lowered to an amount a poor and landless household can accumulate.
5. The rate of interest should be tolerable for the loanee.
6. Social welfare and health related social program should be made more and available.

7. Government and NGOs should incorporate continuous monitoring and assessment of the current micro credit operation system.

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Appendices

Appendix: 1 Age of the respondents

Age group	Frequency	Percentage (%)
15-25	36	14.40
25-35	70	28.00
35-45	66	26.40
45-55	47	18.80
55+	31	12.40
Total	250	100.00

Source: Field survey, 2008

Appendix: 2 Gender of the respondents

Gender	Frequency	Percentage (%)
Male	1	0.40
Female	249	99.60
Total	250	100.00

Source: Field survey, 2008

Appendix: 3 Occupation of the respondents

Occupation	Frequency	Percentage (%)
Housewife	190	76.00
Cottage Industry	42	16.80
Business	12	4.80
Service	6	2.40
Total	250	100.00

Source: Field survey, 2008

Appendix: 4 Facing problem in timely repayment of the installment

Types	Frequency	Percentage (%)
Yes	55	22.00
No	195	78.00
Total	250	100.00

Source: Field survey, 2008

Appendix: 5 Health conditions of the respondents

Health Condition	Frequency	Percentage (%)
Good	222	88.80
Bad	28	11.20
Total	250	100.00

Source: Field survey, 2008

Appendix: 6 Land assets before receiving credit

Land types	Decimal	Percentage (%)
Household	0-1	45
Shop	1-2	15
Wetland	2-3	26
Agricultural land	3-4	4
Garden	4+	10

Source: Field survey, 2008

Appendix: 7 Educational statuses of the respondents

Education level	Frequency	Percentage (%)
Illiterate	6	2.40
Can sign only	192	76.80
Primary	26	10.40
Secondary	26	10.40
Total	250	100.00

Source: Field survey, 2008

Appendix: 8 Land assets after receiving credit

Land types	Decimal	Percentage (%)
Household	0-1	35.00
Shop	1-2	25.00
Wetland	2-3	16.00
Agricultural land	3-4	20.00
Garden	4+	5.00

Source: Field survey, 2008

Appendix: 9 Purpose of receiving credit

Purpose of credit received	Frequency	Percentage (%)
Business loan	175	70.00
House loan	45	16.00
Agriculture loan	15	5.20
Others loan	15	4.80
Total	250	100.00

Source: Field survey, 2008

Appendix: 10 Family sizes of the respondents

Family size	Frequency	Percentage (%)
0-1	9	3.60
1-2	37	14.80
2-3	127	50.80
3-4	36	14.40
4+	41	16.40
Total	250	100.00

Source: Field survey, 2008

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