

**Assessing the Impact of Micro Credit on Well-Being of Self-employees in  
Kuliyapitiya-West Regional Secretary Division**

**R.P.T.D Weerasinghe**

Department of Finance, University of Kelaniya, Sri Lanka  
[thanu076@gmail.com](mailto:thanu076@gmail.com)

**Abstract**

Micro credit is primarily focused towards the investments in rural productive activities to improve the well-being of borrowers. One of the leading institutions which provide micro loans in Sri Lanka for self-employees is the DiviNeguma Community bank. This study attempts to assess the impact of micro credit on well-being of self-employees in Kuliyapitiya-West regional secretary division, with special reference to the DiviNeguma Community bank. This study is a survey based research with sample of ninety six (96) self-employees in Kuliyapitiya-West regional secretary division. A four stage stratified random sampling design was used to select sample beneficiaries from the DiviNeguma Community Banks. The sample will include self-employees who have obtained loans in the range from Rs.10, 000.00 ,Rs.25, 000.00 ,Rs.50,000.00 and Rs.100,000.00 from 2010 to 2011, from Dandagamuwa DiviNeguma Community Bank and commenced/continued their business through those loans. Both primary and secondary data were used in this study over 2009 to 2015. In before-after approach, variables like monthly income, monthly savings, monthly expenditure on consumption (only for foods other than education and health), monthly expenditure on children' education, monthly expenditure on health , housing condition and asset ownership were used for the comparison in between 2009 and 2015. Accordingly, there is a significant improvement in income of self-employees due to micro credit. In accordance with the improvement of income, their food consumption, improvement in condition of dwelling houses and improvement in asset ownership have also improved. But, an improvement in expenditure on children's' educations and health can't be seen in accordance with the income improvement directly. Ultimately, it can be concluded that the micro credit has a positive impact on well-being of self-employees in Kuliyapitiya-West regional secretary division.

**Keywords:** *Micro credit, Well-Being of self-employees, Before-After Approach, DiviNeguma Community bank*