Executive Summary

1. Background:

National Minorities Development & Finance Corporation (NMDFC) has various Lending and Promotional schemes for economic upliftment of minority communities specially belonging to low income groups. NMDFC has expressed their interest to get impact evaluation of its schemes implemented over the years by a specialized Government Agency. NMDFC through its official process has entrusted National Institute for Entrepreneurship & Small Business Development (NIESBUD) for conducting the Impact Evaluation Study of NMDFC schemes, specially Term loan and Microfinance scheme.

2. Coverage:
The evaluation study has been conducted in all the five zones of India and covering atleast two States per zone. In total 14 States have been covered to have an all India picture.

<table>
<thead>
<tr>
<th>S.No.</th>
<th>States</th>
<th>Districts</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Bihar</td>
<td>Purnea</td>
</tr>
<tr>
<td>2.</td>
<td>J&amp;K</td>
<td>Rajouri</td>
</tr>
<tr>
<td>3.</td>
<td>Chattisgarh</td>
<td>Raipur</td>
</tr>
<tr>
<td>4.</td>
<td>Kerala</td>
<td>Mallapuram</td>
</tr>
<tr>
<td>5.</td>
<td>Karnataka</td>
<td>Mangalore</td>
</tr>
<tr>
<td>6.</td>
<td>Maharashtra</td>
<td>Aurangabad</td>
</tr>
<tr>
<td>7.</td>
<td>Mizoram</td>
<td>Aizwal</td>
</tr>
<tr>
<td>8.</td>
<td>Punjab</td>
<td>Patiala</td>
</tr>
<tr>
<td>9.</td>
<td>Tamil Nadu</td>
<td>Coimbatore</td>
</tr>
<tr>
<td>10.</td>
<td>Rajasthan</td>
<td>Jaipur</td>
</tr>
<tr>
<td>11.</td>
<td>Gujarat</td>
<td>Ahmedabad</td>
</tr>
<tr>
<td>12.</td>
<td>West Bengal</td>
<td>24 Parganas South</td>
</tr>
<tr>
<td>13.</td>
<td>Nagaland</td>
<td>Dimapur</td>
</tr>
<tr>
<td>14.</td>
<td>Haryana</td>
<td>Yamunanagar</td>
</tr>
</tbody>
</table>
Major objectives of the impact evaluation are as follows:

- To evaluate the efficacy of the schemes for enhancing economic empowerment and upliftment of the minorities.
- To assess the awareness and extent of implementation of policy guidelines and strategies evolved under each scheme.
- To ascertain the adequacy and relevance of the existing organizational structure, budget, manpower, monitoring mechanism and role of various stakeholders in implementation of schemes/programmes.
- To assess the availability and accessibility of schemes to the target group.
- To analyze the effectiveness and quality of existing schemes in achieving the desired goal.
- To analyze adequacy and timeliness of fund flow and delivery mechanism.
- To document bottlenecks, if any, in availing the term/microfinance etc. finance by the various institutions/agencies implementing the schemes of the company.
- To analyze efficacy of monitoring and reporting mechanism.
- To identify factors affecting the proper implementation of the scheme at various levels and the scope for restructuring any of the existing approaches, schemes and guidelines.

3. Approach and Methodology:

The approach of the evaluation study was bottom up, evaluating the individual beneficiary’s practice, expectation and impact of loan. It had consultations with NGOs and State Channelizing Agencies (SCA), through whom the schemes are being implemented. For the evaluation study:

2800 beneficiaries have been consulted covering 14 States under 5 zones. Atleast 2 States from every Zone have been taken up for study.

State Channelizing Agencies and NGOs have been consulted to get the feel of the field and their point of view.

The States have been selected in consultation with the office of NMDFC and then districts have been chosen by random sampling and in consultation with respective SCAs. The survey was conducted during the period of April, 2012 to May, 2012. As per the terms of reference, 200 samples were selected per district. These consist of 100 men and 100 women with a breakup of 50:50 from Rural and Urban area. The data was collected through structured questionnaire for beneficiaries, SCAs and NGOs. The data was compiled and collated and the conclusions drawn. Based on the conclusions, the recommendations have been made.
4. Major Findings:

Major findings of the survey are as follows:

The 2800 beneficiaries have been categorized as per the loan size for impact evaluation. It has been found that more than 91% of beneficiaries have a loan size of less than Rs.100000/-, and around 50% of total beneficiaries surveyed fall under the loan size below Rs. 50000/-. Category wise breakup is given below:

<table>
<thead>
<tr>
<th>Category</th>
<th>Loan Size: in Rs.</th>
<th>% of Total Beneficiaries</th>
</tr>
</thead>
<tbody>
<tr>
<td>CAT 1</td>
<td>&lt;50,000</td>
<td>48.07%</td>
</tr>
<tr>
<td>CAT 2</td>
<td>&gt;=50,000 -1,00,000</td>
<td>43.24%</td>
</tr>
<tr>
<td>CAT 3</td>
<td>&gt;1,00,000</td>
<td>8.69%</td>
</tr>
</tbody>
</table>

It is also found that North East and south zones have larger number of beneficiaries whose loan amount is more than Rs.100000/- and West Zone has highest concentration of beneficiaries whose loan size is below Rs.50000/-.

Religion wise distribution of beneficiaries is as follows:

- Muslims : 68%
- Christians : 21%
- Sikhs : 10%
- Others (Mainly Buddhists ) : 1%

Sources of information about the scheme is

<table>
<thead>
<tr>
<th>Sources</th>
<th>% of beneficiaries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Friends and relatives</td>
<td>26.79</td>
</tr>
<tr>
<td>Newspapers</td>
<td>16.44</td>
</tr>
<tr>
<td>Government officials/ Awareness camp</td>
<td>41.1</td>
</tr>
<tr>
<td>Other sources</td>
<td>14.80</td>
</tr>
</tbody>
</table>
Loans of less than Rs.50,000/- have been categorized as Category-I, between 50,000 to 1,00,000 as Category II and above Rs 100,000/- as Category III.

Zone wise and category wise recovery position is as follows:

It has been observed that southern states have a higher rate of recovery compared to other zones and overall national (14 states) level recovery is around 42%. West zone has comparatively low recovery rate.
After having the loan a noticeable change is observed in the family income level which is shown below:

Case of Category-I
Case of Category-II:

- Out of 3.12% of BPL families in CAT II
- 72.41% reached APL status
- 27.59% crossed DPL
- Out of 59.68 APL category families in CAT II
- 90.09% crossed DPL
Case of Category-III

- 100% reached APL status
- Out of 3.21% of BPL families in CAT III
- 94.33% crossed DPL
- Out of 75.40 APL category families in CAT II
Sector wise distribution of beneficiaries:

It is seen that other sectors which include small business in Pan, Saloon, Grocery, Stationary, Hardware, STD booth cum Xerox, Beauty parlors etc dominate over others and it has also been observed that most of them have availed loan below Rs. 50000/-. Other than this beneficiaries are mostly involved in Garments, Handicraft, Automobile, Animal Husbandry, Agriculture etc.

5. **Recommendations:**

- There is a need to increase the term loan amount to atleast Rs.7,00,000/- and the assessment has to be need based.

- The SCAs need to strengthen the staff particularly for recovery purposes. In most cases Recovery Agents are employed who are poorly paid. The staff of district administration deputed for recovery does not provide whole hearted support.

- The Southern region has a high recovery rate due to adequacy of staff. Similar efforts need to be made in other regions. The State Governments need to be sensitized on this issue.

- Guarantee for loans up to Rs. 1, 00,000/- need to be replaced by other suitable mechanism.
• The SCAs need to keep a few project profiles on viable/feasible business opportunities to guide the beneficiaries.

• The SCAs need to fund pre loan entrepreneurship development programme for beneficiaries. Training of beneficiaries on entrepreneurship and management of business. Will help in better health of enterprises and higher recovery.

• In some cases beneficiaries with good track record can be provided loans even if there is no guarantor for the beneficiary.

• Data with respect to beneficiaries need to be updated regularly.

• Time lag between application and sanction of loan needs to be reduced to less than 3 months in all the cases. For that officials of SCAs need to guide the beneficiaries and help them in filling up the application.
CHAPTER 1

INTRODUCTION

1.1 About NMDFC

National Minority and Finance Corporation was incorporated on 30th September, 1994 under Section 25 of the Companies Act, as a non-profit company under the Ministry of Social Justice and Empowerment. Subsequently, the Govt. of India created a new Ministry called the “Ministry Of Minority Affairs” in the year 2005 to focus special attention / thrust on the issues relating to the minorities, and since then NMDFC is functioning under its administrative control and direction.

The main objective of NMDFC is to promote economic and developmental activities for the benefit of "Backward Sections" amongst the minorities with preference given to occupational groups and women.

"Minorities" mean those communities that are notified as such by the Central Government under the National Minorities Commission Act, 1992 or in the context of States / Union Territories, those communities that are notified as such by the respective State Governments / Union Territories Administrations.

1.2 Aims & Objectives of NMDFC

As per the Memorandum of Associations and Articles of Association, the following are the main objectives of the corporation:

- To promote economic and developmental activities for the benefit of "Backward Sections" amongst the Minorities, preference being given to the occupational groups and women.
- To assist, subject to such income and/or economic criteria as may be prescribed by the Government from time to time, individuals or groups of individuals belonging to the Minorities by way of loans and advances for economically and financially viable schemes and projects; under micro-financing scheme, group of individuals belonging to the minorities will include such groups in which pre-dominantly (75% and above) members belongs to the Minority Community. In very exceptional cases this may include those groups also where upto 60% members belong to Minority Community provided other members belong to Weaker Sections including Scheduled Castes / Scheduled Tribes, Other Backward Classes and disabled.
- To promote self-employment and other ventures for the benefits of Minorities.
• To grant loans and advances at such rates of interest as may be determined from time to time in accordance with the guidelines or schemes prescribed by the Central Government or by the Reserve Bank of India.
• To extend loans and advances to the eligible members belonging to the Minorities for pursuing general/professional/technical education or training at graduate and higher level.
• To assist the up-gradation of technical and entrepreneurial skills of Minorities for proper and efficient management of production units.
• To assist the State level organizations dealing with the development of the Minorities by way of providing financial assistance or equity contribution and in obtaining commercial funding or by way of refinancing.
• To work as an apex institution for co-ordinating and monitoring the work of all corporations/boards/other bodies set up by the State Government/Union Territory Administrations for, or given the responsibility of assisting the minorities for their economic development.
• To help in furthering the Government policies and programmes for the development of Minorities.

1.3 Schemes & Programmes of NMDFC

NMDFC offers various kinds of lending as well as promotional scheme. These schemes are for either individual beneficiaries or members of self help groups or both. Most of these schemes are implemented through SCAs and NGOs.

A. Lending Schemes

Various lending schemes provided by NMDFC are:
• Term Loan Scheme
• Margin Money Loan Scheme
• Educational Loan Scheme
• Micro Financing Scheme
• Interest Free Loan For Promotion Of Shgs
• Mahila Samridhi Yojana
• Minorities Cluster Development Programme

1) Term Loan Scheme

(The Scheme is for individual beneficiaries and is implemented through the SCAs)

➢ One of the main activities of NMFDC.
➢ Projects costing up to Rs. 5 lacs are considered.
- NMDFC provides loan to the extent of 85% of the project cost subject to a maximum of Rs. 4,25,000/-.
- Remaining cost of the project is met by the SCA and the beneficiary.
- Beneficiary has to contribute minimum 5% of the project cost.
- Rate of Interest charged from the beneficiaries is 6% p.a. on reducing balance.

Assistance under Term Loan Scheme is available for any commercially viable and technically feasible venture which for the sake of convenience has been into the following sectors:

a. Agriculture & Allied  
b. Technical Trade  
c. Small Business  
d. Artisans & Traditional Occupation  
e. Transport & Service Sector

2) **Margin Money Loan Scheme**

(The Scheme is for individual beneficiaries and is implemented through the SCAs)

- Assistance is provided to beneficiaries availing bank finance.  
- Public Sector Banks finance upto 60% of the project cost and seek 40% from the beneficiaries.  
- NMDFC provides loan to the eligible beneficiaries to meet the requirement of margin asked by the bankers.  
- Loan upto 25% of the project cost subject to a maximum of 1.25 lacs per unit is available.  
- SCA and the beneficiary are expected to contribute the remaining amount.  
- Rate of Interest charged from the beneficiaries is 3% p.a. on reducing balance.

3) **Educational Loan Scheme**

(The Scheme is for individual beneficiaries and is implemented through the SCAs)

- Objective is to facilitate job-oriented education amongst the weaker sections of Minorities.  
- Envisages maximum loan of Rs. 2.5 lacs i.e., Rs. 50,000/- every year for pursuing professional and technical courses of duration not exceeding 5 years.  
- Funds for this purpose are made available to the SCAs at interest of 1% for lending to the beneficiaries at 3%.  
- Repayable maximum in 5 years after the completion of the course.
4) Micro Financing Scheme

(The Scheme is for the members of the Self Help Groups and is implemented through the SCAs as well as NGOs)

- One of the main activities of NMFDC.
- Launched in 1998 on the pattern of Grameen Bank of Bangladesh and Rashtriya Mahila Kosh under the Department of Women and Child Development in our own country.
- Envisages micro credit to poorest among poor through selected NGOs of proven bonafide and their network of Self Help Groups.
- Informal loan scheme which ensures quick delivery of loan at the door steps of the beneficiaries with constant follow up.
- Envisages a pre-requisite that the beneficiaries are first organized into Self Help Groups and get into the habit of effecting regular savings, however small.
- Loan upto a maximum of Rs. 25,000/- per beneficiary can be provided.
- Funds are made available to the NGOs at 1% interest p.a. who further lend to the SHGs at 5% interest p.a.
- Repayment period is maximum of 36 months.

5) Interest Free Loan for Promotion of SHGs

(The Scheme is directly implemented by the NMDFC through the NGOs)

- Financial assistance in the form of Interest Free Loan is provided to the NGOs for promotion of Self Help Groups (SHGs).
- Maximum amount of loan available is Rs. 2.15 lakhs for promotion of 50 SHGs of about 1000 members.
- Loan is repayable after one year and is adjusted by way of grant at the rate of 25% of the loan advanced by the SHGs and 5% on their growth of savings (provided the growth in savings is atleast 10% over the last year).

6) Mahila Samridhi Yojana

(The Scheme is implemented through NGOs as well as SCAs)

- Training is given to a group of around 20 women in any suitable craft activity.
- The group is formed into Self Help Group during the training itself.
- After the training, micro-credit is provided to the members of the SHGs formed.
- Maximum duration of the training is of 6 months with maximum training expenses of Rs. 500/- p.m. per trainee.
- During the training, a stipend of Rs. 250/- p.m. is also paid to the trainees.
- Training cost and stipend is met by NMDFC as grant.
After the training, need based micro-credit (subject to maximum of Rs. 25,000/-) is made available to each member of the self help group so formed at interest rate of 4%.

7) Minorities Cluster Development Programme

The Ministry of Minority Affairs, Government of India based on 2001 Census, has identified 338 towns in the country, having concentration of Minorities where the Socio Economic Indicators are far below the national average. These 338 towns (Clusters) are spread across 24 States.

In order to reach out to a larger number of target groups with limited infrastructure and manpower available with the SCAs, NMDFC has decided to give focus on these Urban Concentration Towns as MINORITIES CLUSTERS for intensive development. Through cluster approach it is expected that a quantum jump in our reach to beneficiaries could be achieved.

This programme is to be organized by the concerned SCAs for which NMDFC would provide necessary support. The project period of each of the clusters will be for 3 years.

This programme would be in addition to the normal schemes available in these Minority Clusters concerned. The funds allocated to the SCAs would be disbursed under this programme, independent of pending issues under general programme, subject to availability of government guarantee.

B. Promotional Schemes

Various lending schemes provided by NMDFC are:
- Vocational Training
- Marketing Assistance To Craft Persons
- Assistance For Design Development / Skill Upgradation

1) Vocational Training

(The Scheme is for individual beneficiaries and is implemented only through the SCAs)

- NMDFC has introduced a scheme of vocational training for persons belonging to the Minority communities
- It is for development of their skills and knowledge with a view to make them competent for wage employment or self employment.
- SCAs organize need based vocational training programmes in their States with the help of local recognized training institutions.
- Generally of duration around six months.
85% of the cost of the training is met by NMDFC as grant while remaining 15% of the cost is borne by the SCA.

SCAs are required to pose their proposal to NMDFC on prescribed format for approval and sanction of funds.

2) Marketing Assistance to Craft Persons

(The Scheme is for individual craft persons as well as Self Help Groups and is implemented through both SCAs as well as NGOs)

- Objective is to support the craft persons in market promotion and sale of their products at remunerative price.
- NMDFC welcomes proposals from SCAs as well as NGOs for organizing exhibition at selected locations.
- In these exhibitions, handloom / handicraft precuts of Minority craft persons are exhibited and sold.
- Serve the purpose of “Buyer Seller Meet” which is considered very useful for product development and market promotion for domestic consumption as well as exports.
- NMDFC provides grant for organizing exhibitions after due appraisal of the proposals.

3) Assistance for Design Development / Skill Upgradation

(The Scheme is for the members of the Self Help Groups and is implemented through the SCAs as well as NGOs)

- NMDFC welcomes proposal from SCAs as well as NGOs for organizing design development / skill development training programme for the craft persons of Minority communities.
- After due appraisal, depending upon the merit of the proposals, NMDFC provides grant for organizing such programmes.

1.4 The Evaluation study

NMDFC has expressed their interest to get impact evaluation of its scheme implemented over the years by a specialized Government Agency. NMDFC through its official process has entrusted National Institute for Entrepreneurship & Small Business Development (NIESBUD) for conducting Impact Evaluation Study of NMDFC schemes, specially Term loan and Microfinance scheme.
The target groups for NMDFC with regard to direct benefit are the persons belonging to minority communities. For this purpose NMDFC provides loans in all the states of India.

The evaluation study has been conducted in all the five zones of India and covering at least two states per zone. In total 14 states have been covered to have an all India picture.

North Zone:
1. Haryana
2. Punjab
3. J&K,

North East Zone:
4. Mizoram,
5. Nagaland,

West Zone:
6. Chhattisgarh,
7. Gujarat
8. Maharashtra,
9. Rajasthan

South Zone:
10. Kerala,
11. Karnataka,
12. Tamil Nadu,

East Zone:
13. Bihar,
14. West Bengal.

The broad objectives of the evaluation study are as follows:

- To evaluate the efficiency of the schemes for enhancing economic empowerment and upliftment of the minorities.
- To assess the awareness and extent of implementation of policy guidelines and strategies evolved under each scheme.
- To ascertain the adequacy and relevance of the existing organizational structure, budget, manpower, monitoring mechanism and role of various stakeholders in implementation of schemes/programs.
- To assess the availability and accessibility of schemes to the target group.
- To analyze the effectiveness and quality of existing schemes in achieving the desired goal.
• To analyse adequacy and timeliness of fund flow and delivery mechanism.
• To document bottlenecks, if any, in availing the term loan/ microfinance etc. finance by the various institutions/ agencies implementing the schemes of the company.
• To analyse efficiency of monitoring & reporting mechanism.
• To identify factors affecting the proper implementation of the scheme at various levels and the scope for restructuring any of the existing approaches, schemes and guidelines.

1.5 Limitation of the study

A total of 2800 samples of beneficiaries were taken up for the study. As per the scope of work given 200 samples per district were considered. Views of State Channelizing Agencies were also considered for understanding the state-wise scenario. A larger sample size could perhaps had been more appropriate.

1.6 Study Team

The study team for the impact evaluation study consisted of the following:

• Mr. A. Mishra, Chief Consultant  Project coordinator
• Mr. Anil Kumar, research Associate  Team Member
• Ms. Mithlesh Singh, MIS Executive  Team Member
• Ms. Shikha Oberoi, Project Associate  Team Member
• Ms. Divya Aggarwal, Consultant  Team Member

1.7 Acknowledgement

NIESBUD wishes to place on record the advice, help and assistance received from the Managing Director and officials of NMDFC. NIESBUD also appreciates the assistance and help received from the state channelizing agencies in conducting the study. We also wish to place on record the advice and guidance received from the Joint Secretary, Ministry of Minority Affairs and the Director, Ministry of Minority Affairs, Govt. of India.
CHAPTER 2
APPROACH & METHODOLOGY

2.1 Brief Approach of the Evaluation Study:

In order to conduct the evaluation study, NIESBUD adopted broadly a bottom up approach. Where target beneficiaries have been consulted with structured questionnaire followed by consultation with State Channelizing Agencies (SCAs) of the respective States so that problems and suggestions of beneficiaries can also be discussed with the SCAs. Other approaches towards the study were as follows:

- Representative geographical coverage within the selected districts.
- Representative sample coverage both from men and women beneficiaries.
- Representative sample coverage both from rural and urban beneficiaries.

Basic approach for conducting the survey was implemented through sample designing, questionnaires designing, and through training of field investigators, supervisors.

The broad stages of the methodology involved were as follows:

- reconnaissance survey: Target population of reconnaissance survey was government officials. It helped to understand the broad parameters of the area in respects of this project. Outcome from reconnaissance survey was expected as:
  - Profile of average beneficiaries
  - Average size of loan
  - Activities taken up by the beneficiaries
  - Recovery rate
Target Population:

- State/District/ level officials

### 2.2 Sampling Design for Evaluation:

Within each Zone, a multi-stage random sampling has been followed for the evaluation study. At the first stage, State/UT has been selected from each zone, then a district has been selected from each State/UT & lastly the urban & rural areas have been selected. Zone wise sampling design was as follows:

<table>
<thead>
<tr>
<th>Sl. No</th>
<th>Zone</th>
<th>State</th>
<th>District</th>
<th>No. of random sample beneficiaries</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>North Zone</td>
<td>Haryana</td>
<td>Yamunanagar</td>
<td>200</td>
</tr>
<tr>
<td></td>
<td></td>
<td>J&amp;K</td>
<td>Rajouri</td>
<td>200</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Punjab</td>
<td>Patiala</td>
<td>200</td>
</tr>
<tr>
<td>2.</td>
<td>North East Zone</td>
<td>Mizoram</td>
<td>Aizawl</td>
<td>200</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Nagaland</td>
<td>Dimapur</td>
<td>200</td>
</tr>
<tr>
<td>3.</td>
<td>West Zone</td>
<td>Chhattisgarh</td>
<td>Raipur</td>
<td>200</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Gujarat</td>
<td>Ahmedabad</td>
<td>200</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Maharashtra</td>
<td>Aurangabad</td>
<td>200</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Rajasthan</td>
<td>Jaipur</td>
<td></td>
</tr>
<tr>
<td>4.</td>
<td>East Zone</td>
<td>Bihar</td>
<td>Purnia</td>
<td>200</td>
</tr>
<tr>
<td></td>
<td></td>
<td>West Bengal</td>
<td>24  Parganas (South)</td>
<td>200</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td></td>
<td><strong>2800</strong></td>
</tr>
</tbody>
</table>
Selection of States/UTs: Officials of 14 States/UTs in total have been covered in this study, by approximately selecting States/UTs from each of the five zones. The selection of States/UTs has been carried out by NIESBU in consultation with NMDFC officials.

Selection of Districts: Beneficiaries/Non-beneficiaries in at least one District in each State/UT has been covered. The district in each State/UT has been selected using Random Sampling Procedure.

Selection of Beneficiaries: Representative random sampling procedure has been used from the identified districts in respective states for urban and rural areas and covering both male and female respondents (beneficiaries).

2.3 Field Survey:
Beneficiary survey with structured questionnaire was conducted in different parts of the state. Outcome of the survey was broadly related to:

- Personal data on beneficiary
- Insight on activity (occupation)
- Creation of asset from utilization of loans
- General business practice
- Employment generation, if any
- Individual contribution over the loan component
- Income generation from the activity and livelihood upliftment with respect to alleviation from BPL (Below Poverty Line) to APL (Above Poverty Line) and also from APL to DPL (Double the Poverty Line)
- Market related information
  - Target population for stakeholders’ consultation:
  - Beneficiary under the scheme
Indicators for analysis:

- In terms of loan size
- In terms of activities taken up
- In terms of income generation from the venture
- Impact of loan on family income
- Asset creation out of the loan amount
CHAPTER 3
Analysis and Findings-National Scenario

3.1 The 14 States surveyed for evaluation have been clustered under five zones as under:

<table>
<thead>
<tr>
<th>Zone</th>
<th>States</th>
</tr>
</thead>
<tbody>
<tr>
<td>North</td>
<td>Haryana, J &amp; K, Punjab</td>
</tr>
<tr>
<td>South</td>
<td>Kerala, Karnataka, Tamil Nadu</td>
</tr>
<tr>
<td>East</td>
<td>Bihar, West Bengal</td>
</tr>
<tr>
<td>West</td>
<td>Chhattisgarh, Gujarat, Maharashtra, Rajasthan</td>
</tr>
<tr>
<td>North East</td>
<td>Mizoram, Nagaland</td>
</tr>
</tbody>
</table>

One representative District from each State has been taken up for the survey and 200 samples for each District have been studied.

3.2 Category wise Analysis:

The 2800 beneficiaries who have received financial assistance (loans) from National Minorities Development & Finance Corporation have been categorized as per the size of loan assistance obtained by each. The various loan categories are as follows:

<table>
<thead>
<tr>
<th>Category</th>
<th>Loan Size: in Rs.</th>
<th>% of Total Beneficiaries</th>
</tr>
</thead>
<tbody>
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<td>&gt;1,00,000</td>
<td>8.69%</td>
</tr>
</tbody>
</table>
The behaviour of each group/category has been further analyzed.

3.2.1 Category I:

3.2.1.1 Religion wise distribution of beneficiaries:

<table>
<thead>
<tr>
<th>Religion</th>
<th>% of beneficiaries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Muslims</td>
<td>87.14</td>
</tr>
<tr>
<td>Sikhs</td>
<td>0.48</td>
</tr>
<tr>
<td>Christian</td>
<td>10.93</td>
</tr>
<tr>
<td>Buddhist</td>
<td>0.68</td>
</tr>
<tr>
<td>Others</td>
<td>0.10</td>
</tr>
</tbody>
</table>

3.2.1.2 Documents submitted along with the loan application:

<table>
<thead>
<tr>
<th>Documents</th>
<th>% of beneficiaries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Any one proof of identification, proof of residence, project proposal</td>
<td>19.23</td>
</tr>
<tr>
<td>Proof of identification, proof of residence</td>
<td>16.34</td>
</tr>
<tr>
<td>Any three of proof of identification, proof of residence, proof of qualification, project proposal, letter from authorized persons</td>
<td>27.00</td>
</tr>
<tr>
<td>Any four of proof of identification, proof of residence, proof of qualification, project proposal</td>
<td>37.43</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
</tr>
</tbody>
</table>
3.2.1.3 Time gap between loan application and sanction:

![Pie chart](image)

Avg Time Gap - <2 months (14.31% respondents) 3-4 months (24.76% respondents) 4 months (0.10% respondents) 5-6 months (30.75% respondents) > 6 months (28.53% respondents)

3.2.1.4 Average loan size & repayment rate:

- The average loan size of this category has been observed to be Rs. 30062/-.  
- The repayment percentage denoting total amount repaid with respect to total amount of loan for this category comes to 43.51%.

3.2.1.5 Impact of the Scheme:

As per survey feedback, 2.71% respondent under CAT 1 belonged to Below Poverty Line (BPL) when they were provided with loans. After obtaining loan, the beneficiaries’ feedback indicates that 32.14% of them have crossed the Poverty Line (APL) and 60.71% of them have crossed Double the Poverty Line (DPL).

On the other hand, 59.38% respondent under CAT 1 belonged to Above Poverty Line (APL) when they were provided with loans. After obtaining loans, 88.11% of the respondents moved to Double the Poverty Line (DPL).
3.2.1.6 Sources of information about the scheme:

<table>
<thead>
<tr>
<th>Sources</th>
<th>% of beneficiaries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Friends and relatives</td>
<td>26.79</td>
</tr>
<tr>
<td>Newspapers</td>
<td>16.44</td>
</tr>
<tr>
<td>Government officials/ Awareness camp</td>
<td>41.1</td>
</tr>
<tr>
<td>Other sources</td>
<td>14.80</td>
</tr>
</tbody>
</table>

3.2.2 Category II:

3.2.2.1 Religion wise distribution of beneficiaries:

<table>
<thead>
<tr>
<th>Religion</th>
<th>% of beneficiaries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Muslims</td>
<td>68.70</td>
</tr>
<tr>
<td>Sikhs</td>
<td>10.22</td>
</tr>
<tr>
<td>Christian</td>
<td>21.08</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
</tr>
</tbody>
</table>
3.2.2.2 Documents submitted along with the loan application:

<table>
<thead>
<tr>
<th>Documents</th>
<th>% of beneficiaries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Any one of proof of identification, proof of residence, project proposal</td>
<td>37.52</td>
</tr>
<tr>
<td>Any two of proof of identification, proof of residence, project proposal, proof of qualification, letter from authorized person</td>
<td>17.00</td>
</tr>
<tr>
<td>Any three of proof of identification, proof of residence, proof of qualification, project proposal, letter from authorized persons</td>
<td>9.57</td>
</tr>
<tr>
<td>Any four of proof of identification, proof of residence, proof of qualification, project proposal</td>
<td>35.91</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
</tr>
</tbody>
</table>

3.2.2.3 Time gap between loan application and sanction:

Avg Time Gap - <2 months (29.89%) 3-4 months (25.27%) 5-6 months (21.32%) > 6 months (23.52%)
3.2.2.4 Average loan size & repayment rate:

- The average loan size of this category has been observed to be Rs. 73920/-. 
- The repayment percentage denoting total amount repaid with respect to total amount of loan for this category comes to 46.60%.

3.2.2.5 Impact of the Scheme:

As per survey feedback, 3.12% respondent under CAT II belonged to Below Poverty Line (BPL) when they were provided with loans. After obtaining loan, the beneficiaries’ feedback indicates that 72.41% of them have crossed the Poverty Line (APL) and 27.59% of them have crossed Double the Poverty Line (DPL).

On the other hand, 59.68% respondent under CAT II belonged to Above Poverty Line (APL) when they were provided with loans. After obtaining loans, 90.09% of the respondents moved to Double the Poverty Line (DPL).
3.2.3 Category III:

3.2.3.1 Religion wise distribution of beneficiaries:

<table>
<thead>
<tr>
<th>Religion</th>
<th>% of beneficiaries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Muslims</td>
<td>48.18</td>
</tr>
<tr>
<td>Christian</td>
<td>58.82</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
</tr>
</tbody>
</table>

3.2.3.2 Documents submitted along with the loan application:

<table>
<thead>
<tr>
<th>Documents</th>
<th>% of beneficiaries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Any one of proof of identification, proof of residence, project proposal</td>
<td>35.29</td>
</tr>
<tr>
<td>Any two of proof of identification, proof of residence, project proposal, proof of qualification, letter from authorized person</td>
<td>29.42</td>
</tr>
<tr>
<td>Any three of proof of identification, proof of residence, proof of qualification, project proposal, letter from authorized persons</td>
<td>21.92</td>
</tr>
<tr>
<td>Any four of proof of identification, proof of residence, proof of qualification, project proposal</td>
<td>13.37</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
</tr>
</tbody>
</table>
3.2.3.3 Time gap between loan application and sanction:

The average loan size of this category has been observed to be Rs.182016/-. The repayment percentage denoting total amount repaid with respect to total amount of loan for this category comes to 36.94%.

3.2.3.4 Average loan size & repayment rate:

- The average loan size of this category has been observed to be Rs.182016/-. 
- The repayment percentage denoting total amount repaid with respect to total amount of loan for this category comes to 36.94%.
3.2.3.5 Impact of the Scheme:

As per survey feedback, 3.21% respondent under CAT 3 belonged to Below Poverty Line (BPL) when they were provided with loans. After obtaining loan, the beneficiaries’ feedback indicates that 100% of them have crossed the Poverty Line (APL).

On the other hand, 75.40% respondent under CAT 3 belonged to Above Poverty Line (APL) when they were provided with loans. After obtaining loans, 94.33% of the respondents moved to Double the Poverty Line (DPL).
3.3 A zone wise and category wise comparative recovery rate:

![Zone wise and Category wise recovery rate chart]

3.4 Sector-Wise Analysis:

![Distribution of beneficiaries over major sectors chart]
3.4.1 Agriculture Sector:

- 4.14% of the entire beneficiary belongs in this sector.
- The average loan size of this category has been observed to be Rs.54,681/-. 
- The repayment percentage denoting total amount repaid with respect to total amount of loan for this category comes to 61.45%.
- None of the people have been found to belong below Poverty Level when they were provided with loans.
- 54.27% of the people have been found to belong below Double Poverty Level when they were provided with loans. After obtaining loan, most of their economic status has improved and 88% of them have been found to cross double the poverty line (DPL).
- The figures for the different categories are given below:
  - 58.12% each markets their product in local markets in village,
  - 32.12 in retail business
  - 9.76% is associated with wholesale business

3.4.2 Animal Husbandry Sector:

- 9.25% of the entire beneficiary belongs in this sector.
- The average loan size of this category has been observed to be Rs.72,265/-. 
- The repayment percentage denoting total amount repaid with respect to total amount of loan for this category comes to 45.61%.
- None of the people have been found to belong below Poverty Level when they were provided with loans.
- 87.94% of the people have been found to belong below Double Poverty Level when they were provided with loans. After obtaining loan, most of their economic status has improved and 92.57% of them have been found to cross BPL double the poverty line (DPL).
  - 54.73% markets their product in local market,
  - 8.54% in village,
  - 2.51% in exhibition,
o 1.51% through wholesaler
o 1.01% through retailer and

3.4.3 Automobile Sector:

➢ 4.42% of the entire beneficiary belongs in this sector.
➢ The average loan size of this category has been observed to be Rs.106,714/-.  
➢ The repayment percentage denoting total amount repaid with respect to total amount of loan for this category comes to 41.25%.
➢ None of the people have been found to belong below Poverty Level when they were provided with loans.
➢ 77.89% of the people have been found to belong below Double Poverty Level when they were provided with loans. After obtaining loan, most of their economic status has improved and 93.24% of them have been found to cross BPL double the poverty line (DPL).
➢ The marketing channels are as follows:
  o 60.00% markets their product in local market,
  o 21.05% in village,
  o 1.05% each through wholesaler and retailer and

3.4.4 Garment Sector:

➢ 8.41% of the entire beneficiary belongs in this sector.
➢ The average loan size of this category has been observed to be Rs.38,500/-.  
➢ The repayment percentage denoting total amount repaid with respect to total amount of loan for this category comes to 35.14%.
➢ 3.87% of the people have been found to belong below Poverty Level when they were provided with loans. After obtaining loan, most of their economic status has improved and 43% of them have been found to cross BPL and 57% of them even crossed double the poverty line (DPL).
3.4.5 General Sector:

- 21.62% of the entire beneficiary belongs in this sector.
- The average loan size of this category has been observed to be Rs.61,811/-.
- The repayment percentage denoting total amount repaid with respect to total amount of loan is 40.76%.

The marketing channels are as follows:
- 79.56% markets their product in local market,
- 21.05% in village,
- 1.05% each through wholesaler and retailer and
- for this category comes to 40.76%.

- 2.80% of the people have been found to belong below Poverty Level when they were provided with loans. After obtaining loan, most of their economic status has improved and 54% of them have been found to cross BPL and 46% of them even crossed double the poverty line (DPL).

The marketing channels are as follows:
- 58.28% markets their product in local market,
- 26.45% in village,
- 3.10% in exhibition
- 1% is associated with wholesales

3.4.6 Handicraft Sector:

- 9.30% of the entire beneficiary belongs in this sector.
- The average loan size of this category has been observed to be Rs.31,250/-.
- The repayment percentage denoting total amount repaid with respect to total amount of loan for this category comes to 21.43%.

- 2% of the people have been found to belong below Poverty Level when they were provided with loans. After obtaining loan, all of them have crossed double the poverty line (DPL).

- 56% markets their product in local market.
3.4.7 Metal Sector:

- 1.35% of the entire beneficiary belongs in this sector.
- The average loan size of this category has been observed to be Rs.94,357/-.
- The repayment percentage denoting total amount repaid with respect to total amount of loan for this category comes to 33.11%.
- 3.45% of the people have been found to belong below Poverty Level when they were provided with loans. After obtaining loan, all of them have crossed double the poverty line (DPL).
- The marketing channels are as follows:
  - 72.41% markets their product in local market,
  - 20.69% in village,
  - 3.10% in exhibition
  - 1% is associated with wholesales

3.4.8 Others Sector:

- 41.51% of the entire beneficiary belongs in this sector.
- The average loan size of this category has been observed to be Rs.33225/-.
- The repayment percentage denoting total amount repaid with respect to total amount of loan for this category comes to 50.11%.
- 1.68% of the people have been found to belong below Poverty Level when they were provided with loans. After obtaining loan, most of their economic status has improved and 47% of them have been found to cross BPL and 47% of them even crossed double the poverty line (DPL).
- The marketing channels are as follows:
  - 62.60% markets their product in local market,
  - 3.25% in village,
  - 0.5% in exhibition
  - 1.8% is associated with wholesales
CHAPTER 4

Zone wise Analysis

4.1 East Zone

East zone consists of Bihar and West Bengal under the survey. Analyses of the feedback received from the survey of the respondents (beneficiaries) have been described below:

<table>
<thead>
<tr>
<th>State</th>
<th>District</th>
<th>SCA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bihar</td>
<td>Purnea</td>
<td>Bihar State Minorities Financial Corporation Ltd</td>
</tr>
<tr>
<td>West Bengal</td>
<td>24 Parganas (South)</td>
<td>West Bengal Minorities Development &amp; Finance Corporation</td>
</tr>
</tbody>
</table>

The 400 beneficiaries who have received financial assistance (loans) from National Minorities Development & Finance Corporation have been categorized as per the size of loan assistance obtained by each. The various loan categories are as follows:

<table>
<thead>
<tr>
<th>Category</th>
<th>Loan size: in Rs.</th>
<th>% of total beneficiaries</th>
</tr>
</thead>
<tbody>
<tr>
<td>CAT I</td>
<td>&lt;50,000</td>
<td>43.25%</td>
</tr>
<tr>
<td>CAT II</td>
<td>50,000 -1,00,000</td>
<td>48.75%</td>
</tr>
<tr>
<td>CAT III</td>
<td>=&gt;1,00,000</td>
<td>8.00%</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>100%</td>
</tr>
</tbody>
</table>

As per the above categories, respective analyses of the survey on impact evaluation have been given below.
4.1.1 Category I:

Religion wise distribution of beneficiaries:

<table>
<thead>
<tr>
<th>Religion</th>
<th>% of beneficiaries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Muslims</td>
<td>98.84</td>
</tr>
<tr>
<td>Sikhs</td>
<td>01.16</td>
</tr>
</tbody>
</table>

98.84% of all the beneficiaries in this category belong to Muslim community and rest are from Sikh community.

Documents submitted along with the loan application:

<table>
<thead>
<tr>
<th>Documents</th>
<th>% of beneficiaries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proof of identification, proof of residence and project proposal</td>
<td>71.68</td>
</tr>
<tr>
<td>Only project proposal</td>
<td>27.75</td>
</tr>
<tr>
<td>Proof of identification, proof of residence</td>
<td>0.58</td>
</tr>
</tbody>
</table>

As per the survey feedback, 71.68% beneficiaries have submitted proof of identification, proof of residence and project proposal for loan sanction. 27.75% beneficiaries have submitted only the project proposal. 0.58% of them have submitted proof of identification, proof of residence.

Time gap between loan application and sanction:
72.25% of the beneficiaries said that it took more than 6 months to get the loan after application. 24.86% said that it took between 5-6 months and 2.89% said that it took between 3-4 months.

Average loan size & repayment rate:

- The average loan size of this category has been observed to be Rs. 40,928/-.
- The repayment percentage denoting total amount repaid with respect to total amount of loan for this category comes to 40.38%.

Impact:

As per survey feedback, 4.62% respondent under Category I belonged to Below Poverty Line (BPL) when they were provided with loans. After obtaining loan, the beneficiaries’ feedback indicates that 37% of them have crossed the Poverty Line (APL) and 63% of them have crossed Double the Poverty Line (DPL).

A column diagram in this regard has been given below.

41.54% of category 1 people have been found to belong below Double the Poverty Line (DPL)(but above BPL level) when they were provided with loans. After obtaining loan, the
beneficiaries’ feedback indicates that 96% of them have crossed Double the Poverty Line (DPL). A column diagram in this regard has been given below.

![Diagram showing 96% of beneficiaries crossed Double the Poverty Line (DPL)]

- It was found out that a total of 6 extra employment opportunities were created in addition to self-employment of the beneficiaries in category I after loan utilization.

Sources of information about the scheme:

<table>
<thead>
<tr>
<th>Sources</th>
<th>% of beneficiaries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Friends and relatives</td>
<td>31.79</td>
</tr>
<tr>
<td>Newspapers</td>
<td>36.42</td>
</tr>
<tr>
<td>Government officials</td>
<td>22.54</td>
</tr>
<tr>
<td>Other sources</td>
<td>9.25</td>
</tr>
</tbody>
</table>

31.79% the category I people said that friends and relatives were their source of information for availing the loan. 36.42% said that they got the information from newspapers. While 22.54% got the information from government officials 9.25% received it from other sources.

83.81% of total beneficiaries found to bring extra investment into the venture other than the loan amount under the scheme. 69.94% of all the beneficiaries in category I said that they arranged the balance investment from their relatives. While 8.67% arranged it from their friends 5.20% arranged it from other sources.

- 45.09% of all the beneficiaries in category I have created asset using the loan.
4.1.2 Category II:

Religion wise distribution:

100% of beneficiaries in this category belong to Muslim community.

<table>
<thead>
<tr>
<th>Religion</th>
<th>% of beneficiaries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Muslims</td>
<td>100</td>
</tr>
</tbody>
</table>

Documents submitted along with the loan application:

<table>
<thead>
<tr>
<th>Documents</th>
<th>% of beneficiaries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proof of identification, proof of residence and project proposal</td>
<td>36.67</td>
</tr>
<tr>
<td>Only project proposal</td>
<td>71.28</td>
</tr>
<tr>
<td>Proof of identification, proof of residence</td>
<td>1.03</td>
</tr>
<tr>
<td>Proof of identification, project proposal</td>
<td>0.51</td>
</tr>
</tbody>
</table>

While 36.67% beneficiaries have submitted proof of identification, proof of residence and project proposal for loan sanction. 71.28% beneficiaries have submitted only the project proposal. 1.03% of them have submitted proof of identification, proof of residence and 0.51% of them have submitted proof of identification and project proposal.
Time gap between loan application and sanction:

29.23% of the beneficiaries said that it took more than 6 months to get the loan after application. 49.74% said that it took between 5-6 months and 20.51% said that it took between 3-4 months. 0.51% said that it took less than two months to get the loan.

Average loan size & repayment rate:

- The average loan size of this category has been observed to be Rs. 71,030/-.
- The repayment percentage denoting total amount repaid with respect to total amount of loan for this category comes to 58.23%.

Impact:

As per survey feedback, 3.08% respondent under Category 2 belonged to Below Poverty Line (BPL) when they were provided with loans. After obtaining loan, the beneficiaries’ feedback indicates that 68% of them have crossed the Poverty Line (APL) and 17% of them have crossed Double the Poverty Line (DPL).
A column diagram in this regard has been given below.

41.54% of Category II people have been found to belong below Double the Poverty Line (DPL) (but above BPL level) when they were provided with loans. After obtaining loan, the beneficiaries’ feedback indicates that 94% of them have crossed Double the Poverty Line (DPL). A column diagram in this regard has been given below.

Sources of information about the scheme:

<table>
<thead>
<tr>
<th>Sources</th>
<th>% of beneficiaries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Friends and relatives</td>
<td>44.10</td>
</tr>
<tr>
<td>Newspapers</td>
<td>10.26</td>
</tr>
<tr>
<td>Government officials</td>
<td>34.84</td>
</tr>
<tr>
<td>Other sources</td>
<td>9.74</td>
</tr>
</tbody>
</table>
44.10% the Category II people said that friends and relatives were their source of information for availing the loan. 10.26% said that they got the information from newspapers. While 34.87% got the information from government officials 9.74% received it from other sources.

- It was found out that a total of 219 employment opportunities (including the beneficiaries) were created in Category 2 after loan utilization.

46.67% of all the beneficiaries in Category 2 said that they arranged the balance investment from their relatives. While 4.62% arranged it from their friends 7.18% arranged it from other sources and 1.03% arranged it from money lenders.

- 9.74% of all the beneficiaries in Category 2 have created asset using the loan.

4.1.3 Category III:

Religion wise distribution:

100% of beneficiaries in this category belong to Muslim community.

<table>
<thead>
<tr>
<th>Religion</th>
<th>% of beneficiaries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Muslims</td>
<td>100</td>
</tr>
</tbody>
</table>

Documents submitted along with the loan application:

<table>
<thead>
<tr>
<th>Documents</th>
<th>% of beneficiaries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proof of identification, proof of residence and project proposal</td>
<td>62.5</td>
</tr>
<tr>
<td>Only project proposal</td>
<td>37.5</td>
</tr>
</tbody>
</table>

While 62.5% beneficiaries have submitted proof of identification, proof of residence and project proposal for loan sanction. 37.5% beneficiaries have submitted only the project proposal.

Time gap between loan application and sanction:

59.38% of the beneficiaries said that it took more than 6 months to get the loan after application. 37.50% said that it took between 5-6 months and 3.13% said that it took between 3-4 months.
Average loan size & repayment rate:

- The average loan size of this category has been observed to be Rs. 135,403/-.  
- The repayment percentage denoting total amount repaid with respect to total amount of loan for this category comes to 28%.

As per survey feedback, none of the respondent under Category III belonged to Below Poverty Line (BPL) when they were provided with loans.

78.13% of Category III people have been found to belong below Double the Poverty Line (DPL) (but above BPL level) when they were provided with loans. After obtaining loan, the beneficiaries’ feedback indicates that all of them have crossed Double the Poverty Line (DPL). A column diagram in this regard has been given below.

- It was found out that a total of 19 employment opportunities (other than beneficiaries) were created in Category 3 after loan utilization.
Sources of information about the scheme:

<table>
<thead>
<tr>
<th>Sources</th>
<th>% of beneficiaries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Friends and relatives</td>
<td>18.75</td>
</tr>
<tr>
<td>Newspapers</td>
<td>31.25</td>
</tr>
<tr>
<td>Government officials</td>
<td>18.75</td>
</tr>
<tr>
<td>Other sources</td>
<td>31.25</td>
</tr>
</tbody>
</table>

18.75% each of the Category III people said that friends and relatives were their source of information for availing the loan respectively. And 31.25% each said that they got the information from newspapers and other sources respectively.

- 75% of all the beneficiaries in Category III said that they arranged the balance investment from their relatives.
- While 9.38% arranged it from their friends 3.13% arranged it from other sources.
- 56.25% of all the beneficiaries in Category III have created asset using the loan.

Sector-wise analysis:

![Distribution of beneficiaries over different sectors](image)
**Garment Sector**

25% of total beneficiaries are belonging to this sector. The average loan size of this category has been observed to be Rs. 54,177. The repayment percentage denoting total amount repaid with respect to total amount of loan for this category comes to 62.45%.

As per survey feedback, 4.04% of the respondent belonged to Below Poverty Line (BPL) when they were provided with loans. After obtaining loan, the beneficiaries’ feedback indicates that 25% of them have crossed the Poverty Line (APL) and 50% of them have crossed Double the Poverty Line (DPL). A column diagram in this regard has been given below.

![Out of 4.04% BPL family of this sector, % crossed BPL & DPL](image1)

45.45% of people have been found to belong below Double the Poverty Line (DPL) (but above BPL level) when they were provided with loans. After obtaining loan, the beneficiaries’ feedback indicates that 96% of them have crossed Double the Poverty Line (DPL). A column diagram in this regard has been given below.

![Out of 45.45% below DPL family of this sector, % crossed DPL](image2)
- It was found out that a total of 155 employment opportunities (including the beneficiaries) were created after loan utilization.
- 61.61% of the beneficiaries belonging to this sector brought extra investment from other sources over the loan amount.
- None of the beneficiaries has received any formal training.

For marketing of products chosen channels are as follows:

- 18% of them depend on local market for marketing of their products
- 21% of the beneficiaries depend on village markets
- 12% of the beneficiaries are linked with wholesalers
- 49% of the beneficiaries do retail business
- 17.17% of all the beneficiaries in this sector have created asset using the loan.

**General Sector**

General sector includes retail shops on Pan, Electronics goods, Sweet shops, Photocopy, Leather goods, Mobile, Hardware, Vegetables, Furniture, Shoes, Machine repairing, Cycle repairing, Fertilizer etc and 40% of total beneficiaries are belonging to this sector. The average loan size of this category has been observed to be Rs. 57,085. The repayment percentage denoting total amount repaid with respect to total amount of loan for this category comes to 35.20%.

As per survey feedback, 5.66% of the respondent belonged to Below Poverty Line (BPL) when they were provided with loans. After obtaining loan, the beneficiaries’ feedback indicates that 56% of them have crossed the Poverty Line (APL) and 44% of them have crossed Double the Poverty Line (DPL). A column diagram in this regard has been given below.
69.81% of people have been found to belong below Double the Poverty Line (DPL) (but above BPL level) when they were provided with loans. After obtaining loan, the beneficiaries’ feedback indicates that 96% of them have crossed Double the Poverty Line (DPL). A column diagram in this regard has been given below.

It was found out that a total of 131 employment opportunities (including the beneficiaries) were created after loan utilization.

- None of the beneficiaries have received any formal training on the business.
- 100% of the beneficiaries do retail business in the local market
- 39% of all the beneficiaries have created asset using the loan.

**Grocery Sector**

9% of the beneficiaries are in Grocery business. The average loan size of this category has been observed to be Rs.59.628. The repayment percentage denoting total amount repaid with respect to total amount of loan for this category comes to 92.67%.

20% of people have been found to belong below Double the Poverty Line (DPL) (but above BPL level) when they were provided with loans. After obtaining loan, the beneficiaries’ feedback indicates that 100% of them have crossed Double the Poverty Line (DPL). A column diagram in this regard has been given below.
It was found out that a total of 16 employment opportunities were created after loan utilization. 61% of beneficiaries belonging to this sector have brought fresh investment in their business other than the loan amount under the scheme.

- None of the beneficiaries received any formal training on the trade.
- 100% of the beneficiaries do business in the retail market

**Automobile Sector**

The average loan size of this category has been observed to be Rs.130,365. The repayment percentage denoting total amount repaid with respect to total amount of loan for this category comes to 25.22%.

As per survey feedback, none of the respondent belonged to Below Poverty Line (BPL) when they were provided with loans.

95.65% of people have been found to belong below Double the Poverty Line (DPL) (but above BPL level) when they were provided with loans. After obtaining loan, the beneficiaries’ feedback indicates that all of them have crossed Double the Poverty Line (DPL). A column diagram in this regard has been given below.
It was found out that a total of 11 employment opportunities were created after loan utilization. 96% of all the beneficiaries said that they arranged the balance investment from their relatives and relatives

- None of them received any formal training
- 86% of auto plies in the village area
- 14% in the semi urban area
- 86.96% of all the beneficiaries have created asset using the loan.

Animal Husbandry Sector

The average loan size of this category has been observed to be Rs.59,147. The repayment percentage denoting total amount repaid with respect to total amount of loan for this category comes to 31.32%.

As per survey feedback, none of the respondent belonged to Below Poverty Line (BPL) when they were provided with loans.

88.24% of people have been found to belong below Double the Poverty Line (DPL) (but above BPL level) when they were provided with loans. After obtaining loan, the beneficiaries’ feedback indicates that 93% of them have crossed Double the Poverty Line (DPL). A column diagram in this regard has been given below.
It was found out that a total of 18 employment opportunities were created after loan utilization. 88.65% of beneficiaries belonging to this sector has brought extra money to their business on and above the loan received under the scheme.

- 65% of poultry farm do business in village market
- 12% do business in local market
- 24% do retail business
- 5.88% of all the beneficiaries have created asset using the loan.

**Metal Sector**

The average loan size of this category has been observed to be Rs.69,000. The repayment percentage denoting total amount repaid with respect to total amount of loan for this category comes to 38.22%.

As per survey feedback, 7.69% of the respondent belonged to Below Poverty Line (BPL) when they were provided with loans. After obtaining loan, the beneficiaries’ feedback indicates that all of them have crossed the Poverty Line (APL). A column diagram in this regard has been given below.
92.31% of people have been found to belong below Double the Poverty Line (DPL) (but above BPL level) when they were provided with loans. After obtaining loan, the beneficiaries’ feedback indicates that 92% of them have crossed Double the Poverty Line (DPL). A column diagram in this regard has been given below.

It was found out that a total of 24 employment opportunities were created after loan utilization.

- 84% of the beneficiaries in this sector brought fresh investment from their own sources.
- 25% of the beneficiary does business in the village market
- 75% do business in the local market

30.77% of all the beneficiaries have created asset using the loan.

**Pharmaceutical Sector**

The average loan size of this category has been observed to be Rs.67,615. The repayment percentage denoting total amount repaid with respect to total amount of loan for this category comes to 73.07%.

As per survey feedback, none of the respondent belonged to Below Poverty Line (BPL) when they were provided with loans.
38.46% of people have been found to belong below Double the Poverty Line (DPL) (but above BPL level) when they were provided with loans. After obtaining loan, the beneficiaries’ feedback indicates that 80% of them have crossed Double the Poverty Line (DPL). A column diagram in this regard has been given below.

![Column diagram showing 80% of beneficiaries crossing DPL](image)

69.23% of beneficiaries belonging to this sector has invested extra amount other than the loan received.

It was found out that a total of 9 employment opportunities were created after loan utilization.

54% of the beneficiaries do retail business.

15.38% of all the beneficiaries have created asset using the loan.

**Other Sectors**

Other sector includes leather machine, oil meal, beauty parlor, saloon, tour & Travel business, decorators, Builders etc and 9% of total beneficiaries are belonging to this sector. The average loan size of this category has been observed to be Rs.70,928. The repayment percentage denoting total amount repaid with respect to total amount of loan for this category comes to 50.25%.

As per survey feedback, none of the respondent belonged to Below Poverty Line (BPL) when they were provided with loans.

68.57% of people have been found to belong below Double the Poverty Line (DPL) (but above BPL level) when they were provided with loans. After obtaining loan, the beneficiaries’ feedback indicates that 92% of them have crossed Double the Poverty Line (DPL). A column diagram in this regard has been given below.
- It was found out that a total of 42 employment opportunities were created after loan utilization.
- 76% of the beneficiaries have brought extra investment from their own sources.
- Around 76% of the beneficiary do retail business in the local and village market.
- 25.71% of all the beneficiaries have created asset using the loan.

### 4.2 NORTH ZONE

**Survey Analysis:**

The 600 beneficiaries who have received financial assistance (loans) from National Minorities Development & Finance Corporation have been categorized as per the size of loan assistance obtained by each. The various loan categories are as follows:

<table>
<thead>
<tr>
<th>Category</th>
<th>Loan Size: in Rs.</th>
<th>% of Total Beneficiaries</th>
</tr>
</thead>
<tbody>
<tr>
<td>CAT 1</td>
<td>&lt;50,000</td>
<td>30.58%</td>
</tr>
<tr>
<td>CAT 2</td>
<td>&gt;=50,000 -1,00,000</td>
<td>69.42%</td>
</tr>
</tbody>
</table>

As per these categories the behavior of each group/category has been analyzed.

#### 4.2.1 Category I:

The average loan size of this category has been observed to be Rs. 27329.23. The repayment percentage denoting total amount repaid with respect to total amount of loan for this category comes to 37.50%.
As per survey feedback, 2.46% respondent under Category 1 belonged to Below Poverty Line (BPL) when they were provided with loans. After obtaining loan, the beneficiaries’ feedback indicates that 66.67% of them have crossed the Poverty Line (APL) and 33.33% of them have crossed Double the Poverty Line (DPL). On the other hand, 81.15% respondent under Category 1 belonged to Above Poverty Line (APL) when they were provided with loans. After obtaining loans, 90.91% of the respondents moved to Double the Poverty Line (DPL).

The figures for the different categories are given below:

- Source of Information about the scheme –
  - Category 1 – Relatives/Friends (27.05% respondent) Awareness Camps (72.13% respondent)
  - Religion – MUSLIMS (97.54% respondents), Sikhs (2.46% respondents)
  - Papers Submitted to avail loan - 1 (0.82%), 2 (1.64%), 1,2 (24.59%), 1,2,3,4 (40.98%), 1,2,3 (28.69%), 1,2,3,5 (3.28%).
  - Avg Time Gap - <2 months (22.95%) 3-4 months (28.69%) 5-6 months (45.08%) > 6 months (3.28%)

4.2.2 Category II:

The average loan size of this category has been observed to be Rs.79733.75. The repayment percentage denoting total amount repaid with respect to total amount of loan for this category comes to 37.58%.

As per survey feedback, 79.42% respondent under Category 2 belonged to Above Poverty Line (APL) when they were provided with loans. After obtaining loan, the beneficiaries’ feedback indicates that 93.18% of them have crossed Double the Poverty Line (DPL).

The figures for the different categories are given below:

- Source of Information about the scheme –
  - Category 2 - Relatives/Friends (58.84% respondents) Newspapers (9.39% respondents) Awareness Camps (31.77% respondents).
  - Religion – MUSLIMS (66.06% respondents) Sikhs(33.94% respondents)
  - Papers Submitted to avail loan - 1 (8.30%), 2 (25.63%), 1,2 (29.60%), 1,2,3,4 (36.46%)
  - Avg Time Gap - <2 months (29.96%) 3-4 months (17.33%) 5-6 months (35.74%) > 6 months (16.97%)
General Business:

18% of total beneficiaries of this zone are in General business. It includes General Stores, Provisional Stores, Keryana Stores, Grocery, Stationary shop, Cosmetics shops etc. Average loan size of this category has been observed to be Rs. 79920.63. The repayment percentage denoting total amount repaid with respect to total amount of loan for this category comes to 35.83%.

As per survey feedback, 76.19% of the respondent belonged to Above Poverty Line (APL) when they were provided with loans. After obtaining loan, the beneficiaries’ feedback indicates that 100% of them have crossed Double the Poverty Line (DPL).

78% of the beneficiaries belonging to this sector brought extra investment from other sources over the loan amount.

- None of the beneficiaries has received any formal training.

For marketing of products chosen channels are as follows:

- 100% of them depend on local market for marketing of their products
- 20% of the beneficiaries has created asset in the forms of furniture
Garments:
8% of the total beneficiaries do deals in Garments. This category of the sector has been derived based on the occupations/business activities in the fields of Readymade Stores, Provision Stores, etc. The average loan size of this category has been observed to be Rs.58571.43. The repayment percentage denoting total amount repaid with respect to total amount of loan for this category comes to 34.65%.

As per survey feedback, 53.57% of the respondent belonged to Above Poverty Line (APL) when they were provided with loans. After obtaining loan, the beneficiaries’ feedback indicates that 86.67% of them have crossed Double the Poverty Line (DPL).

63% of the beneficiaries belonging to this sector brought extra investment from other sources over the loan amount.

- None of the beneficiaries has received any formal training.

For marketing of products chosen channels are as follows:

- 76% of them depend on local market for marketing of their products
- 29% of all the beneficiaries in this sector have created asset using the loan

Others:
14% of the total beneficiaries are involved in this sector in the fields of candle making, computer shop, cement shop, glass, jams & pickles, etc. The average loan size of this category has been observed to be Rs. 99787.23. The repayment percentage denoting total amount repaid with respect to total amount of loan for this category comes to 32.97%.

As per survey feedback, 57.45% of the respondent belonged to Above Poverty Line (APL) when they were provided with loans. After obtaining loan, the beneficiaries’ feedback indicates that 96.30% of them have crossed Double the Poverty Line (DPL).

- None of the beneficiaries has received any formal training.

For marketing of products chosen channels are as follows:

- 87% of them depend on local market and village for marketing of their products
- 31% of all the beneficiaries in this sector have created asset using the loan.
Handicrafts:

This category of the sector has been derived based on the occupations related to business operations in handicrafts, bangle shops, jewellery store etc. The average loan size of this category has been observed to be Rs.42698.75. The repayment percentage denoting total amount repaid with respect to total amount of loan for this category comes to 30.14%.

As per survey feedback, 84.38% of the respondent belonged to Above Poverty Line (APL) when they were provided with loans. After obtaining loan, the beneficiaries’ feedback indicates that 100% of them have crossed Double the Poverty Line (DPL).

38% of the beneficiaries belonging to this sector brought extra investment from other sources over the loan amount.

- Most of the beneficiaries are members of different groups
- 84% of the beneficiaries received formal training on product differentiation and marketing.

For marketing of products chosen channels are as follows:

Groups do business in:
- Wholesale, retail as well as participating in different melas

Jute:

The average loan size of this category has been observed to be Rs.25326.80. The repayment percentage denoting total amount repaid with respect to total amount of loan for this category comes to 18.38%.

As per survey feedback, 100% of the respondent belonged to Above Poverty Line (APL) when they were provided with loans. After obtaining loan, the beneficiaries’ feedback indicates that 98.04% of them have crossed Double the Poverty Line (DPL).

- Most of the beneficiaries are members of different groups
- 87% of the beneficiaries have received formal training.
- J & K Women Development Corporation has imparted training to the group members

For marketing of products chosen channels are as follows:

- In this products Groups do wholesale business only
Animal Husbandry:

This category of the sector has been derived based on the occupations related to business operations in sheep, goat, poultry, etc. The average loan size of this category has been observed to be Rs.73309.43. The repayment percentage denoting total amount repaid with respect to total amount of loan for this category comes to 43.91%.

As per survey feedback, 98.36% of the respondent belonged to Above Poverty Line (APL) when they were provided with loans. After obtaining loan, the beneficiaries’ feedback indicates that 95.83% of them have crossed Double the Poverty Line (DPL).

71.4 % of the beneficiaries belonging to this sector brought extra investment from other sources over the loan amount.

- 16% of the beneficiaries have received formal training specially on Bee Keeping.

For marketing of products chosen channels are as follows:

- 58% of them depend on local market for marketing of their products
- 33% of the beneficiaries depend on village markets
- 2% of the beneficiaries are linked with wholesalers

- 63% of all the beneficiaries in this sector have created asset in terms of live animal.

4.3 NORTH-EAST ZONE

North-East zone consists of Mizoram and Nagaland under the survey. Analyses of the feedback received from the survey of the respondents (beneficiaries) have been described below:

Survey Analysis:

The 400 beneficiaries who have received financial assistance (loans) from National Minorities Development & Finance Corporation have been categorized as per the size of loan assistance obtained by each. The various loan categories are as follows:
<table>
<thead>
<tr>
<th>Category</th>
<th>Loan Size: in Rs.</th>
<th>% of Total Beneficiaries</th>
</tr>
</thead>
<tbody>
<tr>
<td>CAT 1</td>
<td>&lt;50,000</td>
<td>26.43%</td>
</tr>
<tr>
<td>CAT 2</td>
<td>&gt;=50,000 -1,00,000</td>
<td>53.87%</td>
</tr>
<tr>
<td>CAT 3</td>
<td>&gt;1,00,000</td>
<td>45.39%</td>
</tr>
</tbody>
</table>

As per these categories the behavior of each group/category has been analyzed.

4.3.1 Category 1:

The average loan size of this category has been observed to be Rs. 34434.20. The repayment percentage denoting total amount repaid with respect to total amount of loan for this category comes to 64.69%.

66.04% of the Category 1 people have been found to belong below Double the Poverty Line (DPL)(but above BPL level) when they were provided with loans. After obtaining loan, most of their economic status has improved and 36.79% of the 66.04% beneficiaries under Category 1 have been found to cross Double the Poverty Line (DPL).

The figures for the different categories are given below:

- Source of Information about the scheme –
  - Category 1 – Relatives/Friends (46.23% respondents) Awareness Camps (37.74% respondents) Government (8.49% respondents) & Others (7.55% respondents).
- Rate of Interest – The respondents across all the categories have been charged a rate of 6% for the loan.
- Religion – Christians (98.11% respondents)
- Papers Submitted to avail loan - 1 (64.15%), 2(3.77%), 4 (6.60%), 5 (0.96%), 1,2 (9.43%), 1,2,4 (7.55%), 1,4 (2.83%) 1.5 (2.83%), 2,4 (1.89%)
- Avg Time Gap - <2 months (88.68%), 3-4 months (6.60%), 5-6 months (3.77%), > 6 months (0.94%)

4.3.2 Category 2:

The average loan size of this category has been observed to be Rs.56560. The repayment percentage denoting total amount repaid with respect to total amount of loan for this category comes to 53.57%.

59.72% of the Category 2 people have been found to belong below DPL (but above BPL level) when they were provided with loans. After obtaining loan, all of their economic status has
improved and 34.72% of the 59.72% beneficiaries under Category 2 have been found to cross DPL.

This chart shows the actual %age of respondents who crossed Double the Poverty Line (DPL).

The figures for the different categories are given below:

- **Source of Information about the scheme** –
  - Category 2 - Relatives/Friends (47.22% respondents) Awareness Camps (36.57% respondents) Others (9.72% respondents) Government (6.48% respondents).
- **Rate of Interest** – The respondents across all the categories have been charged a rate of 6% for the loan.
- **Religion** – Christians (100% respondents).
- **Papers Submitted to avail loan** - 1,2 (1.69%), 3 (1.69%), 4 (37.29%), 1,4 (37.29%), 1,2,4(3.39%), 1,3,4 (1.69%) 3,4, (5.08%), 2,4 (11.86%)
- **Avg Time Gap** - <2 months (22.03%) 3-4 months (15.25%) 5-6 months (5.08%) > 6 months (55.93%)

### 4.3.3 Category 3:

The average loan size of this category has been observed to be Rs. 134,725. The repayment percentage denoting total amount repaid with respect to total amount of loan for this category comes to 35.59%.

98.35% of the Category 3 people have been found to belong below DPL (but above BPL level) when they were provided with loans. After obtaining loan, most of their economic status has improved and around 41.76% of the 98.35% beneficiaries under Category 3 have been found to cross DPL.

The figures for the different categories are given below:

- **Source of Information about the scheme** –
  - Category 3 – Relatives/Friends (100% respondents).
- **Rate of Interest** – The respondents across all the categories have been charged a rate of 6% for the loan.
- **Religion** – Christian (100% respondents).
- **Papers Submitted to avail loan** - 1 (5.26%), 1,4 (5.26%), 3 (10.53%), 4 (47.36%), 2,4 (26.32%), 3,4 (5.26%),
- **Avg Time Gap** - <2 months (15.79%) 3-4 months (26.31%) 5-6 months (10.53%) > 6 months (42.11)
SECTOR-WISE ANALYSIS:

General Business:

This category of the sector has been derived based on the occupations/ business activities in the fields of Business, Small Business, Dairy, Furniture, Commercial, Steel etc. The average loan size of this category has been observed to be Rs. 99,608. The repayment percentage denoting total amount repaid with respect to total amount of loan for this category comes to 35.16%.

84.05% of the GENERAL people have been found below the DPL category when they were provided with loans. After obtaining loan, around 33.74% of the 84.05% beneficiaries under GENERAL have been found to cross the DPL.

42% of the beneficiaries have brought extra investment to the venture out of their own sources in addition to the loan amount under the scheme.

78% of the beneficiaries do retail business in the local market

22% of the beneficiaries belonging to General Business do business in village market

37% of the beneficiaries has created assets out of the loan amount

Animal Husbandry:

This category of the sector has been derived based on the occupations related to business operations in piggery, rearing, poultry, etc. The average loan size of this category has been observed to be Rs.47,905.89. The repayment percentage denoting total amount repaid with respect to total amount of loan for this category comes to 59.03%.
66.07% of the ANIMAL HUSBANDRY people have been found to belong in the BPL category when they were provided with loans. After obtaining loan, most of their economic status has improved and around 41.07% of the 66.07% beneficiaries under ANIMAL HUSBANDRY have been found to cross the DPL.

32% of the beneficiaries belonging to this sector has brought extra money into the business from other sources.

81% of the beneficiaries do business in the local market

19% do business in the village market

76% of the beneficiaries created assets in the form of live animal.

Others:

Other includes departmental shop, auto rickshaw, nursing home, candle making, bakery units. The average loan size of this category has been observed to be Rs. 120126.70. The repayment percentage denoting total amount repaid with respect to total amount of loan for this category comes to 40.09%.

96.67% of the OTHERS people have been found below the DPL category when they were provided with loans. After obtaining loan, most of their economic status has improved and around 38.33% of the 96.67% beneficiaries under OTHERS have been found to cross the DPL.

52% of the beneficiaries put extra money over the loan amount into the venture.

96% of the beneficiaries do business in the local market.

34% of the beneficiaries created assets out of the loan amount in terms of machinery, furnitures

Rent:

This category includes mainly Hostels for students of various age groups both for boys and girls. The average loan size of this category has been observed to be Rs. 139189. The repayment percentage denoting total amount repaid with respect to total amount of loan for this category comes to 39.06%.

100% of the OTHERS people have been found below the DPL category when they were provided with loans. After obtaining loan, most of their economic status has improved and around 45.95% of the 100% beneficiaries under OTHERS have been found to cross the DPL.

68% of the beneficiaries have brought extra money into the venture in addition to the loan amount.
100% of the beneficiaries do business in the local market

87% of the beneficiaries has created assets out of the loan amount in terms of civil works.

### 4.4 South Zone

South zone includes states of Karala, Karnataka and Tamil Nadu.

<table>
<thead>
<tr>
<th>State</th>
<th>District</th>
<th>SCA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kerala</td>
<td>Mallapuram</td>
<td>Kerala State Backward Class Development corporation</td>
</tr>
<tr>
<td>Karnataka</td>
<td>Mangalore</td>
<td>Karnataka Minorities Development Corporation Ltd</td>
</tr>
<tr>
<td>Tamil Nadu</td>
<td>Coimbatore</td>
<td>Tamil Nadu minorities economic development corporation</td>
</tr>
</tbody>
</table>

**Survey Analysis:**

Beneficiaries who have received financial assistance from National Minorities Development & Finance Corporation have been categorized as per the size of loan assistance obtained by each. The various loan categories are as follows:

<table>
<thead>
<tr>
<th>Category</th>
<th>Loan Size: in Rs.</th>
<th>% of Total Beneficiaries</th>
</tr>
</thead>
<tbody>
<tr>
<td>CAT I</td>
<td>&lt;50,000</td>
<td>26.94%</td>
</tr>
<tr>
<td>CAT II</td>
<td>&gt;=50,000 -1,00,000</td>
<td>38.62%</td>
</tr>
<tr>
<td>CAT III</td>
<td>&gt;1,00,000</td>
<td>34.44%</td>
</tr>
</tbody>
</table>

As per these categories the behavior of each group/category has been analyzed.
4.4.1 Category I:

Religion wise distribution of beneficiaries:

<table>
<thead>
<tr>
<th>Religion</th>
<th>% of beneficiaries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Muslims</td>
<td>82.00</td>
</tr>
<tr>
<td>Christian</td>
<td>4.44</td>
</tr>
<tr>
<td>Others</td>
<td>13.56</td>
</tr>
</tbody>
</table>

82% of all beneficiaries belong to Muslims community and 4.44% belong to Christian community and 13.56% belong to other category.

Documents submitted along with the loan application:

<table>
<thead>
<tr>
<th>Documents</th>
<th>% of beneficiaries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proof of identification, proof of residence, proof of qualification and</td>
<td>85.56</td>
</tr>
<tr>
<td>project proposal</td>
<td></td>
</tr>
<tr>
<td>Proof of identification, proof of residence project proposal</td>
<td>6.67</td>
</tr>
<tr>
<td>Any one of proof of identification, proof of residence, proof of</td>
<td>7.77</td>
</tr>
<tr>
<td>qualification</td>
<td></td>
</tr>
</tbody>
</table>
Time gap between loan application and sanction:

- Duration between loan application & loan disbursement - <2 months (16%), 3-4 months (80%), 4-5 months (2%), >6 months (2%).

Average loan size & repayment rate:

- The average loan size of this category has been observed to be Rs. 37,925/-.
- The repayment percentage denoting total amount repaid with respect to total amount of loan for this category comes to 93.83%.

Impact:

13% of the Category I people has been found to belong below Poverty Line when they were provided with loans. After obtaining loan, most of their economic status has improved and all the 75% beneficiaries under Category I have been found to cross Poverty Line (BPL) and 8% of them even crossed double the poverty line (DPL).

This chart shows the actual %age of respondents who crossed the Poverty Line (APL).
- Creation of new employment opportunity (other than self-employment)– 13

Sources of information about the scheme:

<table>
<thead>
<tr>
<th>Sources</th>
<th>% of beneficiaries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Friends and relatives</td>
<td>33.00</td>
</tr>
<tr>
<td>Newspapers</td>
<td>6.00</td>
</tr>
<tr>
<td>Awareness camp</td>
<td>53.00</td>
</tr>
<tr>
<td>NGO</td>
<td>8.00</td>
</tr>
</tbody>
</table>

- 10% of the respondents created assets out of the loan amount.

- Percentage of beneficiary arranging extra investment for the venture other than the loan amount under the scheme (32%) – Relatives (18%), friends (9%), Money lender (2%), Banks (3%).

**4.4.2 Category II:**

Religion wise distribution:

100% of beneficiaries in this category belong to Muslim community.

<table>
<thead>
<tr>
<th>Religion</th>
<th>% of beneficiaries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Muslims</td>
<td>86.82</td>
</tr>
<tr>
<td>Christian</td>
<td>5.43</td>
</tr>
<tr>
<td>Others</td>
<td>0.79</td>
</tr>
</tbody>
</table>

86.82% of all beneficiaries belong to Muslims community, 5.43% belong to Christian community and 0.79% belongs to other communities.

Documents submitted along with the loan application:
<table>
<thead>
<tr>
<th>Documents</th>
<th>% of beneficiaries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proof of identification, proof of residence, proof of qualification and</td>
<td>79.84</td>
</tr>
<tr>
<td>project proposal</td>
<td></td>
</tr>
<tr>
<td>Proof of identification, proof of residence project proposal</td>
<td>3.10</td>
</tr>
<tr>
<td>Any one/two of proof of identification, proof of residence, proof of</td>
<td>16.37</td>
</tr>
<tr>
<td>qualification</td>
<td></td>
</tr>
</tbody>
</table>

Time gap between loan application and sanction:

- Duration between loan application & loan disbursement - <2 months (24.81%), 3-4 months (62.79%), 4-5 months (7.75%), >6 months (4.65%).

Average loan size & repayment rate:

- The average loan size of this category has been observed to be Rs.63,440/-.
- The repayment percentage denoting total amount repaid with respect to total amount of loan for this category comes to 81.51%.
Impact:

7.75% of the Category 2 people have been found to belong below poverty line when they were provided with loans. After obtaining loan, most of their economic status has improved and 50% of them have been found to cross BPL and 50% of them even crossed double the poverty line (DPL).

Sources of information about the scheme:

<table>
<thead>
<tr>
<th>Sources</th>
<th>% of beneficiaries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Friends and relatives</td>
<td>44.96</td>
</tr>
<tr>
<td>Newspapers</td>
<td>4.65</td>
</tr>
<tr>
<td>Awareness camp</td>
<td>43.41</td>
</tr>
<tr>
<td>NGO</td>
<td>6.98</td>
</tr>
</tbody>
</table>

Relatives/Friends (44.96% respondents) Awareness Camps (43.41% respondents) Newspapers (4.65% respondents), NGO (6.98%), Government officials (0.78%).

- 27.13% of the respondents created assets out of the loan amount.
- Percentage of beneficiary arranging extra investment for the venture other than the loan amount under the scheme(50.39%) – Relatives (23.26%), friends (19.38%), Money lender (3.88%), bank (0.78%), self (0.78%), other source (2.33%).
- Creation of new employment opportunity(other than self-employment) – 71
4.4.3 Category III:

Religion wise distribution:

100% of beneficiaries in this category belong to Muslim community.

<table>
<thead>
<tr>
<th>Religion</th>
<th>% of beneficiaries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Muslims</td>
<td>88.70</td>
</tr>
<tr>
<td>Christian</td>
<td>7.00</td>
</tr>
</tbody>
</table>

Documents submitted along with the loan application:

<table>
<thead>
<tr>
<th>Documents</th>
<th>% of beneficiaries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proof of identification, proof of residence, proof of qualification and project proposal</td>
<td>69.57</td>
</tr>
<tr>
<td>Proof of identification, proof of residence project proposal</td>
<td>3.48</td>
</tr>
<tr>
<td>Any one/two of proof of identification, proof of residence, proof of qualification</td>
<td>19.12</td>
</tr>
<tr>
<td>Proof of identification, proof of residence &amp; Letter from any authorized person</td>
<td>7.83</td>
</tr>
</tbody>
</table>

Time gap between loan application and sanction:

<table>
<thead>
<tr>
<th>Time gap between loan application and sanction</th>
<th>% of beneficiaries</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt; 2 months</td>
<td>57.39</td>
</tr>
<tr>
<td>3-4 months</td>
<td>32.17</td>
</tr>
</tbody>
</table>
Time gap between loan application and sanction | % of beneficiaries
---|---
4-5 months | 2.61
> 6 months | 7.83

**Average loan size and repayment:**

- The average loan size of this category has been observed to be Rs.156,417/-.
- The repayment percentage denoting total amount repaid with respect to total amount of loan for this category comes to 40%.

10.43% of the Category 3 people have been found to belong below Poverty Level when they were provided with loans. After obtaining loan, most of their economic status has improved and 75% of them have been found to cross BPL and 25% of them even crossed double the poverty line (DPL).

**Sources of information about the scheme:**

<table>
<thead>
<tr>
<th>Sources</th>
<th>% of beneficiaries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Friends and relatives</td>
<td>74.78</td>
</tr>
<tr>
<td>Newspapers</td>
<td>4.35</td>
</tr>
<tr>
<td>Awareness camp</td>
<td>18.26</td>
</tr>
<tr>
<td>NGO</td>
<td>1.74</td>
</tr>
</tbody>
</table>

![Graph showing BPL & DPL](image)
The figures for the different categories are given below:

- In Category III, 60% of the respondents created assets out of the loan amount.
- Percentage of beneficiary arranging extra investment for the venture other than the loan amount under the scheme (74.78%) – Relatives (14.78%), friends (40%), Bank (1.74%), other source (18.26%).
- Creation of new employment opportunity (other than self-employment) – 32

SECTOR-WISE ANALYSIS:

<table>
<thead>
<tr>
<th>2.1 Sl.No</th>
<th>2.2 Sector</th>
<th>2.3 % of beneficiaries</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.4 1</td>
<td>2.5 Agriculture</td>
<td>2.6 15.27%</td>
</tr>
<tr>
<td>2.7 2</td>
<td>2.8 Animal Husbandry</td>
<td>2.9 12.57%</td>
</tr>
<tr>
<td>2.10 3</td>
<td>2.11 Automobile</td>
<td>2.12 4.79%</td>
</tr>
<tr>
<td>2.13 4</td>
<td>2.14 Garment</td>
<td>2.15 5.99%</td>
</tr>
<tr>
<td>2.16 5</td>
<td>2.17 General</td>
<td>2.18 24.85%</td>
</tr>
<tr>
<td>2.19 6</td>
<td>2.20 Others</td>
<td>2.21 35.93%</td>
</tr>
</tbody>
</table>

Agriculture Sector:

15.27% of the entire beneficiary belongs in this sector.

The average loan size of this category has been observed to be Rs.60,902/-.

The repayment percentage denoting total amount repaid with respect to total amount of loan for this category comes to 83.84%.

7.84% of the people have been found to belong below Poverty Level when they were provided with loans. After obtaining loan, most of their economic status has improved and 50% of them have been found to cross BPL and 50% of them even crossed double the poverty line (DPL).
The figures for the different categories are given below:

- Creations of Assets – 5.88% of the respondents created assets out of the loan amount.
- 9.80% of the beneficiaries belonging to this sector brought extra investment from other sources over the loan amount.
- None of the beneficiary in agricultural sector has undergone any kind of training by any agency or NGO.
- 5.88% markets their product in local market, 1.96% in exhibition and 1.96% markets through retailer.

**Animal Husbandry Sector:**

- 12.57% of the entire beneficiary belongs in this sector.
- The average loan size of this category has been observed to be Rs.82,643/-.
- The repayment percentage denoting total amount repaid with respect to total amount of loan for this category comes to 58.22%.

14.29% of the people have been found to belong below Poverty Level when they were provided with loans. After obtaining loan, most of their economic status has improved and 67% of them have been found to cross BPL and 33% of them even crossed double the poverty line (DPL).
The figures for the different categories are given below:

- **Creations of Assets** – 54.76% of the respondents created assets out of the loan amount.
- 66.67% of the beneficiaries belonging to this sector brought extra investment from other sources over the loan amount.
- None of the beneficiary in animal husbandry sector has undergone any kind of training by any agency or NGO.
- 38.10% markets their product in local market, 9.52% in village, 11.90% in exhibition 7.14% through whole seller and 4.76% markets through retailer.

**Automobile Sector:**

- 4.79% of the entire beneficiary belongs in this sector.
- The average loan size of this category has been observed to be Rs.95,811/-.
- The repayment percentage denoting total amount repaid with respect to total amount of loan for this category comes to 68.69%.

25% of the people have been found to belong below Poverty Level when they were provided with loans. After obtaining loan, most of their economic status has improved and 75% of them have been found to cross BPL.
The figures for the different categories are given below:

- 93.75% of the respondents created assets out of the loan amount.
- All of the beneficiaries belonging to this sector brought extra investment from other sources over the loan amount.
- None of the beneficiary in automobile sector has undergone any kind of training by any agency or NGO.
- 6.25% of the beneficiary markets their products through retailer.

**Garment Sector:**

- 5.99% of the entire beneficiary belongs in this sector.
- The average loan size of this category has been observed to be Rs.83,350/-. 
- The repayment percentage denoting total amount repaid with respect to total amount of loan for this category comes to 38.93%.

20% of the people have been found to belong below Poverty Level when they were provided with loans. After obtaining loan, most of their economic status has improved and 50% of them have been found to cross BPL and 50% of them even crossed double the poverty line (DPL).
The figures for the different categories are given below:

- 60% of the respondents created assets out of the loan amount.
- All of the beneficiaries belonging to this sector brought extra investment from other sources over the loan amount.
- 10% of the beneficiary in garment sector has undergone any kind of training by any agency or NGO.
- 30% markets their product in local market, 15% in village, 20% in exhibition 5% through whole seller and 5% markets through retailer.

**General Sector:**

- 24.85% of the entire beneficiary belongs in this sector.
- The average loan size of this category has been observed to be Rs.78,771/-.
- The repayment percentage denoting total amount repaid with respect to total amount of loan for this category comes to 66.48%.

8.43% of the people have been found to belong below Poverty Level when they were provided with loans. After obtaining loan, most of their economic status has improved and 71% of them have been found to cross BPL and 14% of them even crossed double the poverty line (DPL).

The figures for the different categories are given below:

- 38.55% of the respondents created assets out of the loan amount.
- 61.45% of the beneficiaries belonging to this sector brought extra investment from other sources over the loan amount.
- 1.20% of the beneficiary in general sector has undergone any kind of training by any agency or NGO.
• 10.84% markets their product in local market, 16.87% in village, 14.46% in exhibition 1.20% through whole seller and 3.61% markets through retailer.

Others Sector:

➢ 35.93% of the entire beneficiary belongs in this sector.
➢ The average loan size of this category has been observed to be Rs.109.708/-. 
➢ The repayment percentage denoting total amount repaid with respect to total amount of loan for this category comes to 47.71%.

6.67% of the people have been found to belong below Poverty Level when they were provided with loans. After obtaining loan, most of their economic status has improved and 75% of them have been found to cross BPL and 13% of them even crossed double the poverty line (DPL).

The figures for the different categories are given below:

• 26.67% of the respondents created assets out of the loan amount.
• 47.50% of the beneficiaries belonging to this sector brought extra investment from other sources over the loan amount.
• 1.67% of the beneficiary in other sectors has undergone any kind of training by any agency or NGO.
• 4.17% markets their product in local market, 8.33% in village, 4.17% in exhibition 1.67% through whole seller and 0.83% markets through retailer.
4.5 WEST ZONE

West zone includes Chhattisgarh, Gujarat, Maharashtra and Rajasthan

Survey Analysis:

The 800 beneficiaries who have received financial assistance (loans) from National Minorities Development & Finance Corporation have been categorized as per the size of loan assistance obtained by each. The various loan categories are as follows:

<table>
<thead>
<tr>
<th>Category</th>
<th>Loan Size: in Rs.</th>
<th>% of Total Beneficiaries</th>
</tr>
</thead>
<tbody>
<tr>
<td>CAT 1</td>
<td>&lt;50,000</td>
<td>83.10%</td>
</tr>
<tr>
<td>CAT 2</td>
<td>&gt;=50,000 -1,00,000</td>
<td>15.85%</td>
</tr>
<tr>
<td>CAT 3</td>
<td>&gt;1,00,000</td>
<td>1.14%</td>
</tr>
</tbody>
</table>

As per these categories the behavior of each group/category has been analyzed.

4.5.1 Category 1:

The average loan size of this category has been observed to be Rs. 23,363. The repayment percentage denoting total amount repaid with respect to total amount of loan for this category comes to 28.86%.

77.60% of the Category 1 people have been found to belong below Double the Poverty Line (DPL)(but above BPL level) when they were provided with loans. After obtaining loan, most of their economic status has improved and 72.10% of the 75% beneficiaries under Category 1 have been found to cross Double the Poverty Line (DPL).

The figures for the different categories are given below:

- Source of Information about the scheme –
  - Category 1 – Relatives/Friends (21.41% respondent) Awareness Camps (30.26% respondent) Government Officials (1.96% respondents) Newspapers (19.65% respondents) NGOs (0.59% respondents) Others (26.13% respondents).

- Creations of Assets – In Category 1, 69.16% of the respondents created assets out of the loan amount.

- Religion – MUSLIMS (94.70% respondents), CHRISTIAN (0.20% respondents), Buddhist (1.38% respondents), Others (0.20% respondents)
Papers Submitted to avail loan - 1 (7.66%), 1,2 (22.20%), 1,2,3 (10.81%), 1,2,3,4 (31.04), 1,2,3,4,5 (0.20%), 1,2,3,5 (0.98%) 1,2,4 (9.63%), 1,2,5 (8.84%) 1,2,4,5 (5.70%), 2,4 (2.16%)

Avg Time Gap - <2 months (1.57%) 3-4 months (25.74%) 5-6 months (37.72%) > 6 months (32.02%)

4.5.2 Category 2:

The average loan size of this category has been observed to be Rs. 62,552. The repayment percentage denoting total amount repaid with respect to total amount of loan for this category comes to 18.27%.

45.45% of the Category 2 people have been found to belong below DPL (but above BPL level) when they were provided with loans. After obtaining loan, all of their economic status has improved and 80.81% of the 45.45% beneficiaries under Category 2 have been found to cross DPL.

The figures for the different categories are given below:

- Source of Information about the scheme –
  - Category 2 - Relatives/Friends (60.82% respondents) Government Officials (8.25% respondents) Newspapers (8.25% respondents) NGOs (2.06% respondents) others (19.59% respondents)

- Creations of Assets – In Category 2, 29.90% of the respondents created assets out of the loan amount.

- Religion – MUSLIMS (100% respondents)

Papers Submitted to avail loan - 1,2,3 (17.53%), 1,2,3,4 (80.41%), 1,2,3,4,5 (1.03%), 1,2,4 (1.03%)

Avg Time Gap - <2 months (0%) 3-4 months (2.06%) 5-6 months (32.99%) > 6 months (47.42%)

4.5.3 Category 3:

The average loan size of this category has been observed to be Rs. 169,000. The repayment percentage denoting total amount repaid with respect to total amount of loan for this category comes to 35.40%.

28.57% of the Category 3 people have been found to belong below DPL (but above BPL level) when they were provided with loans. After obtaining loan, most of their economic status has
improved and around 100% of the 28.57% beneficiaries under Category 3 have been found to cross DPL.

The figures for the different categories are given below:

- **Source of Information about the scheme** –
  - Category 3 – Relatives/Friends (71.43% respondents) others (14.29% respondents).
- **Creations of Assets** – In CAT 3, 14.28% of the respondents created assets out of the loan amount.
- **Religion** – MUSLIMS (85.71% respondents), CHRISTIAN (14.29% respondents).
- **Papers Submitted to avail loan** – 1 (14.29%), 1,2,3 (14.29%), 1,2,3,4 (71.43%),
- **Avg Time Gap** – <2 months (1.57%), 3-4 months (25.74%), 5-6 months (37.72%), > 6 months (32.02%)

**SECTOR-WISE ANALYSIS:**

![Distribution of beneficiaries](image)

**General stores:**

This category of the sector has been derived based on the occupations/business activities in the fields of General Stores, Provisional Stores, Keryana Stores, etc. The average loan size of this category has been observed to be Rs. 35,156. The repayment percentage denoting total amount repaid with respect to total amount of loan for this category comes to 27.50%.
72.82% of the people under this sector have been found below the DPL category when they were provided with loans. After obtaining loan, most of their economic status has improved and around 68.93% of the 72.82% beneficiaries under general store category have been found to cross the DPL.

- 20% of the beneficiaries of this sector have created assets
- 58% of the beneficiaries have arranged extra investment for the venture over the loan amount
- 66% of the beneficiaries do business in local and village markets
- 47% of the beneficiaries have created assets in terms of tools and tackles, furniture

Garments:

This category of the sector has been derived based on the occupations/ business activities in the fields of Readymade Stores, Provision Stores, etc. The average loan size of this category has been observed to be Rs.27,658. The repayment percentage denoting total amount repaid with respect to total amount of loan for this category comes to 42.62%.

100% of the GARMENTS people have been found below the DPL category when they were provided with loans. After obtaining loan, most of their economic status has improved and around 73.75% of the 100% beneficiaries under GARMENTS have been found to cross the DPL.

- 43% of the beneficiaries have investment extra money over the loan amount under the scheme
- 62% of the beneficiaries do business in local market
- 18% of the beneficiaries do job work through local agencies
- 58% of the beneficiaries belonging to this sector have created assets in terms of sewing machine, motors, tools and tackles

Others:

This category of the sector has been derived based on the occupations/ business activities in the fields of candle making, hotel business, dairy product business, shops of electronic products, computer shop, cement shop, glass, jams & pickles, etc. The average loan size of this category has been observed to be Rs. 35,902. The repayment percentage denoting total amount repaid with respect to total amount of loan for this category comes to 24.70%.

70.27% of the OTHERS people have been found below the DPL category when they were provided with loans. After obtaining loan, most of their economic status has improved and around 68.24% of the 70.27% beneficiaries under OTHERS have been found to cross the DPL.
• 39% of the beneficiaries have invested extra money from their own fund
• 47% of the beneficiaries have created assets
• 73% on the beneficiaries of this sector do retail business in local and village market

**Automobiles:**

This category of the sector has been derived based on the occupations/ business activities in the fields of Cycle shops, Spare parts shops, Motor Oil etc. The average loan size of this category has been observed to be Rs. 63,938. The repayment percentage denoting total amount repaid with respect to total amount of loan for this category comes to 22.11%.

57.89% of the AUTOMOBILES people have been found below the DPL category when they were provided with loans. After obtaining loan, most of their economic status has improved and around 68.42% of the 57.89% beneficiaries under AUTOMOBILES have been found to cross the DPL.

76% of the beneficiaries have brought extra money over the loan amount for their business

67% of the beneficiaries do business in the local market

46% of the beneficiaries related to this sector have created assets.

**Handicrafts:**

This category of the sector has been derived based on the occupations related to business operations in handicrafts, bangle shops, jewellery store etc. The average loan size of this category has been observed to be Rs.31506.88. The repayment percentage denoting total amount repaid with respect to total amount of loan for this category comes to 13.53%.

71.56% of the HANDICRAFTS people have been found to belong in the BPL category when they were provided with loans. After obtaining loan, most of their economic status has improved and around 92.66% of the 71.56% beneficiaries under HANDICRAFTS have been found to cross the DPL.

• 31% of the beneficiaries have brought extra money into the venture over the loan amount

• 82% of the beneficiaries do business in the local market

• 4% of the beneficiaries are associated with wholesalers

• 22% of the beneficiaries has created assets in terms of tools and machineries
Metal Business:

This category of the sector has been derived based on the occupations/ business activities in the fields of Tin Box Manufacturing, Steel Works, etc. The average loan size of this category has been observed to be Rs. 49033. The repayment percentage denoting total amount repaid with respect to total amount of loan for this category comes to 23.72%.

50% of the METAL BUSINESS people have been found below the DPL category when they were provided with loans. After obtaining loan, most of their economic status has improved and around 78.57% of the 50% beneficiaries under METAL BUSINESS have been found to cross the DPL.

- 45% of the beneficiaries have invested extra money into the venture over the loan amount
- 22% of the beneficiaries do business in the local market
- 24% is associated with wholesale business
- 49% of the beneficiaries has created assets in terms of small machineries.
CHAPTER 5
RECOMMENDATIONS

Based on the findings of the study the following recommendations have been made for consideration.

- There is a need to increase the term loan amount to at least Rs. 7,00,000/- and the assessment has to be need based.
- The SCAs need to strengthen the staff particularly for recovery purposes. In most cases Recovery Agents are employed who are poorly paid. The staff of district administration deputed for recovery does not provide whole hearted support.
- The Southern region has a high recovery rate due to adequacy of staff. Similar efforts need to be made in other regions. The State Governments need to be sensitized on this issue.
- Guarantee for loans up to Rs. 1, 00,000/- need to be replaced by other suitable mechanism.
- The SCAs need to keep a few project profiles on viable/feasible business opportunities to guide the beneficiaries.
- The SCAs need to fund pre loan entrepreneurship development programme for beneficiaries. Training of beneficiaries on entrepreneurship and management of business. Will help in better health of enterprises and higher recovery.
- In some cases beneficiaries with good track record can be provided loans even if there is no guarantor for the beneficiary.
- Data with respect to beneficiaries need to be updated regularly.
- Time lag between application and sanction of loan needs to be reduced to less than 3 months in all the cases. For that officials of SCAs need to guide the beneficiaries and help them in filling up the application.
QUESTIONNAIRE FOR BENEFICIARY SURVEY UNDER NMDFC ASSISTED SCHEMES

Information collected will be used only for study purpose

1. Geographical details

<table>
<thead>
<tr>
<th>State &amp; District</th>
<th>City / Town / Block</th>
<th>Gram Panchayat</th>
<th>Village</th>
</tr>
</thead>
</table>

Date:

2. Personal Details

2.1 Name of Respondent:

_____________________________________________________

2.2 Age:

_____________________________________________________

2.3 Gender:

_____________________________________________________

2.4 Marital Status: Unmarried / Married / Widow / Widower

2.5 Community/Religion (Muslim, Christian, Sikh, Buddhist, Parsis and others): -------

---------------------------------------------------------------

2.6 Contact number: -------------------------------------------

E-mail: --------------------------------------------------------

2.7 Are you a member of any Self Help Group (if yes, what is the name of that group & No. of members):

Group Name _____________________________

No of Members

Less than 10 Member
10-15 Members

15-20 Members

Name of the Group leader _______________________ Whether Bank A/c opened. Yes/No

Bank A/c Nos. ________________________________

Name of Bank/Branch______________________________

2.8 Activity pursued before availing the loan:

- Unemployed
- Casual employment in chosen line
- Casual employment in any other line
- Self employed
- Unpaid worker in family work

2.9 Group members/ Family Information

<table>
<thead>
<tr>
<th>Name</th>
<th>Gender</th>
<th>Age</th>
<th>Education</th>
<th>Activities</th>
</tr>
</thead>
<tbody>
<tr>
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</tr>
</tbody>
</table>
3.1 What kind of financial assistance have you received?

Term Loan

Educational Loan

Microcredit

3.2 What was the purpose of availing the loan?

Acquiring assets

Starting a new business

Expanding an existing business

Higher Education

Any other purpose (please specify)

3.3 Scheme applied for:

<table>
<thead>
<tr>
<th>Name of the Project</th>
<th>Loan Amount (Rs.)</th>
<th>Month/Year of application</th>
<th>Month/Year of sanction</th>
<th>Date of Disbursement</th>
<th>Amount repaid till date (Rs.)</th>
</tr>
</thead>
</table>

SCA Share: ________________________________

Beneficiary Share: ________________________________

Rate of interest charged from the Beneficiary.

3.4 What documents did you have to submit to get your loan sanctioned?

Proof of identification

Proof of Residence

Proof of qualification

Project proposal
Letter from any authorized person : Village Head/BDO/Local MLA or MP/Any Other.

3.5 Was the money sanctioned /received by you at one time or installments ?

3.6 Have you paid off your loan which you have taken under the scheme ?

Whether Repayment Schedule Received?

Numbers of installments scheduled to repay loan ______________________

Total installments Paid ___________________________

Amount Paid of Recovery ____________________________

☐ Fully ☐ Partly ☐ Not Paid

3.7 How long did it take to receive the loan after you had submitted your application ?

< 2 months ☐

3 – 4 months ☐

5 -6 months ☐

➢ 6 months ☐

3.8 What are the sources of your information about this scheme :

☐ Government officials ☐ Relatives/friends ☐ NGOs

☐ Awareness Camps ☐ Newspaper ☐ Others(specify)

4.1 Which activity have you taken up with this loan :

(Whether some activity undertaken or different. If different reasons for change of activity)

Whether change of activity reported to the SCA/ authority

4.2 If you have started a business, please specify the type of business you have started :
Five trades i.e. Agriculture & Allies, Technical Trade, Small Business, Artisan and Traditional occupational and Transport and service sector

Trading  
Manufacturing  
Service  

4.3 Who is the owner of the unit:
■ Individual  ■ Group of people (if group, take details)

4.4 What is the total amount you have invested in your activity Rs. _______________. (including own fund):

4.5 How have you arranged the balance investment amount (in case of total investment > loan amount under the scheme)?

Source of Arranging Balance Fund
■ Friend  ■ Relative  ■ Money Lender  ■ Bank  ■ Others

4.6 How many people are working in your unit:

4.7 Have you been imparted any training for this activity by any Agency / NGO:

4.8 If yes, give details of the agency / NGO:

4.9 How you are marketing your product:

Sale in Local Market/Village/Exhibition/Through Wholeseller/Retailer

4.10 Have you faced any problem in procuring tools and/or raw materials for business? - Y/N

4.11 (If yes) What problem have you faced?

4.12 Are you facing any other problem related to your current business?

4.13 What was your family income per month before taking this activity?
4.14 How has the loan helped you?

4.15 What is the present income per month from the unit/business operations (individual & group separately) ?

4.16 Details of assets created out of loan amount.

4.17 What is the present monthly income of your family from other sources :

Range of income

Urban area  more than 55,000  less than 55,000
Rural area  more than 40,000  less than 40,000

4.18 Suggestions : -----------------------------------------------
QUESTIONNAIRE FOR NGOs

1. Geographical Details:

   State & District  City /Town/Block  Gram Panchayat  Village

2. Details about the NGO
   Name of key persons/Governing Body Members and educational qualifications.

   Year Established:  
   Registration No.:  

   Address:  

   Registry Authority
   (Whether returns with Register are filed regularly):  

   Contact No.:  
   E-mail:  

   No. of staff
   (Whether trained in Micro credit/SHG formation/stabilization):  

   Main line of activity:  

   Is the Organization Associated with the District Admin/State Govt. to implement socio-economic development scheme?  Yes/No

3.1. How long have you been associated with microcredit/ Loan disbursement?
3.2. What is the total amount of Microcredit/Loan disbursement till date?

3.3. What is the Rate of interest charged from the Beneficiary?

3.4. What activities/sector do you cover while disbursing loan/microcredit?

   - Loan to start new business  
   - Loan to expand existing business  
   - Educational loans  
   - Other (Please Specify)

3.5. For how long have you been associated with disbursing loans under various schemes under NMDFC?

3.6. Whom do you deal with in the SCA on a regular basis?

3.7. How long does it take for you to receive funds from SCA after you have submitted your application along with the documents?

   - One-two Months  
   - More than two months

3.8. How do you decide on loan amount/Microcredit to be given to the SHG?

   - Personal discussions with beneficiaries/SHGs.  
   - Discussion with SCAs  
   - Your own assessment  
   - All the above
3.9 How do your identity/select the SHGs which require loans/ Micro credits?

Do you carry out Credit Rating of the SHGs to be trained?

3.10 After the loan is disbursed, how many times do you visit the SHG to see if the loan sanctioned is being properly utilized?

- Never
- Once/twice
- Three-five times
- More than five times

3.11 Do you provide any separate training (hand holding) to the beneficiaries who wish to start or expand their business?

3.12 Is there a provision for imparting training to staff members? Yes / No

3.13 Do you regularly report to the SCA? If yes, give details.

3.14 If yes, what is the frequency of your reporting?

- Weekly
- Monthly
- Once in two Months
- Once in three months

3.15 Do you experience any pressure to disburse loans/ micro credits?

- Yes / No

3.16 If yes, please specify.
3.17 Please explain if you face any problem when you disburse loan/micro credits.

3.18 How many SHGs/beneficiaries have received funds from you under NMDFC scheme?

3.19 Do you also ensure that the loans are paid back by the beneficiaries?

Yes ☐   No ☐

3.20 Do you maintain **DCB** in respect of loan disbursed? Is there any mechanism to regularly monitor/follow-up Beneficiary/SHG for recovery?

3.21 How many beneficiaries have paid the full amount?

3.22 How many beneficiaries have paid part of the amount?

3.23 How many beneficiaries have not paid any amount at all?

3.24 Are the beneficiaries usually ready to repay the loans?  Yes / No

3.25 What problems do you face when you ask for repayment?

3.26 How was the loan given to the SHGs utilized?

☐ Creation of assets  ☐ Agricultural/Service/Manufacturing

☐ Others (please specify)

3.27 Are Annual Reports Published?

3.28 Are Accounts Audited Regularly?

3.29 What are the types of books maintained?
Questionnaire for SCAs

1  Name of the SCA

1.1 State & location
1.2 Address
1.3 Contact details
1.4 Number of staff
1.5 Does the SCA has functional Board. How after does it must. Name of Board members.
1.6 Name of principal officer/Chief Executive(Full time/Additional Charge)
1.7 Are the staff professionally qualified .
1.8 What is the staff turnover. Are staff on deputation % of deputationist.
1.9 Amount of funds received from NMDFC and disbursed for the years

<table>
<thead>
<tr>
<th>Funds received</th>
<th>Funds Disbursed</th>
<th>No. of Beneficiaries covered</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005-06</td>
<td></td>
<td></td>
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<tr>
<td>2006-07</td>
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<td>2007-08</td>
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<td>2008-09</td>
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<tr>
<td>2009-10</td>
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<tr>
<td>2010-11</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1.10 What is the average time required to disburse the funds once you have received the same from NMDFC ?

2-3 months

> 3 months

1.11 If the time required is more than 3 months, what are the reasons for this delay ?

1.12 What are the documents you ask for from beneficiaries ?

1.13 Does the SCA help the beneficiaries to complete documentation?

1.14 Guarantee Norms for Loan.

1.15 How do you make the beneficiaries aware of such schemes? Advt. in Newspaper /Radio/TV/Pamphlets/Others

1.16 Does the SCA has field level officers. If yes, staff/infrastructure. If No, who implements the scheme at grass root level ____________________________________________
1.17 How do you select the final beneficiaries?
   Do you guide the beneficiaries in selection of projects/activity?
   Yes  No

1.18 Do you help them in filling up their application forms? Yes / No

1.19 Is the SCA free from political/other influence while Identifying Beneficiaries?

1.20 Does the SCA deploy recovery agents/staff outsourced to follow up for recovery?
   Monthly/Quarterly/Six month/yearly/other

1.21 Do you visit the beneficiaries after they have received the loans to check if the loans are
   being properly utilized? Yes / No

1.22 If Yes, how often do you visit the beneficiaries?
   Monthly /Quarterly /Half Yearly/Six monthly/yearly/others

1.23 How do you decide on the amount of loan to be sanctioned per person?
   (Is there a Model scheme/Reasonable Method Available)

1.24 What is loan recovery plan?
   Is the Beneficiary given repayment schedule at the time of disbursement of Loan.
   Yes/No

1.25 Is there a selection committee to identify beneficiaries.

1.26 Does the SCA conduct orientation programme/training before releasing loan

1.27 Is the recovery monitored regularly? What is the level of Monitoring and its frequency?

1.28 Are the Recovery records computerized.

1.29 Does the SCA conduct Recovery Drives?
1.30 What is the Grass Root Recovery %? Does the SCA receive Administrative support from State Govt. If yes, Amount so received in last 5 years?

1.31 Are the Accounts of the SCAs up to date. Is the Accounts Audited Regularly. Who Audits the Accounts. If there system of Internal Audit. Are the Audit paras settled Regularly.

1.32 Does the SCA have a system to get project profiles prepared for different regions in the State.

1.33 Does the SCA have a system to conduct imports of its schemes. If yes please specify.

1.34 What issues do you face while trying to recover loans?

1.35 How do you feel the benefits to the recipients can be maximized?

1.36 What difficulties do you face in sanctioning the loans.
   i) Incomplete documents
   ii) Project not Properly prepared
   iii) Any Other

1.37 Your Suggestions for making the scheme more effective.