
**REPORT ON
ASSESSMENT OF IMPACT OF NMDFC PROGRAMMES
FINANCED THROUGH NGOs**

Submitted to :

**National Minorities Development & Finance Corporation,
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Government of India**



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EXECUTIVE SUMMARY

- I. The National Minorities Development & Finance Corporation (NMDFC), was set up in September 1994 to promote economic and developmental activities for the benefit of "Backward Section" amongst the minorities, preference being given to the occupational groups and women. It is a Public Sector Undertaking, under the aegis of the Ministry of Minorities Affairs, Government of India, incorporated under Section 25 of the Companies Act as a Company not for profit.

- II. The target groups for NMDFC with regard to direct benefit are the persons belonging to Minority Communities and living below double the poverty line. At present families having annual income of less than Rs 40,000 in rural areas and Rs. 55,000 in urban areas are categorized as below double the poverty line.

The two main activities of NMDFC are Term-Loan scheme and Micro-Financing Scheme of which Term-Loan is implemented through SCAs and Micro-Financing through SCAs as well as NGOs. Under Term Loan Scheme in the last five years, a total of Rs. 57409 lakhs was spent covering 1,47,820 beneficiaries upto 28.02.2009. Similarly for Micro-Financing scheme, in the last five years, an amount of Rs. 6063.6 lakhs of micro-credit was disbursed to 79781 beneficiaries upto 28.02.2009. The target groups are accessed through State Channelising Agencies (SCAs) and selected Non Governmental Organizations (NGOs) for reaching the Self Help Groups (SHGs)/Beneficiaries. Such an NGO should be more than three years old, non-political, financially sound, engaged in socio economic activities with minimum six months experience in thrift and credit.

III. Study Scope and Coverage

An impact assessment of NMDFC programs was carried out by the Agricultural Finance Corporation (AFC). It was felt that regarding the micro finance made directly by NMDFC through the NGOs, a detailed study on the funding of the target group through NGOs would help in knowing the impact of the program in a more meaningful manner. Accordingly, 20 NGOs were selected across 10 States to study 100 SHGs and 300 beneficiaries. This Report gives insight on the overall account of the program based on the study sample.

IV. Salient Features of Micro Finance Scheme

The salient features of the NMDFC micro finance assistance are briefly enumerated here as a backdrop to the study, and the analysis and findings of the survey results, as also related suggestions

The purpose of the loan is to provide financial assistance to weaker sections of the minorities for starting or augmenting any income generating activities. The illustrative list of income generating activities such as small business / trade , tiny / cottage industry or service activity, artisan , agricultural and allied activities. Maximum loan of Rs.25000/- per beneficiary is available. However, emphasis is on smaller loans provided repeatedly so that the beneficiary can avail the same and come above the poverty line.

To be eligible, the beneficiary must belong to minority community, the family income of the beneficiary should be below double the poverty line i.e. Rs 40000 pa for rural areas and Rs.55,000 pa. for urban areas, the borrowers already covered under any other scheme of financing sponsored by Central or State Government or financing institutions and having outstanding loans against their names shall not be eligible, and the borrower should preferably be a regular member of an eligible SHG. Preference will be given to women beneficiaries belonging to the notified minority community.

The applicant NGO should have been registered for at least three years and it should have good reputation/credibility of work in the area of its operation. The bye laws of the NGO should have an enabling clause to borrow funds for the purpose of providing loans to the poor. Preference will be given to organizations working for the welfare of minorities. It should have competence in relevant areas and in outreach services, its office bearers should not be elected members of any political party, It should have a proper system of maintaining accounts and audited accounts should be available for the last 3 years, it should be running on sound lines and s1 not have incurred losses during the last years, and It should have experience of SHGs of at least the last six month and its recovery performance should approximately 90%.

The NMDFC lists certain characteristics well functioning SHGs as regular group meetings, attendance and savings, annual rotation of leadership, high internal rotation of group funds, good repayment rate, properly maintained records, homogenous members, membership between 15 – 20, adherence to rules and regulations, high member participation in activities , efficient loan processing, and members with basic literacy skills.

The financing pattern is generally a) funds from NMDFC : 90% and b) 10% contribution by NGO from its own resources or from beneficiaries by way of compulsory thrift. The rate of interest when directly implemented by NMDFC through NGOs is funds from NMDFC to NGO - 1 % per annum and NGO to SHG/Beneficiary - 5 % per annum. When implemented through SCAs, funds from NMDFC to SCA : 1 % pa, SCA to NGO @: 2% pa and NGO to SHG/Beneficiary @: 5% per annum .When implemented through SCA to SHG/ Beneficiary the interest rate is 5% per annum . In addition to interest spread of 4%, NGOs will be paid 1 % of the loan amount as grant for any activity undertaken by it for skill upgradation of borrowers or any other training relevant for Credit Management Program. Each selected NGO will be eligible to obtain an interest free loan not exceeding RS.2.15 lakhs for promotion of SHGs. The repayment of loan will be adjusted by way of grant. Unutilized loans have to be refunded. Terms and conditions of repayment of loan by the beneficiary to the NGO/SHGs will be determined by the NGO/SHG. This will depend upon the quantum of loan and the nature of the project the beneficiary has adopted. NMDFC gives a moratorium of 3 months to start the repayment. However, it would depend on the NGO/SHG to decide about the moratorium period in view the field reality. Further, repayment of the loan can be made either weekly, monthly, quarterly etc. However, NMDFC would be recovering from the NGO on quarterly basis. In principle, NMDFC releases funds to the NGOs against the sanction accorded in two equal installments. However, in case of small sanctions upto Rs..5 lacs, the funds may be released in one instalment. The second instalment is released after making assessment of the proper utilization of the first instalment.

V. METHODOLOGY AND SAMPLE SIZE

AFC in consultation with NMDFC drew up schedules to cover the micro finance program through NGOs over 10 states and jointly identified the beneficiaries who would form part of the sample. 20 NGOs were covered overall, with a further coverage of 5 SHGs per NGO and 3 Individual Beneficiaries (IBs) per SHG. Schedules were made for NGOs, SHGs and Individual SHG Member for obtaining data from the field.

VI. IMPACT AT NGO LEVEL

At the NGO level, the impact was assessed state wise. 4 NGOs were selected from **Andhra Pradesh** including Gramasiri, Mahila Santkar Mutually Aided Cooperative Society (MSMACS), Social Action for Integrated Development (SAID) and Viveka Service Society (VSS). From the information made available, these NGOs had several development activities going on with the

assistance of several funding agencies, including NMDFC. **Gramasiri** lists micro credit as one of its important activities and to this end has formed 100 SHGs under NMDFC with a total membership of 1082, with all the groups doing IGA activities. Overall it has taken Rs. 43.82 lakhs from NMDFC, on-lent the entire amount to SHGs, recovered and repaid to NMDFC in full. This may be ascribed to the fact that all the loans were for production purposes which were profitable. The NGO felt that it is a very good program especially for the minorities, since the interest rate is low. However, the NGO observed that the loan amount was received very late and this needs to be expedited.

MSMACS takes up various types of development activities and promoted 5 SHGs under NMDFC against 10 in all other programs combined. It on-lent the entire 2.70 lakhs to the SHGs and effected good recovery of Rs. 1.80 lakhs as well. It felt that the low interest rate made loans attractive and encouraged the NGOs to go for the same. However among the problems it stated that only 50% of the sanctioned amount was disbursed. Non-receipt of the balance sanctioned loan caused severe problems and was difficult to explain to the SHGs. The NGO felt that this may be due to irregularity in repayment.

SAID undertakes several types of development activities including micro credits from NMDFC and others. It received Rs.4.50 lakhs from the NMDFC and on-lent the entire amount and was able to recover and repay Rs 3.75 lakhs. It has promoted 25 SHGs under NMDFC. On a comparison of the funding received from the NMDFC and RMK, it was seen that NMDFC lending is at a comparatively lower level, despite its low interest rate, which should have fuelled demand for funds. SAID felt that it is a very useful program for the overall development of the minorities since the rate of interest is very low. However, funds are obtained from the NMDFC after considerable delay.

VSS undertakes micro credit programs in addition to other development activities. It has formed only 12 SHGs under NMDFC schemes with the total membership of 123. It has on-lent the entire amount of Rs. 4.50 lakhs received from NMDFC and recovered and repaid Rs. 2.70 lakhs. It however reported receiving loans at 4% per annum and on-lending the same at 8 % pa. On a comparative review with other agencies it was found that NMDFC funding per group was at a lower level, showing once again the considerable scope NMDFC has in expanding its loan program among the minorities at a favorable rate of interest for their development. VSS felt that as a result of this program the Muslim women felt empowered. However, it was of the opinion that the NDMC was very slow in sanctioning funds.

In **Assam**, the only NGO selected was **Rashtiya Gramin Vikas Nidhi (RGVN)** which undertakes micro credit, micro insurance, training and capacity building activities. It has branches all over the State. It has promoted 313 SHGs under NMDFC scheme with 5697 members and has obtained Rs 81 .00 lakhs at 4 % interest pa from NMDFC , on-lent the entire amount to the SHGs and recovered and repaid the entire amount to the NMDFC. The NGO felt that the NMDFC funding has good impact. It improved the standard of living and the increased income helped in improvement of health, sanitation and housing. Problems faced included lack of funding for training and capacity building and the fund releases from NMDFC are not timely, which is very essential in the micro credit sector.

In **Bihar**, Kanchan Seva Ashram (KSA) and Mahila Development Centre (MDC) were the two NGOs selected. **KSA** takes up activities related to livelihood promotion, women empowerment, health services, among others and is funded by several agencies. It has taken Rs. 13.5 Lakhs from NMDFC for lending and has recovered and repaid the entire amount. Overall the NGO had provided Rs. 13.50 lakhs to 52 SHGs under NMDFC scheme at an average of Rs.25,962/- per SHGs against Rs. 1.60 lakhs provided to the 3 sample SHGs. All the loans were provided for productive purposes and as a result the impact was also good.

MDC undertakes activities relating to women empowerment, child's rights, vocational training amongst others. Funding under NMDFC schemes is one of its principal areas of work and it has organized 50 SHGs with 525 members for the same, Under NMDFC it obtained funds of Rs 4.50 lakhs and disbursed the entire amount to the SHGs, though its recovery and repayment to NMDFC was quite indifferent. All loans were taken for IGA activities. A comparison with funds obtained from other agency showed favorable scope for increase in NMDFC funding for minorities, especially at favorable rates of interest..

NMDFC funds had good impact. Loans provided at the low rates weaned the women away from the usurious money lenders and improved their overall economic situation. Moreover, the women beneficiaries who were engaged in the flesh trade were now able to shift to small businesses and provide for the needs of their families. They setup shops, undertook stitching works, electric decorations, bakery, etc and thus improved their status. This is a great credit to the NMDFC.

In **Gujarat**, Shree Abhinav Credit Cooperative Society Ltd (SACC) was selected. **SACC** undertakes activities relating to deposits, credit, janata group accident policy and community marriages. Under NMDFC scheme it has promoted 7 SHGs with 85 members. It obtained Rs 9.00 lakhs from NMDFC at 4.5 % interest but no lending was done to SHGs or individuals. As per the observation of the Investigator, subsequent to the civil unrest in 2002 in Gujarat, the SHGs stopped functioning and no loans could be disbursed.

In **Karnataka**, **SABALA** was the sample NGO. It organizes poor women in the rural areas for income generation, skill training and micro enterprise development as well as other related activities. Under NMDFC it obtained Rs 10.44 lakhs which it on-lent and was able to affect over 80 % recovery. All except one loan were for productive purposes. The NMDFC loans helped the minority community women to increase their earning capacity apart from learning how to manage their small enterprises. However delay in release of installments and proper maintenance of accounts hampered further development.

The two sample NGOs in **Kerala** were Bharat Sevak Samaj (BSS) and Theeredesa Mahila Society (TMS). **BSS** undertakes activities relating to micro-credits, vocational training, agriculture, health & family welfare. It has formed 211 SHGs with 3376 members under NMDFC schemes and obtained Rs. 4.50 lakhs at 8% p.a interest and on-lent the entire amount at 12% p.a. It has repaid the entire amount. The loans were taken primarily for production purposes though some were for consumption as well. The high rate of interest in this case should be a matter of concern for NMDFC.

Despite the high interest rates, the NMDFC loans helped the beneficiaries in moving away from the money lenders and this alongwith loans employed for production purposes helped in their economic empowerment. The NGO suggested that NMDFC should reduce their interest rates as this will help in better credit flow and consequently help the minority community to a much greater extent than at present.

TMS undertakes activities related to micro-credits, health, training and income generation. It has obtained 9 Lakhs from NMDFC at 8% and on lent the entire amount at 12%. A comparison with other agencies shows, great scope for more NMDFC funding.

The NMDFC loans employed for production purposes helped the beneficiaries in improving their standard of living. However while the NGO promptly repaid the first and second loan installments, the subsequent loan was not released

by the NMDFC which proved to be a great set back as it forced the beneficiaries to once again seek loans from the money lenders. Thus all the good impact of the earlier loans was diluted.

In **Rajasthan**, the two sample NGOs were Jan Shiksha Evam Vikas Sansthan (JEVS) and Mahila Mandal Barmer Agor (MMBA). **JEVS** conducts development activities all over the states including micro credit activities. For NMDFC, it has formed 9 SHGs with 79 members. NMDFC is only a very small part of their activities. It has obtained Rs. 9 lakhs from NMDFC at 8% p.a. and disbursed 7.75 lakhs at 12%p.a. Loans taken in the various years have a good repayment record overall. The loans have helped in providing working capital for small enterprises set up by the IBs as they have all taken loans for productive purposes. This has improved their livelihood and economic condition despite the high rate of interest charged by the NMDFC, which if reduced, would give greater impetus to their small enterprises.

MMBA undertakes all kinds of development activities such as IGA and micro credit. It has formed 12 SHGs for NMDFC with 105 members and NMDFC is only a small part of its overall portfolio. It has received Rs 18 lakhs from NMDFC at 1 % and on lent the entire amount at 5% pa with an indifferent recovery rate due to droughts and floods. The NGO observed that the program has great potential for the minority community of the areas despite the natural calamities. Thus far the loans have helped them in avoiding going to the money lenders and also in starting small enterprises.

In **Tamil Nadu**, the Centre and Community Development (CCD) was the study NGO. **CCD** undertakes activities relating to micro credit for women empowerment, health education, agro-forestry schemes as well as other initiatives relating to training and capacity building among women. It has promoted 75 SHGs under the NMDFC schemes with 1224 members and NMDFC is a small part of its overall portfolio. It has received Rs 54.00 lakhs from NMDFC at 1 % and on lent the entire amount at 5 %. It has 100 % recovery and repayment record. On a comparison with other agencies, NMDFC has a great scope for further lending at favorable rates of interest. The NGO stated that the loan received from the NMDFC by the minority community SHG women has proved very useful. It relieved them from the high interest rates of the money lenders and they find the low rate of interest very attractive and encouraged them to initiate micro enterprises.

The NGO suggested measures to improve the performance of NMDFC in uplifting the minority community. These include a relaxation in the ceiling limit of Rs 25 lakhs from NMDFC to NGO and sanctioning amount as per requirement assessed by the NGO, expediting sanctions and releases of installments so that start up of their small ventures do not suffer, releasing the second installment faster /timely after quickly assessing the status and experience with utilization of the first installment, fixed deposit of 10 % by NGOs on the loan sanction amount is a burden on the NGO since the amount is locked up without any use, training and capacity building support is required for NGO staff and SHGs as well, and the 4% service charges is too small to manage the project.

In **Uttar Pradesh**, Gramin Vikas Sansthan (GVS), Momin Ansar Welfare Association (MAWA) and Self Employed Women's Association (SEWA) were the 3 NGOs selected for the study. The **GVS** takes up activities relating to income generation and health. It has received funding support from several other agencies. It has formed 29 SHGs under the NMDFC scheme with 423 members. It has received Rs 2.25 lakhs from NMDFC at 4.5 % interest pa and on lent the entire amount at 8% pa. It has a recovery and repayment rate of over 78 %. As per the NGO, the program enabled the beneficiaries to go in for income generating activities. However, the NGO felt that awareness programs should be held for the minority communities so that more people come forward for fund support. Further, the interest rate should be much lower than at present and the repayment schedule should be longer so that beneficiaries can easily repay the same.

MAWA undertakes activities relating to income generation and training. Under NMDFC it has promoted 12 SHGs with 144 members. It has obtained Rs 9.00 lakhs at 1 % interest and disbursed the same at 2 %. The SHG members have taken up zari work and making of durries. The NGO felt that micro credit provided by NMDFC has helped in the income generating activities.

SEWA undertakes activities relating to income generation, women empowerment, violence against women, micro-credit, education and health. For NMDFC schemes it has promoted 25 SHGs with the total membership of 250. It has obtained Rs11.25 lakhs from NMDFC at 4.5 % p.a. and on-lent the entire amount to the SHGs. Most of them take up work relating to Chicken kari and Handicrafts. Its repayment record is satisfactory. The NGO felt that the NMDFC fund had improved IGA of 250 families. However the scheme will be more effective if the sanctions and fund releases are faster as it is difficult to keep the beneficiaries interested and waiting for a long time.

In West Bengal, Mass Education Society (MES), Bhabna Association for People's Upliftment (BAPU) and Bashirhat Family Planning Welfare Centre (BWC) were the 3 NGOs selected for study. **MES** undertakes activities relating to education, livelihood, training and environment. Currently it has no SHGs as those formed earlier have now become independent. It has not received any financial assistance from NMDFC. The investigator has commented that MES is no longer implementing micro credit activities and does not retain any links with the former groups who have become independent.

BAPU undertakes activities relating to micro finance, literacy campaigns, women empowerment and rehabilitation of destitute. It has formed 30 SHGs under NMDFC schemes with a total membership of 3000. It has obtained Rs 1,80,000/- at 1% pa interest from NMDFC and on-lent the entire amount at 5%. The amount taken in financial year 2004 -05 remains unpaid as yet. The NGO felt that the NMDFC scheme was very useful for unemployed youth, housewives and unmarried girls to upgrade their socio economic condition, though shortage of fund hampered activities.

BWC undertakes activities relating to awareness generation, economic empowerment of women, health and education. Under NMDFC scheme it promoted 20 SHGs with 200 members. It obtained Rs 9.00 lakhs from NMDFC at 1% interest and on lent the entire amount to the SHGs at 5%. Loan repayment is as per schedule. As per the NGO, the financial assistance provided under the scheme at a very nominal rate of interest has enabled the beneficiaries to set up their own units and put them on the road to economic independence. This has created a heavy demand for more loans which may be considered by NMDFC.

VII. IMPACT AT LEVEL OF SHG AND INDIVIDUAL BENEFICIARY

Having seen the impact of micro credit activities at the NGO level, the study then travelled down to assess the impact of NMDFC funding at the level of the SHGs and the Individual Beneficiaries, state wise.

In **Andhra Pradesh**, the 5 SHGs to whom the funds were lent by Gramasiri included **Khatija, Shaik Akhtar, Shaikh Asha Begum, Thajunisha and Zareena**. Funds were disbursed to members for productive purposes such as dairy activities. The members, all women, were generally from the BPL status. The SHGs did not face any problem either in obtaining loan from NMDFC or repayment from its members. The financial assistance empowered the women members as it enabled them to get out of their houses and participate in

group meetings and other activities. It reduced dependence of the members on the money lenders, increased economic status as a result of the units set up by the members and all this also enhanced their social status. Their success led them to require second loan from NMDFC through the NGO to purchase another animal and plan for a milk society if NMDFC is able to provide them further financial assistance. The sample beneficiaries (all women) took loans for setting up dairy units and earned regular monthly income from the same.

The NGO MSMACS on-lent funds to **Ansari Mahila Mandali, Asra Mahila Welfare Society, Chuntisha Mazid Mahila Mandali, Disha Mahila Society and Plaza Craft Mahila Society**. Funds were disbursed to members to setting up uniits for textiles, handicrafts and tailoring. The members, all women, were generally from the BPL status. The SHGs did not get the second installment of the sanctioned amount from the NMDFC. Impacts on the individual members include better knowledge of the legal rights, reduced dependence on money lenders and to some extent, improvement in their socio-economic status. Sample beneficiaries (all women) took loans for setting up small business and earned regular monthly income from the same. They require more loans to improve their existing business.

The NGO SAID disbursed loans to **Bismilla-2, Bismilla, Masthani, Yah Malik I and Ya Malik II SHGs**. Funds were disbursed to members for productive purposes such as dairy activities education and small business. The members, all women, were generally from the BPL status. The SHGs did not face any problem either in obtaining loan from NMDFC or repayment from its members. The SHGs felt that getting a loan from NMDFC has been a great task. Impact on the individual members included very good empowerment, eliminated dependence on money lenders and considerably improved their socio-economic status. Their first loan experience from NMDFC was very gratifying and they are very keen to take a second loan. The sample beneficiaries (all women) took loans for setting up small units and earned regular monthly income from the same.

VSS disbursed loans to **Asha, Ayesha, Bibi Hajare, Gousia Begum and Thabusum SHGs**. Funds were disbursed to members for productive purposes for activities relating to agriculture, dairy and small business. The members, all women, were generally from the BPL status. The SHGs (except one) did not face any problem either in obtaining loan from NMDFC or repayment from its members. Impact on the individual members included very good empowerment, eliminated dependence on money lenders and it has

considerably improved their socio-economic status. They require further financial assistance in the form of a second loan. The sample beneficiaries (all women) took loans for setting up small units and earned regular monthly income from the same.

In Assam, the NGO RGVN lent funds to **Adarsh Mahila Society, Bulugarah Dirghasivi Mahila Society, Nayantara Mahila Society, Nimtoli Mahila Society and Pakhila Mahila society SHGs**. Funds were disbursed to members for productive purposes for income generating activities. The members, all women, were generally from the BPL status. The SHGs found the interest burden to be high and there was sometimes problem in loan repayment. One SHG found that getting a loan involved long procedure. Impact on the individual members included empowerment, reduced dependence on money lenders and it has improved their economic status. In future they want loans for housing, car and for developing their units. The sample beneficiaries (all women) took loans for income generating activities and earned regular monthly income from the same.

In Bihar, the NGO KSA on-lent NMDFC funds to **Chand Mahila Mandal, Mahal Mandal, Najani, Neel Kamal and Varsa Mahila Mandal SHGs**. Funds were disbursed to members for productive purposes such as for agriculture and goat rearing, stitching and handloom activities. The members, all women, were generally from the BPL status. Impact on the individual members included empowerment as the members are now able to manage and solve their own problems, have reduced dependence on money lenders and it has improved their socio-economic status. In future they want more loans. However, one SHG felt that there was no impact either in reducing dependence on money lender or in improving their economic status. However, by joining SHG, the members have a platform to meet and discuss issues jointly. In case of another SHG, impact on the individual members could not be ascertained because the handloom business has stopped and the family members have migrated. The sample beneficiaries (all women) took loans for setting up various units and earned regular monthly income from the same.

The NGO MDC disbursed NMDFC funds as loans to **Kiran, Ronak, Ruhi, Shaida and Shama SHGs**. Funds were disbursed to members for productive purposes for IGA activities relating to tea shop and tailoring. The members are all women. One third of the loan amount is overdue for repayment for all SHGs. Impact on the individual members included empowerment, reduced dependence on money lenders and improvement in their socio-economic status as they are employed in small business. More importantly, they have now been weaned away from the flesh trade they were practicing. Members

can now fight against social evils. In future they want more loans for their units. The sample beneficiaries (all women) took loans for setting up various units and earned regular monthly income from the same.

In Karnataka, the NGO Sabala has disbursed the amount directly to the beneficiaries and **not to the SHGs**. Only 4 IBs were provided assistance for productive purposes though one IB also utilized part of the loan for consumption as well. Only 2 IBs earned regular monthly income from the units set up. Impact on the individual members included empowerment, reduced dependence on money lenders and improvement in their socio-economic status as they are employed in small business.

In Kerala, the NGO TMS on lent funds received from NMDFC to **Daliya, Gloria, Japamala Rajini, Rose, St. Philomena SHGs**. Funds were disbursed to members for productive purposes such as for members for IGA activities relating to fish vending, textile and business. The members, all women, were generally from the BPL status. Impact on the individual members included empowerment, reduced dependence on money lenders and improvement in their socio-economic status as they are employed in small business. More loans are needed to scale up business. The sample beneficiaries (all women) took loans for setting up various units and earned regular monthly income from the same. They want to upgrade their business.

The NGO BSS disbursed loan funds to **Angel, Bethel, Kudumbini, Little Flower and Pranavam SHGs**. Funds were disbursed to members for productive purposes such as IGA activities relating to agriculture, dairy, poultry leather and textiles. The members, all women, were generally from the BPL status. Impact on the individual members included empowerment, reduced dependence on money lenders and improvement in their socio-economic status as they are employed in small business. More loans are needed to scale up business. The sample beneficiaries (all women) took loans for setting up various units and earned regular monthly income from the same. They want to upgrade their business.

In Rajasthan, the NGO MMBA gave loans from NMDFC funds to **Abad Bhaiya Purush, Jai Hind, Mahila Mandal, Prayas and Unnati SHGs**. Funds were disbursed to members for productive purposes relating to dairy, handicraft and business. Repayment is a problem due to recurrent droughts and floods.

Impact on the individual members included empowerment, reduced dependence on money lenders and improved socio-economic status as they are employed in small business. Their literacy has also improved. Above all else, their power to speak openly has improved. Members want to repay full amount, enlarge business and take training in marketing. The sample beneficiaries took loans for setting up various units and earned regular monthly income from the same. They want to upgrade their business.

The NGO Jan Siksha Evam Vikas Sansthan gave NMDFC funds to **Chamanpura 'A', Khariya, Madarfali 'A', Meera Colony 'A' and Uttara 'A' SHGs**. Funds were disbursed to members for productive purposes for IGA activities relating to poultry, textile, transport and small business such as watch and fan repairing. In some cases, overdues remain. SHG noted that the rate of interest is very high. Impact on the individual members included empowerment, eliminated dependence on money lenders and improved socio-economic status as they are employed in small business. Members want to enlarge business. The sample beneficiaries (all women) took loans for setting up various units and earned regular monthly income from the same. They want to upgrade their business.

In TAMIL NADU, the NGO CCD on lent NMDFC funds to **Al Ameen, Bismilla, Immanuel, M. M. Kuzhu and Vanavil SHGs**. Funds were disbursed to members for productive purposes relating to small business, agriculture and education. Impact on the individual members included empowerment, reduced dependence on money lenders and improved socio-economic status as they are employed in small business. Members want to enlarge business and set up a shop. The sample beneficiaries (all women) took loans for setting up various units and earned regular monthly income from the same. They want to upgrade their business

In Uttar Pradesh, the sample SHGs of the NGO SEWA did not report receipt of any loan funds from the NGO out of NMDFC funds.

The NGO MAWA on lent NMDFC funds to **Haider, Indian, Khushboo and SHazi NGOs**. Funds were disbursed to members for productive purposes relating to textiles, zari work and small business such as supply of cottage cheese. Impact on the individual members included empowerment, reduced dependence on money lenders and improved socio-economic status as they are employed in small business. Members want to enlarge business. The sample beneficiaries (all women) took loans for setting up various units and earned regular monthly income from the same. They want to upgrade their business

The NGO GVS on lent NMDFC funds to **Saiyada Baba MBS, Ya Khwaza Garib Nawaz, Ya Varis Mahila Bachat Samooh, Ya Varis Peer Baba MBS and Yasmeen MBS SHGs**. Funds were disbursed to members for productive purposes relating to poultry, incense sticks, goat rearing and other small business. Impact on the individual members included empowerment, reduced dependence on money lenders and improved socio-economic status as they are employed in small business. The sample beneficiaries (all women) took loans for setting up various units and earned regular monthly income from the same. The SHGs are closed for the last two years due to absence of visit from NGO.

In West Bengal, in the case of the NGO BAPU, in **case of Kajali Gosthi and Rokeia Antma Sahayak Gosthi SHGs** no loans were taken by IBs. **In case of Krishna Gosthi and Pataki Ghosti SHGs** only one IB took loan for productive purposes but did not report any monthly income from the unit set up. In case of **Netaji SHG** only one IB took loan for production and reported regular monthly income. Impact on the individual members included empowerment, reduced dependence on money lenders and improved socio-economic status as they are employed in small business. Members want to enlarge business.

The NGO BFPC on lent NMDFC funds to **Asha Seva Samiti, Basirhat Family Planning Welfare Centre, Jamuna Seva Samiti, Kalyani Sewa Samiti and Dipaboli Sewa Samiti SHGs**. Funds were disbursed to members for productive purposes relating to goat rearing, poultry, dairy, textiles and small business.

Impact on the individual members included empowerment, reduced dependence on money lenders and improved socio-economic status as they are employed in small business. Members want to enlarge business. All SHG are closed for the last two years due to absence of visit from NGO.

VIII. State Wise Analysis of IBs provides a multi faceted overview at State level, analyzing the IBs and the impact of NMDFC funding on them.

A key area of impact was to assess the purposes of which the loan was taken and the avenues in which the loan was invested or utilized. Most of the loans were taken for production purposes, though some were also for consumption. All loans in the States of Andhra Pradesh, Assam, Bihar, Rajasthan and West Bengal were for production purposes only. Loans for consumption only were in Uttar Pradesh (2), Tamilnadu (7) and Kerala (3) totaling to 12 beneficiaries and Rs 1.35 lakhs. The loans for production only were for 199 beneficiaries

and overall amount of Rs. 20.65 lakhs, **Thus, about 90% of the total loans in value terms were for production purposes and this stands to the great credit to NMDFC as these production loans provided regular monthly income to the beneficiaries from the units setup by them.** Loans for both production and consumption (as a single loan). were 15 numbers totaling to Rs. 1.67 lakhs. Only 37 of the 236 sample IBs did not take any loans including Uttar Pradesh (15), Karnataka (8) and West Bengal (14).

The loans were utilized primarily for milch animals including cow, buffalo, being 60 units set up or 22.18 % of the total sample, 40 units setup for handicrafts/ weaving (15.21%), 10 poultry units (3.80 %), 9 petty trades units (3.42 %) and other units (75 numbers) or 28.52 % comprising of activities such tailoring, making durries, zari work etc as detailed in the section dealing with the analysis of SHGs and IBs

As brought out in the table analyzed earlier, about 90% of the loans taken by the IBs from NMDFC were for productive purposes despite the facts that most of these loans were at very low rate of interests which would normally encourage a higher degree of loans for consumption. The earnings from the units setup have provided to the IBs recurring income on an enduring basis and in most cases, have encouraged them to go for more loans from the NMDFC to enlarge their units.

IX. Overall Impact of NMDFC assistance

As we have seen in the foregoing section, the financial assistance provided by NMDFC at reasonable rates of interest have been utilized about 90% for productive purposes and almost all the units have provided the IBs with recurring monthly incomes which along with their participation in the SHGs group for the purpose of dealing with the NMDFC financial assistance have had an all-round impact on the members This overall impact was on members was assessed in terms of their empowerment, reduction in the dependence on the money lenders and improving their economic and social status.

Regarding empowerment of members , almost all the SHGs felt that the NMDFC financial assistance had empowered the members by the virtue of the fact that while they were previously cloistered, they now moved out of their houses to interact on the SHG platform, take loans from NMDFC, set up and run units. This very process gave them enormous self-confidence and a sense of empowerment as individuals who could look after themselves. Both at the SHG and IB levels, the respondents were unanimous that the NMDFC program

had empowered them. **Since empowerment is a higher level of impact result, it is a significant pointer to the overarching success of the NMDFC financial assistance.**

In fact, as analyzed at SHG level, the responses indicated that almost all the IBs who had taken loans for productive purposes, and had either fully repaid the same or were in the process of doing so, were keen on further loans to enlarge their small units. **This can be considered a very significant indicator of empowerment of the assisted beneficiaries.**

Regarding impact relating to reduced dependence on money lenders, almost all IBs reported positively and in many cases the respondents indicated total elimination of any support sought from money lenders for the last few years. **This almost unanimous response is a great achievement for NMDFC as it has enabled the poor women, who hitherto had no alternative whatsoever, in overcoming the stranglehold of a strong institution and practice prevalent for ages.**

Regarding impact relating to **improved social status,** it is a moot point that almost unanimous responses indicating empowerment of IBs (almost exclusively women), their reduced dependence on usurious local money lenders and their economic improvement would automatically mean improved social status. Such an assumption belies the realities of the day to day existence of the impoverished women assisted by NMDFC. Improved social status is a long and difficult journey, in a world still dominated by men both domestically and socially. However, **almost all respondents felt that the NMDFC assistance had actually improved their social status.** This included several IBs who were practicing the flesh trade but had now stepped out of it to run small businesses funded by NMDFC assistance and step out from darkness into sunlight, both literally and figuratively. Only 3 members of an SHG in UP have yet to experience this joy. The NMDFC needs to provide focused attention and assistance in such cases as well.

One of the most significant impacts of the NMDFC micro credit program has been the **improvement in the economic status of the IBs assisted,** as assessed at the SHG level. **All IBs were unanimous on this count.** This is also in uniformity with the other related findings that about 90 % of the loans were for production purposes and invested in units which have provided good returns in that the members were able to get regular monthly income out of them. **This stand to the great credit of NMDFC in both selection of accredited NGOs / SHGs / IBs and in providing them prompt financial assistance at low interest rates. The overwhelming success at the IB level on this count is also the great success of the NMDFC.**

- **Full Report is available on the Website of NMDFC- www.nmdfc.org**

I. INTRODUCTION

The National Minorities Development & Finance Corporation (NMDFC) is a Public Sector Undertaking, incorporated on 30th September, 1994 under Section 25 of the Companies Act, as a Company not for profit. The main objective of NMDFC is to promote economic and developmental activities for the benefit of "Backward Section" amongst the minorities, preference being given to occupational groups and women. NMDFC functions under the aegis of the Ministry of Minorities Affairs, Government of India. "Minorities" means 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.

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 predominantly (75% and above) members belong to minority community, in very exceptional cases this may include those group 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 benefit 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 levels.
- To assist in the upgradation 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 coordinating 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 programs for the development of minorities.

II. BACKGROUND

The target groups for NMDFC with regard to direct benefit are the persons belonging to Minority Communities and living below double the poverty line. At present, families having annual income of less than Rs 40,000 in rural areas and Rs. 55,000 in urban areas are categorized as below double the poverty line.

The two main activities of NMDFC are Term-Loan scheme and Micro-Financing Scheme of which Term-Loan is implemented through SCAs and Micro-Financing through SCAs as well as NGOs. Under Term Loan Scheme in the last five years, a total of Rs. 57409 lakhs was spent covering 1,47,820 beneficiaries upto 28.02.2009. Similarly for Micro-Financing scheme, in the last five years, an amount of Rs. 6063.6 lakhs of micro-credit was disbursed to 79781 beneficiaries upto 28.02.2009.

NMDFC follows two channels to reach the target groups. These are State Channelising Agencies (SCAs) and Non Governmental Organisations (NGOs).

State Channelising Agencies (SCAs) are nominated by the respective State Governments for implementing the programs of NMDFC in the respective States.

At present, NMDFC has 34 Channelising Agencies spread all over the country. The services of selected NGOs are availed for reaching the SHGs/ Beneficiaries. Such an NGO should be more than three years old, non-political, financially sound, engaged in socio economic activities with minimum six months experience in thrift and credit.

Following channels are available to the beneficiaries/SHGs/NGOs:

- (i) Individual beneficiaries → SCAs
- (ii) SHGs → SCAs
- (iii) NGOs → SCAs
- (iv) NGOs → NMDFC

III. STUDY SCOPE AND COVERAGE

An impact assessment of NMDFC programs was carried out by the Agricultural Finance Corporation (AFC). It was felt that regarding the micro finance made directly by NMDFC through the NGOs, a detailed study on the funding of the target group through NGOs would help in knowing the impact of the program in a more meaningful manner. Accordingly, 20 NGOs were selected across 10 States to study 100 SHGs and 300 beneficiaries. This Report gives insight on the overall account of the program based on the study sample.

IV. SALIENT FEATURES OF MICRO FINANCE SCHEME

4.1 Purpose of Loan

The loan is to provide financial assistance to weaker sections of the minorities for starting or augmenting any income generating activities. Income generating activities means any gainful legitimate business activity which when undertaken leads to income generation. The illustrative list of income generating activities is as given below:-

- I. Small business/Trade viz. General store, Tea stall, Dhaba, Meat shop, Fish vending, Pan shop, Vegetable and Fruit selling, Vending of readymade and cut piece cloth, Carpentry, Cycle repairing etc.
- II. Tiny/cottage industry or service activity viz. Candle making, Papad and Vadi making, Wet grinder, Bakery, Processing of dry fish, Shoe shop, Motor rewinding, Puncher shop etc.

III. Artisan activities viz. Block printing, Lac bangle making, Jute bag making, Weaving, Zarizardosi work, Kantha work, Applique work etc.

IV. Agricultural and allied activities viz. Poultry, Goat rearing, Sheep rearing, Duck rearing, Piggery, Dairy etc

4.2 Quantum of Loan

Under the scheme of Micro Credit, loan upto maximum limit of Rs.25000/- per beneficiary [member of Self Help Groups (SHGs)] will be available. However, emphasis has to be to provide smaller loans repeatedly so that the beneficiary can avail the same and come above the poverty line.

4.3 Eligibility of Beneficiary

- a) The beneficiary must belong to minority community. "Minorities" means those communities that are notified as such by the Central Government under the National Minorities Commission Act, 1992 or, in the context of States/UTs, those communities that are notified as such by the respective State Governments/UT Administration.
- b) The family income of the beneficiary should be below double the poverty line i.e. Rs. 40,000/- . for rural areas and Rs.55,000 /- p.a. for urban areas.
- c) The borrowers already covered under any other scheme of financing sponsored by Central or . State Government or financing institutions and having outstanding loans against their names shall not be eligible.
- d) The borrower should preferably be a regular member of a Thrift and Credit Group (Self Help Group (SHG)]. Under micro financing scheme, groups of individuals belonging to the minorities will include such groups in which predominantly (75% and above) members belong to minority community. In exceptional cases this may also include those groups where upto 60% of the members belong to minority community, provided that the other members (i.e. upto 40%) belong to weaker sections including Scheduled Castes/Scheduled Tribes, Other Backward Classes and Disabled.
- e) Preference will be given to women beneficiaries belonging to the notified minority community

4.4 Eligibility Criteria of NGOs

- i) The applicant NGO should have been registered for at least three years and it should have good reputation/credibility of work in the area of its operation.
- ii) The bye laws of the NGO should have an enabling clause to borrow funds for the purpose of providing loans to the poor.
- iii) It should have broad based objectives, serving the social and economic needs of the weaker sections of the society. Preference will be given to organisations working for the welfare of minorities.
- iv) It should have necessary flexibility, professional competence, basic financial management capability and organizational skills to implement lending programmes and must have outreach services in the operational areas.
- v) Its office bearers should not be elected members of any political party.
- vi) It should have a proper system of maintaining accounts. Accounts should have been audited for the last three years. There should not have been any serious irregularities observed in audit, and its accounts should be published.
- vii) It should be running on sound lines and should not have incurred losses during the last years.
- viii) It should have experience of thrift and credit administration through SHGs of at least during the last six months. Its recovery performance should approximately 90%

4.5 Characteristics of good SHGs

As per NMDFC website, good SHGs have certain characteristics. These include :

- Regular Group meetings
- Regular Attendance
- Regular Savings

- Annual Rotation of leadership
- High Internal rotation of group funds
- Good Repayment Rate
- Properly maintained Records
- Homogenous Members
- Membership between 15 - 20
- Adherence to rules and regulations
- High Member participation in activities
- Efficient Loan Processing
- Members having basic literacy skills

4.6 Financing Pattern

The funds provided to NGOs will be utilised by observing in general, the following financing pattern :-

- a) Funds from NMDFC : 90%
- b) 10% contribution by NGO from its own resources or from beneficiaries by way of compulsory thrift.

4.7 Rate of Interest

- A. When directly implemented by NMDFC through NGOs: -
 - Funds from NMDFC to NGO - 1 % per annum
 - NGO to SHG/Beneficiary - 5 % per annum
- B. When implemented through SCAs : -
 - Funds from NMDFC to SCA : 1 % per annum
 - SCA to NGO : 2% per annum
 - NGO to SHG/Beneficiary : 5% per annum
- C. When implemented through SCA to SHG/ Beneficiary - 5% per annum

4.8 Other Incentives for Implementing Agencies

- a) In addition to interest spread of 4%, NGOs will be paid 1 % of the loan amount as grant for any activity undertaken by it for skill upgradation of borrowers or any other training relevant for Credit Management Programme. This training grant will be provided on yearly basis at the end of the relevant financial year after observing the performance of the NGO.
- b) Each selected NGO will be eligible to obtain an interest free loan not exceeding RS.2.15 lakhs for promotion of Self Help Groups (SHGs). The repayment of loan will be adjusted by way of grant.

4.9 Utilisation of Loan and Refund of Unutilised Loan

- i) The NGO to which funds have been sanctioned can make the drawal of funds as per requirement within the credit limit sanctioned, which generally will be for one year.
- ii) The first drawal will be made not later than one month from the date of sanction unless the limit is extended by NMDFC. If the lending operations do not commence within the time stipulated then, the NMDFC will be at liberty to cancel the sanction or vary any of the terms and conditions.
- iii) The funds made available to any NGO are to be utilized within a period of one month from the date of release of funds. The funds remaining unutilized due to any reason, will be required to be refunded within a fortnight on expiry of the utilization period indicated in the sanction letter. Any delay in refund of such amounts will carry penal interest at the rate of 8% per annum.

4.10 Repayment of the Loan

- i) NGOs whether dealing directly with NMDFC or with SCA's will repay the Principal amount of the loan along with the interest as applicable over a period of three years after the moratorium of three months from the date of disbursement of funds. The same will be applicable to SHGs dealing directly with the SCAs.
- ii) SCAs will make repayments to NMDFC over a period of four years from the date of utilization of the funds. The SCA's will repay the loan including interest in quarterly equated installments.

- iii) Terms and conditions of repayment of loan by the beneficiary to the NGO/SHGs will be determined by the NGO/SHG. This will depend upon the quantum of loan and the nature of the project the beneficiary has adopted. NMDFC gives a moratorium of 3 months to start the repayment. However, it would depend on the NGO/SHG to decide about the moratorium period in view the field reality. Further, repayment of the loan can be made either weekly, monthly, quarterly etc. However, NMDFC would be recovering from the NGO on quarterly basis.
- iv) The NGO will submit post dated cheques for the repayment of quarterly dues as indicated in the sanction letter. These post dated cheques will be kept by NMDFC/SCA only as a security and the NGO will keep on paying quarterly demands of repayments by way of Demand Drafts. On receipt of the Demand Draft from the NGO, the post dated cheque of the respective quarter will be returned along with an acknowledgement of the Demand Draft so received. Thus, the post dated cheques that have been obtained from the NGO will not be utilised by NMDFC/SCA in the normal course (i.e. when NGO promptly pays the demand in full). However, when the NGO commits a default and delays the repayment, NMDFC/SCA will exercise its option of encashing post dated cheques and take suitable action against the defaulting NGO, if the cheque bounces. The waiting period, before the cheque is sent for en-cashment, will ordinarily be of two continuous quarters

4.11 Security & Rating

For the purpose of provision of security and rating, NGOs are categorized as 'Existing NGOs' or 'New NGOs'. Existing NGOs are those which have experience of more than three years of dealing with NMDFC, RMK, SIDBI, NABARD etc. in the field of micro- financing. The others are categorized as New NGOs. The provision of security for the New NGOs and the Existing NGOs are as given below:-

A. In case of New NGOs

- a) For sanction of funds upto Rs.10 lacs, no security and rating is required.
- b) For sanction of funds beyond Rs.10 lacs, security and rating is a must.

B. In case of Existing NGOs having shown good performance

- a) For sanction of funds upto Rs.25 lacs, no security and rating is required.
- b) For sanction of funds beyond Rs.25 lacs, security and rating is a must. The provision of security involves pledging of or marking lien of FDRs of 10% of the sanctioned funds.

The provision of rating envisages rating of the NGOs from reliable rating agencies on payment of fees or sharing of their experiences about the concerned NGOs by similar organizations like RMK, SIDBI, NABARD, NEDFI, etc.

4.12 Release of Funds

In principle, NMDFC releases funds to the NGOs against the sanction accorded in two equal installments. However, in case of small sanctions upto RS.5 lacs, the funds may be released in one instalment. The NGO will approach NMDFC for drawal of 2nd installment along with utilization details of the first instalment. NMDFC will get the post disbursement field study to assess the proper utilization of the 1st instalment. On satisfactory utilization of the 1st installment. The release of 2nd instalment will be considered by NMDFC.

V. METHODOLOGY AND SAMPLE SIZE

Agricultural Finance Corporation Ltd. (AFC), in consultation with NMDFC drew up schedules to cover the micro finance program through NGOs over 10 states and jointly identified the beneficiaries who would form part of the sample. 20 NGOs were covered overall, with a further coverage of 5 SHGs per NGO and 3 Individual Beneficiaries (IBs) per SHG. The following schedules were prepared and finalized in consultation with NMDFC:

- Questionnaire for NGO
- Checklist for SHG
- Questionnaire for discussion with Individual SHG Member

A sample of each is provided as **Annexure 1, 2 and 3** respectively.

An overview of the sample universe is provided in **Table 1** below.

Table-1 : Sample Universe

S.No.	State	No. of NGOs.	No.of SHGs	No. of Individual Beneficiaries
1.	Andhra Pradesh	4	20	60
2.	Assam	1	5	15
3.	Bihar	2	10	30
4.	Gujarat	1	5	15
5.	Karnatka	1	5	15
6.	Kerala	2	10	30
7.	Rajasthan	2	10	30
8.	Tamilnadu	1	5	15
9.	Uttar Pradesh	3	15	45
10.	West Bengal	3	15	45
Total		20	100	300

The actual sample from which data is obtained for the study is given below as **Table 2.**

Table 2 : Actual Sample

State	No. of NGOs.	No.of SHGs	No. of Individual Beneficiaries
Andhra Pradesh	4	20	60
Assam	1	5	15
Bihar	2	10	30
Gujarat	1	5	-
Karnatka	1	5	12
Kerala	2	10	30
Rajasthan	2	10	30
Tamilnadu	1	5	15
Uttar Pradesh	3	14	42
West Bengal	3	10	29
Total	20	94	263

A comparison of the above two tables shows variance in the numbers of SHGs and IBs selected for sampling and the actual sample size. The reasons for the variances are provided below.

In case of SHGs, the selected sample size was 100 and actual sample size was 94, a shortfall of 6. The variance is due to the fact that in UP, the NGO Momin Ansar Welfare Association of Pilibhit, on-lent the entire loan received from NMDFC only among 4 (and not 5) SHGs and the NGO Mass Education Society in West Bengal accounting for 5 SHGs and 15 IBs did not take any loan from NMDFC for on - lending or any other purpose, and therefore in this case the SHGs and IBs were not in existence, and hence have not been taken as actual sample universe.

In case of IBs, the selected sample size was 300 and actual sample size was 263, a shortfall of 37. At the time of the study, the IBs relating to a Gujarat based NGO Shree Abhinav Credit Cooperative Society could not be contacted as the groups had broken up and members dispersed due to civil unrest in 2002. This accounts for 15 of the 37 shortfall members of the actual sample. The 3 numbers shortfall in the case of Karnataka was due to the fact that no loans were given to 3 IBs. As explained in the para above, in UP the loan was given by NGO to only 4 (not 5 SHGs) and therefore 3 IBs are less on this account, while in West Bengal, 1 IB could not be contacted as the same was not available on the contact address provided, and 15 IBs of NGO Mass Education Society were not in existence as no loans were provided through the NGO from NMDFC funds.

VI. IMPACT AT NGO LEVEL

The NGO wise details for each State are individually analyzed below. An overview is provided about the NGO's activities and the number of SHGs it has formed under the NMDFC programme as well as the total membership of such SHGs. Where possible, a comparison has also been made of the SHGs formed under assistance from other funding agencies and the funding provided along with rate of interest to SHGs under NMDFC programme and other programmes.

6,1 Andhra Pradesh

6.1.1 Gramasiri (NGO-1)

Gramasiri in AP lists micro credit as one of its important activities and to this end has formed 100 SHGs under NMDFC with a total membership of 1082, with all the groups doing IGA activities. Overall it has taken Rs. 43.82 lakhs from NMDFC, on- lent the entire amount to SHGs, recovered and repaid to NMDC in full. This may be ascribed to the fact that all the loans were for production purposes which were profitable.

The NGO felt that it is a very good program especially for the minorities, since the interest rate is low. However, the NGO observed that the loan amount was received very late and this needs to be expedited

The group wise lending varied as per need assessed by the NGO in consultation with the IB. While 3 groups were given Rs 1.17 lakhs, one was given 1.40 lakhs and another Rs 1.75 lakhs.

6.1.2 Mahila Santkar Mutually Aided Cooperative Society (MSMACS) - (NGO-2)

MSMACS takes up various types of development activities and promoted 5 SHGs under NMDFC against 10 in all other programs combined. It on-lent the entire Rs. 2.70 lakhs to the SHGs and effected good recovery of Rs. 1.80 lakhs as well. It felt that the low interest rate made loans attractive and encouraged the NGOs to go for the same. However among the problems it stated that actually Rs. 3.60 lakhs were sanctioned but only 50% was disbursed. Non-receipt of the balance sanctioned loan caused severe problems and is difficult to explain to the SHGs. The NGO felt that this may be due to irregularity in repayment. However the NGO is doing well and hence the balance loan can be provided taking into consideration the overall financial situation.

6.1.3 Social Action for Integrated Development (SAID) – (NGO-3)

SAID undertakes several types of development activities including micro credits from NMDFC and others. It received Rs.4.50 lakhs from the NMDFC and on-lent the entire amount and was able to recover and repay Rs 3.75 lakhs. It has promoted 25 SHGs under NMDFC as against 70 promoted under RMK assistance. On a comparison of the funding received from the two agencies, SAID received Rs.4.50 lakhs from NMDFC for its 25 SHGs at an average of Rs

18000 per SHG at 1% p.a. rate of interest which was on-lent at 5% , while it received from (RMK) Rs. 66.50 lakhs for its 70 SHGs at an average of Rs. 95 000 per SHGs at interest of 8% per annum and on lent at 12% per annum (against the RMK ceiling limit of 18 % pa). Thus, subject to availability of funds, NMDFC lending is at a comparatively lower level, despite its low interest rate, which should have fuelled demand for funds.

The NGO felt that it is a very useful program for the overall development of the minorities since the rate of interest is very low. However, funds are obtained from the NMDFC after considerable delay.

6.1.4 Viveka Service Society (VSS) – (NGO-4)

VSS undertakes micro credit programs in addition to other development activities. It has formed only 12 SHGs under NMDFC schemes with the total membership of 123 as against 1026 SHGs and a total membership of 12136 under other schemes. It has on-lent the entire amount of Rs. 4.50 lakhs received from NMDFC and recovered and repaid Rs. 2.70 lakhs. It however reported receiving loans at 4% per annum and on-lending the same at 8 % pa.

On a comparative review with other agencies it was found that NMDFC had lent Rs.37500 per SHGs at 4% which was on-lent at 8%. The other agencies had lent above 40000 per SHGs at interest rates varying between 8 – 16 % and on- lent at 18%, showing once again the considerable scope NMDFC has in expanding its loan program among the minorities at a favorable rate of interest for their development.

The NGO felt that as a result of this program the Muslim women felt empowered. However, it was of the opinion that the NDMC was very slow in sanctioning funds.

6.2 Assam

RGVN is the only NGO taken-up in Assam

6.2.1 Rashtiya Gramin Vikas Nidhi (RGVN) – (NGO-5)

RGVN undertakes micro credit, micro insurance, training and capacity building activities. It has branches all over the State. It has promoted 313 SHGs under NMDFC scheme with 5697 members and 2435 SHGs with 33466 members under other schemes. It has obtained Rs 81 .00 lakhs at 4 % interest pa from NMDFC , on-lent the entire amount to the SHGs and recovered and repaid the entire amount to the NMDFC. There are no overdues at present. It has also obtained funds to the tune of s 1015 lakhs from other agencies like SIDBI (Rs 725 lakhs at (9 -11 % p.a.), NABARD (Rs. 40 lakhs at 6.5 % p.a.) and SBI (Rs 250 lakhs at 7% p.a.).

The NGO felt that the NMDFC funding has good impact. It improved the standard of living and the increased income helped in improvement of health, sanitation and housing. Problems faced included lack of funding for training and capacity building and the fund releases from NMDFC are not timely, which is very essential in the micro credit sector.

6.3 Bihar

6.3.1 Kanchan Seva Ashram. (KSA) – (NGO-6)

KSA takes up activities related to livelihood promotion, women empowerment, health services, among others and is funded by several agencies including SIDBI, NABARD,DFID and RMK. It has taken Rs. 13.5 Lakhs from NMDFC for lending and has recovered and repaid the entire amount. Currently there are no outstanding dues to NMDFC.

Overall the NGO had provided Rs. 13.50 lakhs to 52 SHGs under NMDFC scheme at an average of Rs.25,962/- per SHGs.

All the loans were provided for productive purposes and have been repaid. As a result the impact was also good. However the NGO reported that it was difficult to collect the subsequent loans from the SHGs members as the family had migrated.

6.3.2 Mahila Development Centre (MDC) – (NGO – 7)

MDC undertakes activities relating to women empowerment, child's rights, vocational training amongst others. Funding under NMDFC schemes is one of its principal areas of work as it has organized 50 SHGs with 525 members for the same as against 25 SHGs with 260 members under other schemes.

Under NMDFC it obtained funds of Rs 4.50 lakhs and disbursed the entire amount to the SHGs, though its recovery and repayment to NMDFC was quite indifferent. All loans were taken for IGA activities.

On a comparison with RMK, the other micro credit agency from which funds were accessed, NMDFC provided Rs 4.50 lakhs for 50 SHGs at an average of Rs 9000 per SHG at 1% interest pa and on lent at 6 % pa, while RMK provided Rs 3.00 lakhs for 25 SHGs at an average of Rs 12000 per SHG at 8% pa on lent at 12 % pa, showing favorable scope for increase in NMDFC funding for minorities.

NMDFC funds had good impact. Loans provided at the low rates weaned the women away from the usurious money lenders and improved their overall economic situation. Moreover, the women beneficiaries who were engaged in the flesh trade were now able to shift to small businesses and provide for the needs of their families. They setup shops, undertook stitching works, electric decorations, bakery, etc and thus improved their status. This is a great credit to the NMDFC.

6.4 Gujarat

6.4.1 Shree Abhinav Credit Cooperative Society Ltd (SACC) – (NGO-8)

SACC undertakes activities relating to deposits, credit, janata group accident policy and community marriages. Under NMDFC scheme it has promoted 7 SHGs with 85 members. SHGs have not been promoted under any other scheme. It obtained Rs 9.00 lakhs from NMDFC at 4.5 % interest but no lending was done to SHGs or individuals.

As per the observation of the Investigator, subsequent to the civil unrest in 2002 in Gujarat, the SHGs stopped functioning and no loans could be disbursed.

6.5 Karnataka

6.5.1 SABALA (NGO-9)

SABALA organizes poor women in the rural areas for income generation, skill training and micro enterprise development as well as other related activities. It has received funding support from aid agencies like USAID, NABARD and SDC.

Under NMDFC it obtained Rs 10.44 lakhs which it on- lent and was able to affect over 80 % recovery. All except one loan were for productive purposes. On a comparison with RMK, it is seen that NMDFC provided Rs 10.44 lakhs to 10 SHGs at an average of 1.044 lakhs at 8 % on-lent at 12 %, while the NGO received Rs 7.50 lakhs from RMK and Rs 20. 00 lakhs from SIDBI for its other 52 SHGs at an average of Rs 0.53 lakhs per annum. The rate of interest from RMK was 8 % on-lent at 18 % and the rate of interest from SIDBI was 12 % p.a.and on-lent at 18 %.

The NMDFC loans helped the minority community women to increase their earning capacity apart from learning how to manage their small enterprises. However delay in release of installments and proper maintenance of accounts hampered further development.

6.6 Kerala

6.6.1 Bharat Sevak Samaj (BSS) – (NGO-10)

BSS undertakes activities relating to micro-credits, vocational training, agriculture, health & family welfare. It has formed 211 SHGs with 3376 members under NMDFC schemes and 3153 SHGs with 63624 members under other schemes. It obtained Rs. 4.50 lakhs at 8% p.a interest and on-lent the entire amount at 12% p.a. It has repaid the entire amount. The loans were taken primarily for production purposes though some were for consumption as well.

On a comparison with micro-credit agencies, NMDFC lent Rs. 4.50 lakhs to 211 SHGs at an average of Rs 2133 per SHGs at 8% p.a, on-lent at 12% p.a. The NGO received 58 lakhs from FWWB, IOB and RMK at an average of Rs. 1,840/- per SHGs at interest rates varying between 8-12% and on lent at 12-14%. The high rate of interest in this case should be a matter of great concern for NMDFC. Where as NMDFC provided loans at the rate of 1% in the previous cases analyzed above, it is provided funds in this case at 8%.

Despite the high interest rates, the NMDFC loans helped the beneficiaries in moving away from the money lenders and this alongwith loans employed for production purposes helped in their economic empowerment. The NGO suggested that NMDFC should reduce their interest rates as this will help in better credit flow and consequently help the minority community to a much greater extent than at present.

6.6.2 Theeredesa Mahila Society (TMS) – (NGO-11)

TMS undertakes activities related to micro-credits, health, training and income generation. It has obtained 9 Lakhs from NMDFC at 8% and on lent the entire amount at 12%.

On a comparison with other agencies, NMDFC lent Rs.9 lakhs at 8% to 25 SHGs at an average of Rs.36000 and on-lent at 12%, while the Indian Bank provided Rs.12 lakhs at 12.5 % to 95 SHGs at an average of Rs. 26316, on-lent at 14% p.a., showing great scope for more NMDFC funding.

The NMDFC loans employed for production purposes helped the beneficiaries in improving their standard of living. However while the NGO promptly repaid the 1st and 2nd loan installments, the subsequent loan was not released by the NMDFC which proved to be a great set back as it forced the beneficiaries to once again seek loans from the money lenders. Thus all the good impact of the earlier loans was diluted.

6.7 Rajasthan

6.7.1 Jan Shiksha Evam Vikas Sansthan (JEVS) - (NGO-12)

JEVS conducts development activities all over the states including micro credit activities. For NMDFC, it has formed 9 SHGs with 79 members while for other schemes it has formed 1701 SHGs with 30589 members. Thus NMDFC is only a very small part of their activities. It has obtained Rs. 9 lakhs from NMDFC at 8% p.a. and disbursed 7.75 lakhs at 12%p.a. Loans taken in the various years have a good repayment record overall. It has not raised funds for micro credits from other agencies.

The loans have helped in providing working capital for small enterprises set up by the IBs as they have all taken loans for productive purposes. This has improved their livelihood and economic condition despite the high rate of interest charged by the NMDFC (in this case), which if reduced, would give greater impetus to their small enterprises.

6.7.2 Mahila Mandal Barmer Agor (MMBA) – (NGO-13)

MMBA undertakes all kinds of development activities such as IGA and micro credit. It has formed 12 SHGs for NMDFC with 105 members and 270 SHGs with 3340 members under other schemes. Thus NMDFC is only a small part of its overall portfolio.

It has received Rs 18 lakhs from NMDFC at 1 % and on lent the entire amount at 5% pa with an indifferent recovery rate due to droughts and floods. The NGO observed that the program has great potential for the minority community of the areas despite the natural calamities. Thus far the loans have helped them in avoiding going to the money lenders and also in starting small enterprises.

6.8 Tamil Nadu

6.8.1 Centre and Community Development (CCD) – (NGO-14)

CCD undertakes activities relating to micro credit for women empowerment, health education, agro-forestry schemes as well as other initiatives relating to training and capacity building among women. It has promoted 75 SHGs under the NMDFC schemes with 1224 members and 619 SHGs with 10512 members under other schemes. Thus NMDFC is a small part of its overall portfolio. It has received funding support from various other agencies including NABARD, RMK and Tamil Nadu Women Development Corporation. It has received Rs 54.00 lakhs from NMDFC at 1 % and on lent the entire amount at 5 %. It has 100 % recovery and repayment record with no overdues.

On a comparison with other agencies, NMDFC has lent Rs 54 lakhs to 75 SHGs over the years at an average of Rs 72000 per SHG, while under other schemes 619 SHGs were provided Rs 75 lakhs over the years at an average of Rs 12116 per SHG. Most of the loans from NMDFC have been provided in the last 2 financial years. Thus Rs 8.60 lakhs was provided in 2006 -07 and Rs 25.70 lakhs was provided in 2007 - 08.

The NGO stated that the loan received from the NMDFC by the minority community SHG women has proved very useful. It relieved them from the high interest rates of the money lenders and they find the low rate of interest very attractive and encouraged them to initiate micro enterprises.

The NGO suggested measures to improve the performance of NMDFC in uplifting the minority community. These include a relaxation in the ceiling limit of Rs 25 lakhs from NMDFC to NGO and sanctioning amount as per requirement assessed by the NGO, expediting sanctions and releases of installments so that start up of their small ventures do not suffer, releasing the second installment faster /timely after quickly assessing the status and experience with utilization of the first installment, fixed deposit of 10 % by NGOs on the loan sanction amount is a burden on the NGO since the amount is locked up without any use, training and capacity building support is required for NGO staff and SHGs as well, and the 4% service charges is too small to manage the project.

6.9 Uttar Pradesh

6.9.1 Gramin Vikas Sansthan (GVS) – (NGO – 15)

The GVS takes up activities relating to income generation and health. It has received funding support from several other agencies including NABARD, RMK and CRS. It has formed 29 SHGs under the NMDFC scheme with 423 members and 127 SHGs with 1703 members under its schemes with other agencies. It has received Rs 2.25 lakhs from NMDFC at 4.5 % interest pa and on lent the entire amount at 8% pa. It has a recovery and repayment rate of over 78 %. Presently, it has not obtained funds from any other agency for disbursing to SHGs.

The program enabled the beneficiaries to go in for income generating activities. However, the NGO felt that awareness programs should be held for the minority communities so that more people come forward for fund support. Further, the interest rate should be much lower than at present and the repayment schedule should be longer so that beneficiaries can easily repay the same.

6.9.2 Momin Ansar Welfare Association (MAWA) – (NGO-16)

MAWA undertakes activities relating to income generation and training. Under NMDFC it has promoted 12 SHGs with 144 members. It has obtained from NMDFC Rs 9.00 lakhs at 1 % interest and disbursed the same at 2 %. The SHG members have taken up zari work and making of durries.

The NGO felt that micro credit provided by NMDFC has helped in the income generating activities.

6.9.3 Self Employed Women's Association (SEWA) – (NGO-17)

SEWA undertakes activities relating to income generation, women empowerment, violence against women, micro-credit, education and health. For NMDFC schemes it has promoted 25 SHGs with the total membership of 250 while under other scheme it has promoted 201 SHGs with the total membership of 2010. It has obtained 11.25 lakhs from NMDFC at 4.5 % p.a. and on-lent the entire amount to the SHGs. Most of them take up work relating to Chicken kari and Handicrafts. Its repayment record is satisfactory with no overdue amount except for overdue in the financial year 2003-04. Fund received from NMDFC (Rs.11.25 lakhs) for 25 SHGs averages to Rs. 45000/- per SHGs. It has also received Rs. 201 Lakhs for 201 SHGs from a nationalized bank. The NGO felt that the NMDFC fund had improved IGA of 250 families. However the scheme will be more effective if the sanctions and fund releases are faster as it is difficult to keep the beneficiaries interested and waiting for a long time.

6.10 West Bengal

6.10.1 Mass Education Society (MES) – (NGO-18)

MES undertakes activities relating to education, livelihood, training and environment. Currently it has no SHGs under any scheme as SHGs formed since 1985 have now become independent. It has not received any financial assistance from NMDFC or any other agency. However it is aware of NMDFC scheme and feels that they are very helpful to the minority community in improving their livelihood, though the fund flow mechanism should be speeded up. In his view, greater awareness of NMDFC schemes and organizational training would increase micro credit activities.

The investigator has commented that MES is no longer implementing micro credit activities and does not retain any links with the former groups who have become independent. MES is only providing consultancy, training and monitoring work on behalf of NMDFC.

6.10.2 Bhabna Association for People's Upliftment (BAPU) – NGO-19)

BAPU undertakes activities relating to micro finance, literacy campaigns, women empowerment and rehabilitation of destitute. It has formed 30 SHGs under NMDFC schemes with a total membership of 3000. It has obtained Rs 1,80,000/- at 1% pa interest from NMDFC and on-lent the entire amount at 5%. The amount taken in financial year 2004 -05 remains unpaid as yet. It has not shown any funding from any other agency or SHG formation under any other scheme.

The NGO felt that the NMDFC scheme was very useful for unemployed youth, housewives and unmarried girls to upgrade their socio economic condition, though shortage of fund hampered activities.

The Investigator's observation was to the effect that several beneficiaries had complained that the NGO fraudulently withdrew their contribution rather than sanctioning any amount to them.

6.10.3 Bashirhat Family Planning Welfare Centre (BWC) – (NGO-20)

BWC undertakes activities relating to awareness generation, economic empowerment of women, health and education. Under NMDFC scheme it promoted 20 SHGs with 200 members. No SHGs were promoted under any other scheme. It obtained Rs 9.00 lakhs from NMDFC at 1% interest and on lent the entire amount to the SHGs at 5%. Loan repayment is as per schedule and there is no overdue amount. The loan was taken in 2005 -06 and the repayment is being made in the successive financial years. No loan has been taken from NMDFC in subsequent years.

The financial assistance provided under the scheme at a very nominal rate of interest has enabled the beneficiaries to set up their own units and put them on the road to economic independence. This has created a heavy demand for more loans which may be considered by NMDFC.

VII. IMPACT AT LEVEL OF SHG AND INDIVIDUAL BENEFICIARY

This section analyzes the impact of NMDFC funding at the level of the SHG and the IB, State wise.

7.1 Andhra Pradesh

7.1.1 NGO – Gramasiri

a) Khatija (SHG-1)

Individual Beneficiaries	Loan Purpose & Amount (Rs.)			Income p.m (Rs.) from unit funded
	Consumption	Production	Total	
Karimunnisa Begum	.	11700	11700	1200
Zeenathunnisa Begum	.	11700	11700	1100
Shamshad Begum Shaik	.	11700	11700	1100

Khatija SHG is comprised of 10 women from the Muslim community all from BPL economic status. It has obtained Rs. 117000 from NMDFC through NGO at 4% interest pa and has disbursed the same among its 10 members, all for dairy activity. It has recovered the first loan of Rs 45000 fully and recovered 50 % of the second loan of Rs 72000. The SHG did not face any problem either in obtaining loan from NMDFC or repayment from its members.

The financial assistance empowered the women members as it enabled them to get out of their houses and participate in group meetings and other activities. It reduced dependence of the members on the money lenders, increased economic status as a result of the units set up by the members and all this also enhanced their social status. Their success led them to require second loan from NMDFC through the NGO to purchase the another milch animal.

As can be seen from the table above, the three sample beneficiaries (all women) took loans for productive purposes. They earn Rs 1100 -1200 pm from the units set up with the help NMDFC funds.

b) Shaik Akhtar (SHG-2)

Individual Beneficiaries	Loan Purpose & Amount (Rs.)			Income p.m (Rs.) from unit funded
	Consumption	Production	Total	
Sk. Shaheda	.-	11700	11700	1500
SK. Jhahera	.-	11700	11700	1750
SK Noor Jahan	.-	11700	11700	2000

Shaikh Akhtar SHG is comprised of 10 women from the Muslim community all from BPL economic status.. It has obtained Rs.117000 from NMDFC through NGO at 4% interest pa and has disbursed the same among its 10 members, all for dairy activity. It has recovered the first loan of Rs 45000 fully and recovered 50 % of the second loan of Rs 72000. The SHG did not face any problem either in obtaining loan from NMDFC or repayment from its members.

The financial assistance empowered the women members as it enabled them to get out of their houses and participate in group meetings and other activities. It eliminated dependence of the members on the money lenders, increased economic status as a result of the units setup by the members and all this also enhanced their social status. Their success has encouraged them to go for new hybrid animals for which they require further loans.

As can be seen from the table above, the three sample beneficiaries (all women) took loans for productive purposes. They earn Rs 1500 -2000 pm from the units set up with the help NMDFC funds.

c) Shaikh Asha Begum (SHG-3)

Individual Beneficiaries	Loan Purpose & Amount (Rs.)			Income p.m (Rs.) from unit funded
	Consumption	Production	Total	
Shaik Basheerum Begum	.	11700	11700	1800
Shaik Dilshaad Begum	.	11700	11700	1750
Shaik Abida Begum	.	11700	11700	1200

Shaikh Asha Begum SHG is comprised of 10 women from the Muslim community, all from BPL economic status. It has obtained Rs.117000 from NMDFC through NGO at 4% interest pa and has disbursed the same among its 10 members, all for dairy activity. It has recovered the first loan of Rs 45000 fully and recovered the second loan of Rs 72000 partially. The SHG did not face any problem either in obtaining loan from NMDFC or repayment from its members.

The loans empowered the women members as they now were able to get out of their houses and participate in group meetings and other activities. It eliminated dependence of the members on the money lenders, increased economic status as a result of the units setup by the members and all this also enhanced their social status. Their success has encouraged them to go for new hybrid animals for which they require further loans.

As can be seen from the table above, the three sample beneficiaries (all women) took loans for productive purposes. They earn Rs 1500 -2000 pm from the units set up with the help NMDFC funds.

d) Thajunisha (SHG-4)

Individual Beneficiaries	Loan Purpose & Amount (Rs.)			Income p.m (Rs.) from unit funded
	Consumption	Production	Total	
Shakeela Begum	-	11700	11700	1000
Ashrafunniza Begum	-	11700	11700	1200
Mumthaj Begum	-	1170	1170	1200

Thajunisha SHG is comprised of 15 women from the Muslim community, all from BPL economic status. It has obtained Rs.175000 from NMDFC through NGO at 4% interest pa and has disbursed the same among its 10 members, all for dairy activity. It has recovered the first loan of Rs 67500 fully and recovered the second loan of Rs 108000 substantially. The SHG did not face any problem either in obtaining loan from NMDFC or repayment from its members.

The loan empowered the women members as they now were able to get out of their houses and participate in group meetings and other activities. It eliminated dependence of the members on the money lenders, increased economic status as a result of the units setup by the members and all this also enhanced their social status. Their success has encouraged them to plan for a milk society if NMDFC is able to provide them further financial assistance.

As can be seen from the table above, the three sample beneficiaries (all women) took loans for productive purposes. They earn Rs 1000 - 1200 pm from the units set up with the help NMDFC funds.

e) Zareena (SHG-5)

Individual Beneficiaries	Loan Purpose & Amount (Rs.)			Income p.m (Rs.) from unit funded
	Consumption	Production	Total	
Rasheeda Begum	-	11700	11700	1800
Rasheedunnisa	-	11700	11700	1250
Asia Begum	-	11700	11700	1100

Zareena SHG is comprised of 12 women from the Muslim community, all from BPL economic status.. It has obtained Rs.140400 from NMDFC through NGO at 4% interest pa and has disbursed the same among its 12 members, all for dairy activity. It has recovered the first loan of Rs 67500 fully and recovered the second loan of Rs 108000 substantially. The SHG did not face any problem either in obtaining loan from NMDFC or repayment from its members.

Due to group formation and NGO guidance, the members feel empowered. The loan eliminated dependence of the members on the money lenders, increased economic status as a result of the units setup by the members and all this also enhanced their social status. The members have requested for another loan from NMDFC to buy more animals.

As can be seen from the table above, the three sample beneficiaries (all women) took loans for productive purposes. They earn Rs 1100 - 1800 pm from the units set up with the help NMDFC funds.

7.1.2 NGO- Mahila Sanskar Mutually Aided Cooperative Society Ltd.

a) Ansari Mahila Mandali (SHG-6)

Individual Beneficiaries	Loan Purpose & Amount (Rs.)			Income p.m (Rs.) from unit funded
	Consumption	Production	Total	
Anwar Begum	-	8000	8000	800
Shami Unisa Hosia Begum	-	10000	10000	700
Sadida Ansari	-	10000	10000	1000

Ansari Mahila Mandali SHG is comprised of 15 women from the Muslim community, all from BPL economic status. It has obtained Rs.30000 from NMDFC through NGO at 4% interest pa and has disbursed the same among its 15 members, for activities relating to textiles and handicrafts. It has balance payable of Rs.. 6000 on the principal amount. The SHG did not get the second installment of the sanctioned amount from the NMDFC.

Impacts on the individual members include better knowledge of the legal rights, reduced dependence on money lenders and to some extent, improvement in their socio-economic status.

As can be seen from the table above, the three sample beneficiaries (all women) took loans for productive purposes. They earn Rs 700 - 1000 pm from the units set up with the help NMDFC funds.

b) Asra Mahila Welfare Society (SHG-7)

Individual Beneficiaries	Loan Purpose & Amount (Rs.)			Income p.m (Rs.) from unit funded
	Consumption	Production	Total	
Manwar	-	5000	5000	500
Haleem Begum	-	5000	5000	500
Hajera begum	-	5000	5000	500

Asra Mahila Welfare Society, SHG is comprised of 15 women from the Muslim community, all from BPL economic status. It has obtained Rs.30000 from NMDFC through NGO at 4% interest p a and has disbursed the same among its 15 members, for activities relating to tailoring and embroidery. It has balance payable of Rs. 6000 on the principal amount. The SHG did not get the second installment of the sanctioned amount from the NMDFC.

Impacts on the individual members include better knowledge of the legal rights, reduced dependence on money lenders, and to some extent, improvement in their socio-economic status.

As can be seen from the table above, the three sample beneficiaries (all women) took loans for productive purposes. They earn Rs 500 pm from the units set up with the help NMDFC funds.

c) Chuntisha Mazid Mahila Mandali (SHG-8)

Individual Beneficiaries	Loan Purpose & Amount (Rs.)			Income p.m (Rs.) from unit funded
	Consumption	Production	Total	
Shaheeda	-	5000	5000	600
Safia	-	5000	5000	500
Farheen	-	10000	10000	900

Chuntisha Mazid Mahila Mandali SHG is comprised of 15 women from the Muslim community, all from BPL economic status. It has obtained Rs.30000 from NMDFC through NGO at 4% interest pa and has disbursed the same among its members, for activities relating to textile and handicrafts. It has balance payable of Rs. 6000 on the principal amount. The SHG did not get the second installment of the sanctioned amount from the NMDFC.

Impacts on the individual members include better knowledge of their legal rights, reduced dependence on money lenders, and improvement in their socio-economic status.

As can be seen from the table above, the three sample beneficiaries (all women) took loans for productive purposes. They earn Rs 500 - 900 pm from the units set up with the help NMDFC funds. They require more loans to improve their existing business.

d) Disha Mahila Society (SHG-9)

Individual Beneficiaries	Loan Purpose & Amount (Rs.)			Income p.m (Rs.) from unit funded
	Consumption	Production	Total	
Mallika Begum	-	5000	5000	500
Ameer Unnita	-	2000	2000	200
Safia Begum	-	3000	3000	300

Disha Mahila Society SHG is comprised of 15 women from the Muslim community, all from BPL economic status. It has obtained Rs.30000 from NMDFC through NGO at 4% interest pa and has disbursed the same among its members, for activities relating to textile and handicrafts. It has balance payable of Rs. 6000 on the principal amount. The SHG did not get the second installment of the sanctioned amount from the NMDFC.

Impacts on the individual members include better knowledge of their legal rights, reduced dependence on money lenders, and improved socio-economic status.

As can be seen from the table above, the three sample beneficiaries (all women) took loans for productive purposes. They earn Rs 200 - 500 pm from the units set up with the help NMDFC funds. They require more loans to improve their existing business.

e) Plaza Craft Mahila Society (SHG-10)

Individual Beneficiaries	Loan Purpose & Amount (Rs.)			Income p.m (Rs.) from unit funded
	Consum-ption	Production	Total	
Eshrat Uman	-	5000	5000	550
Shahna Begum	-	10000	10000	800
Bilques quaman	-	6000	6000	600

Plaza Craft Mahila Society is comprised of 15 women from the Muslim community, all from BPL economic status. It has obtained Rs.30000 from NMDFC through NGO at 4% interest pa and has disbursed the same among its members, for activities relating to textile and handicrafts. It has balance payable of Rs. 6000 on the principal amount. The SHG did not get the second installment of the sanctioned amount from the NMDFC.

Impacts on the individual members include better knowledge of their legal rights, reduced dependence on money lenders, and improved socio-economic status.

As can be seen from the table above, the three sample beneficiaries (all women) took loans for productive purposes. They earn Rs 550 - 800 pm from the units set up with the help NMDFC funds. They require more loans to improve their existing business.

7.1.3 NGO- Social Action for Integrated Development

a) Bismilla-2 (SHG-11)

Individual Beneficiaries	Loan Purpose & Amount (Rs.)			Income p.m (Rs.) from unit funded
	Consum-ption	Production	Total	
Mrs.Pyarijan	-	5000	5000	1500
SK.Shahida	-	5000	5000	1200
SK.Shameem	-	8000	8000	2500

Bismilla 2 SHG is comprised of 20 women from the Muslim community all from BPL economic status. It has obtained Rs. 98000 from NMDFC through NGO at 5% interest p a and has disbursed the same among its members, for activities relating to education, dairy and business. The entire amount has been repaid. The SHG felt that getting a loan from NMDFC has been a great task.

Impact on the individual members included very good empowerment, eliminated dependence on money lenders and considerably improved their socio-economic status. Their first loan experience from NMDFC was very gratifying and they are very keen to take a second loan.

As can be seen from the table above the three sample beneficiaries (all women) took loans for productive purposes. They earn Rs 1200 - 2500 pm from the units set up with the help NMDFC funds.

b) Bismilla (SHG-12)

Individual Beneficiaries	Loan Purpose & Amount (Rs.)			Income p.m (Rs.) from unit funded
	Consumption	Production	Total	
SK. Ameen	-	6000	6000	1700
P. Sadhkani	-	6000	6000	1800
SK.Azmathbi	-	6000	6000	1200

Bismilla SHG is comprised of 15 women from the Muslim community all from BPL economic status. It has obtained Rs. 75000 from NMDFC through NGO at 5% interest p a and has disbursed the same among its members, for activities relating to dairy and business. The entire amount has been repaid. The SHG felt that getting a loan from NMDFC has been a great task.

Impact on the individual members included very good empowerment, eliminated dependence on money lenders and considerably improved their socio-economic status. The group was very prompt in repaying the loan and the income generation was good. Now they require further loans.

As can be seen from the table above the three sample beneficiaries (all women) took loans for productive purposes. They earn Rs 1200 - 1800 pm from the units set up with the help NMDFC funds.

c) Masthani (SHG-13)

Individual Beneficiaries	Loan Purpose & Amount (Rs.)			Income p.m (Rs.) from unit funded
	Consumption	Production	Total	
SK. Malika	-	5000	5000	2500
SK. Sharebha	-	5000	5000	2000
SK. Shakrun	-	5000	5000	2500

Masthani SHG is comprised of 20 women from the Muslim community all from BPL economic status. It has obtained Rs. 161000 from NMDFC through NGO at 5% interest p a and has disbursed the same among its members, for activities relating to agriculture, dairy and business. The entire amount has been repaid. It faced no problems in either getting the loan and repayment from members.

Impact on the individual members included very good empowerment, eliminated dependence on money lenders and considerably improved their socio-economic status. They require further financial assistance in the form of second loan.

As can be seen from the table above, the three sample beneficiaries (all women) took loans for productive purposes. They earn Rs 2000 to Rs. 2500 p.m. from the units set up with the help NMDFC funds.

d) Yah Malik-I (SHG-14)

Individual Beneficiaries	Loan Purpose & Amount (Rs.)			Income p.m (Rs.) from unit funded
	Consumption	Production	Total	
SK. Razia	-	5000	5000	1800
M. Ameerun	-	5000	5000	2500
M.Mumtaz Begum	-	5000	5000	1900

Ya Malik I SHG is comprised of 15 women from the Muslim community all from BPL economic status. It has obtained Rs. 111000 from NMDFC through NGO at 5% interest p a. and has disbursed the same among its members, for activities relating to dairy and business. The entire amount has been repaid. It faced no problems in either getting the loan and repayment from members.

Impact on the individual members included very good empowerment, eliminated dependence on money lenders and considerably improved their socio-economic status. They require further financial assistance in the form of second loan.

As can be seen from the table above the three sample beneficiaries (all women) took loans for productive purposes . They earn Rs 1800 - 2500 p.m from the units set up with the help NMDFC funds.

e) Yah Malik-II (SHG-15)

Individual Beneficiaries	Loan Purpose & Amount (Rs.)			Income p.m (Rs.) from unit funded
	Consumption	Production	Total	
P.Hazina	-	5000	5000	1800
M.Saidani	-	5000	5000	2000
M. Shahnad	-	5000	5000	2150

Ya Malik II SHG is comprised of 20 women of which 18 are from the Muslim community and 2 are from the Christian community. All are from BPL economic status. It has obtained Rs. 55000 from NMDFC through NGO at 5% interest p a. and has disbursed the same among its members, for activities relating to dairy. The entire amount has been repaid. It faced no problems in either getting the loan and repayment from members.

Impact on the individual members included very good empowerment, eliminated dependence on money lenders and considerably improved their socio-economic status. They require further financial assistance in the form of second loan.

As can be seen from the table above, the three sample beneficiaries (all women) took loans for productive purposes. They earn Rs 1800 - 2150 pm from the units set up with the help NMDFC funds.

7.1.4 NGO - Viveka Service Society

a) Asha (SHG-16)

Individual Beneficiaries	Loan Purpose & Amount (Rs.)			Income p.m (Rs.) from unit funded
	Consumption	Production	Total	
Syed Jameela	.	10000	10000	3000
SK. Munni	.	10000	10000	3550
SK. Jaheda	.	10000	10000	3000

Asha SHG is comprised of 14 women of which 12 are from the Muslim community and 2 are from the Christian community. All are from BPL economic status. It has obtained Rs. 140000 from NMDFC through NGO @ 12 % p.a. and has disbursed the same among its members, for activities relating to dairy and business. 50% of the amount has been repaid. It faced no problems in either getting the loan and repayment from members.

Impact on the individual members included very good empowerment, eliminated dependence on money lenders and it has considerably improved their socio-economic status. The SHG requires further financial assistance in the form of second loan.

As can be seen from the table above the three sample beneficiaries (all women) took loans for productive purposes. They earn Rs 3000 - 3550 p m from the units set up with the help NMDFC funds.

b) Ayesha (SHG-17)

Individual Beneficiaries	Loan Purpose & Amount (Rs.)			Income p.m (Rs.) from unit funded
	Consumption	Production	Total	
Patan Shabira	.	13000	13000	2500
Syed Hafijunisa	.	13000	13000	4500
SK. Gousia	.	13000	13000	3000

Ayesha SHG is comprised of 14 women of which 13 are from the Muslim community and 1 from the Christian community. All are from BPL economic status. It has obtained Rs. 182000 from NMDFC through NGO at 12 % interest p a. and has disbursed the same among its members, for activities relating to agriculture, dairy and business. The amount outstanding on principal account is Rs 167090.

Impact on the individual members included very good empowerment, eliminated dependence on money lenders and considerably improved their socio-economic status.

As can be seen from the table above the three sample beneficiaries (all women) took loans for productive purposes. They earn Rs 2500 – 4500 p m from the units set up with the help NMDFC funds.

c) Bibi Hajare (SHG-18)

Individual Beneficiaries	Loan Purpose & Amount (Rs.)			Income p.m (Rs.) from unit funded
	Consumption	Production	Total	
SK. Waheedunnisa	-	12000	12000	4000
M.Fathimunnisa	-	10000	10000	5500
SK.Mahera	-	8000	8000	1900

Bibi Hajare SHG is comprised of 12 women all of which are from the Muslim community and from BPL economic status. It has obtained Rs. 144000 from NMDFC through NGO at 12 % interest p a. and has disbursed the same among its members, for activities relating to dairy and business. It has a nil repayment balance. It faced no problems in either getting the loan and repayment from members.

Impact on the individual members included very good empowerment, eliminated dependence on money lenders and considerably improved their socio-economic status. They require further financial assistance in the form of second loan.

As can be seen from the table above the three sample beneficiaries (all women) took loans for productive purposes. They earn Rs 1900 - 5500 p m from the units set up with the help NMDFC funds.

d) Gousia Begum (SHG-19)

Individual Beneficiaries	Loan Purpose & Amount (Rs.)			Income p.m (Rs.) from unit funded
	Consumption	Production	Total	
SK. Rehana	-	8000	8000	4000
Sayed sameena	-	8000	8000	4500
SK.Gausia Begam	-	8000	8000	2000

Gousia Begum SHG is comprised of 11 women all from Muslim community and from BPL economic status. It has obtained Rs. 88000 from NMDFC through NGO at 12 % interest p a. and has disbursed the same among its members, for activities relating to dairy and business. The entire amount has been repaid. It faced no problems in either getting the loan and repayment from members.

Impact on the individual members included very good empowerment, eliminated dependence on money lenders and considerably improved their socio-economic status. They require further financial assistance in the form of second loan.

As can be seen from the table above, the three sample beneficiaries (all women) took loans for productive purposes. They earn Rs 2000 - 4500 p m from the units set up with the help NMDFC funds.

e) Thabusum (SHG-20)

Individual Beneficiaries	Loan Purpose & Amount (Rs.)			Income p.m (Rs.) from unit funded
	Consumption	Production	Total	
SK.Salma	-	17000	17000	1300
Patan Mumthaj	-	17000	17000	1900
SK. Masthani	-	17000	17000	2000

Thabusum SHG is comprised of 10 women all of which are from the Muslim community and from BPL economic status. It has obtained Rs. 170000 from NMDFC through NGO at 12% interest p a. and has disbursed the same among its members, for activities relating to dairy and business. It has a repayment balance of Rs 68600. It faced no problems in either getting the loan and repayment from members.

Impact on the individual members included very good empowerment, eliminated dependence on money lenders and considerably improved their socio-economic status. They require further financial assistance in the form of second loan.

As can be seen from the table above, the three sample beneficiaries (all women) took loans for productive purposes. They earn Rs 1300 - 2000 p m from the units set up with the help NMDFC funds.

7.2 Assam

7.2.1 NGO - Rashtriya Grameen Vikas Nidhi

a) Adarsh Mahila Society (SHG-21)

Individual Beneficiaries	Loan Purpose & Amount (Rs.)			Income p.m (Rs.) from unit funded
	Consumption	Production	Total	
Mrs Suryabhanu	-	1000	1000	800
Mrs Anowara Begum	-	3000	3000	800
Mrs Nurjahan Begum	-	5000	5000	1000

Adarsh Mahila SHG is comprised of 12 women all of which are from the Muslim community and from BPL economic status. It has obtained Rs.72000 from NMDFC through NGO at 10 % interest pa and has disbursed the same among its members for IGA activities. The entire amount has been repaid. The SHG found the interest burden to be high and there was sometimes problem in loan repayment.

Impact on the individual members included empowerment, reduced dependence on money lenders and improved economic status. In future they want loans for housing and car.

As can be seen from the table above, the three sample beneficiaries (all women) took loans for productive purposes. They earn Rs 800 - 1000 p m from the units set up with the help NMDFC funds.

b) Dirghasivi Mahila Society (SHG-22)

Individual Beneficiaries	Loan Purpose & Amount (Rs.)			Income p.m (Rs.) from unit funded
	Consumption	Production	Total	
Mrs Alisha Begum	-	1000	1000	1200
Mrs Nurjahan Begum	-	5000	5000	1500
Mrs Sahida Begum	-	4000	4000	800

Dirghasivi Mahila Society is comprised of 11 women all of which are from the Muslim community and from BPL economic status. It has obtained Rs.50000

from NMDFC through NGO at 10 % interest p.a and has disbursed the same among its members for IGA activities. The entire amount has been repaid. The SHG found the interest burden to be high and there was sometimes problem in loan repayment.

Impact on the individual members included empowerment, reduced dependence on money lenders and improved economic status. In future they want loans for housing and car.

As can be seen from the table above, the three sample beneficiaries (all women) took loans for productive purposes. They earn Rs 800 - 1500 p m from the units set up with the help NMDFC funds.

c) Nayantara Mahila Society (SHG-23)

Individual Beneficiaries	Loan Purpose & Amount (Rs.)			Income p.m (Rs.) from unit funded
	Consumption	Production	Total	
Mrs Chandra Bhanu	-	1000	1000	1000
Mrs Majida Khatun	-	1500	1500	1200
Mrs Rahima Khatun	-	1800	1800	1000

Nayantara Mahila Society SHG is comprised of 10 women all of which are from the Muslim community and from BPL economic status. It has obtained Rs.71000 from NMDFC through NGO at 10 % interest pa and has disbursed the same among its members for IGA activities. The entire amount has been repaid. The SHG found that getting a loan involved long procedure.

Impact on the individual members included empowerment, reduced dependence on money lenders and improved economic status. In future they want loans for developing their units.

As can be seen from the table above, the three sample beneficiaries (all women) took loans for productive purposes. They earn Rs 1000 - 1200 p m from the units set up with the help NMDFC funds.

d) Nimtoli Mahila Society (SHG-24)

Individual Beneficiaries	Loan Purpose & Amount (Rs.)			Income p.m (Rs.) from unit funded
	Consumption	Production	Total	
Mrs Rukia Begum	-	3000	3000	300
Mrs Amina Begum	-	3000	3000	1000
Mrs Rahila Khatun	-	2500	2500	800

Nimtoli Mahila Society SHG is comprised of 9 women all of which are from the Muslim community and from BPL economic status. It has obtained Rs.45000 from NMDFC through NGO at 10 % interest pa and has disbursed the same among its members for IGA activities. The entire amount has been repaid. The SHG found the interest burden to be high and there was sometimes problem in loan repayment, specially in case of religious violence and bandhs.

Impact on the individual members included empowerment, reduced dependence on money lenders and improved economic status. In future they want loans for housing and car.

As can be seen from the table above the three sample beneficiaries (all women) took loans for productive purposes. They earned Rs 300 -1000 p m from the units set up with the help NMDFC funds.

e) Pakhila Mahila Society (SHG-25)

Individual Beneficiaries	Loan Purpose & Amount (Rs.)			Income p.m (Rs.) from unit funded
	Consumption	Production	Total	
Mrs Sarmila Begum	-	2000	2000	1000
Mrs Majida Begum	-	5000	5000	2000
Mrs Mallika Begum	-	3000	3000	1500

Pakhila Mahila Society SHG is comprised of 12 women all of which are from the Muslim community and from BPL economic status. It has obtained Rs.66000 from NMDFC through NGO at 10 % interest pa and has disbursed the same

among its members for IGA activities. The entire amount has been repaid. The SHG found the interest burden to be high and which needs to be reduced.

Impact on the individual members included empowerment, reduced dependence on money lenders and improved socio-economic status. In future they want loans for housing and car.

As can be seen from the table above the three sample beneficiaries (all women) took loans for productive purposes. They earned Rs 1000 -2000 p m from the units set up with the help NMDFC funds.

7.3 Bihar

7.3.1 NGO - Kanchan Sewa Ashram

a) Chand Mahila Mandal (SHG-26)

Individual Beneficiaries	Loan Purpose & Amount (Rs.)			Income p.m (Rs.) from unit funded
	Consumption	Production	Total	
Anguri Khatoon	-	4000	4000	1200
S, Khatoon	-	5000	5000	.
N Khatoon	-	5000	5000	1000

Chand Mahila Mandal SHG is comprised of 12 women all of which are from the Muslim community. It has obtained Rs.33000 from NMDFC through NGO at 5 % interest pa and has disbursed the same among its members for agriculture. The entire amount has been repaid. It did not report any problems. It also did not feel that there was any impact either in reducing dependence on money lender or in improving their economic status. However, by joining SHG, the members have a platform to meet and discuss issues jointly.

It can be seen from the table above, the three sample beneficiaries (all women) took loans for productive purposes. They earn Rs 1000 and 1200 p m respectively from the units set up with the help NMDFC funds.

b) Mahal Mandal (SHG-27)

Individual Beneficiaries	Loan Purpose & Amount (Rs.)			Income p.m (Rs.) from unit funded
	Consumption	Production	Total	
Shabiha Khatoon	-	5000	5000	2000
Koraisha Khatoon	-	5000	5000	1200
Akhtari Begum	-	5000	5000	1000

Mahal Mandal SHG is comprised of 11 women all of which are from the Muslim community. It has obtained Rs.50000 from NMDFC through NGO at 5 % interest pa and has disbursed the same among its members for agriculture and goatery. The entire amount has been repaid.

Impact on the individual members included empowerment as the members as they are now able to manage and solve their own problems, have reduced dependence on money lenders and improved socio -economic status. In future they want more loans.

It can be seen from the table above, the three sample beneficiaries (all women) took loans for productive purposes and repaid the entire dues. They earned Rs 1000 - 2000 p m from the units set up with the help NMDFC funds.

c) Najani (SHG-28)

Individual Beneficiaries	Loan Purpose & Amount (Rs.)			Income p.m (Rs.) from unit funded
	Consumption	Production	Total	
Farjana Khatoon	-	6000	6000	1500
Sakeena Khatoon	-	6000	6000	1000
Ameena Khatoon	-	6000	6000	1000

Najani SHG is comprised of 16 women all of which are from the Muslim community. It has obtained Rs.96000 from NMDFC through NGO at 5 % interest p a and has disbursed the same among its members for agriculture, goat rearing and stitching. The entire amount has been repaid.

Impact on the individual members included empowerment, reduced dependence on money lenders and improved socio-economic status. In future they want more loans for their units.

It can be seen from the table above, the three sample beneficiaries (all women) took loans for productive purposes. They earned Rs 1000 - 1500 p m from the units set up with the help NMDFC funds.

d) Neel Kamal (SHG-29)

Individual Beneficiaries	Loan Purpose & Amount (Rs.)			Income p.m (Rs.) from unit funded
	Consumption	Production	Total	
Mushrat Janha	-	5000	5000	.-
Rashulan Khatun	-	5000	5000	.-
Halima Khatun	-	5000	5000	.-

Neel Kamal SHG is comprised of 11 women all of which are from the Muslim community. It has obtained Rs.45000 from NMDFC through NGO at 6 % interest pa and has disbursed the same among its members for handloom work. The entire amount has been repaid.

Impact on the individual members could not be ascertained because the handloom business has been stopped and the family members have migrated.

As can be seen from the table above, the three sample beneficiaries (all women) took loans for productive purposes. However, income from units could not be ascertained.

e) Varsa Mahila Mandal (SHG-30)

Individual Beneficiaries	Loan Purpose & Amount (Rs.)			Income p.m (Rs.) from unit funded
	Consumption	Production	Total	
Mahmooda Khatoon	-	5000	5000	1000
Momina Khatoon	-	5000	5000	1500
Haseena Khatoon	-	5000	5000	1500

Varsa Mahila Mandal SHG is comprised of 15 women all of which are from the Muslim community and from BPL status. It has obtained Rs.82000 from NMDFC through NGO at 5 % interest p a and has disbursed the same among its members for handloom, agriculture and goat rearing. The entire amount has been repaid.

There was reduced dependence on money lenders and they have also improved their economic status. Members want more loans in the future.

As can be seen from the table above, the three sample beneficiaries (all women) took loans for productive purposes. They earned between Rs 1000- 1500 pm from the unit they set up with help of NMDFC funds.

7.1.4 NGO - Mahila Development Centre

a) Kiran (SHG-31)

Individual Beneficiaries	Loan Purpose & Amount (Rs.)			Income p.m (Rs.) from unit funded
	Consumption	Production	Total	
Kanehan Kumari	-	10000	10000	2000
Rupa Chaudhri	-	10000	10000	2500
Rekha Devi	-	10000	10000	2000

Kiran SHG is comprised of 11 women all of which are from the Muslim community. It has obtained Rs.50000 from NMDFC through NGO at 5 % interest pa and has disbursed the same among its members for IGA activities relating to tea shop and tailoring. One third of the loan is overdue for repayment.

Impact on the individual members included empowerment, reduced dependence on money lenders and improved socio -economic status. In future they want more loans for their units.

As can be seen from the table above, the three sample beneficiaries (all women) took loans for productive purposes. They earned Rs 2000 - 2500 p m from the units set up with the help NMDFC funds.

b) Ronak (SHG-32)

Individual Beneficiaries	Loan Purpose & Amount (Rs.)			Income p.m (Rs.) from unit funded
	Consumption	Production	Total	
Meena Khatun	-	10000	10000	1500
Washima	-	10000	10000	2000
Tamanna	-	10000	10000	2500

Ronak SHG is comprised of 10 women all of which are from the Muslim community. It has obtained Rs.60000 from NMDFC through NGO at 5 % interest pa and has disbursed the same among its members for IGA activities relating to tailoring. One third of the loan is overdue for repayment.

Impact on the individual members included empowerment, reduced dependence on money lenders and improvement in their socio -economic status as they are employed in small business. More importantly, they have now been weaned away from the flesh trade they were practicing.

As can be seen from the table above, the three sample beneficiaries (all women) took loans for productive purposes. They earned Rs 1500 - 2500 p m from the units set up with the help NMDFC funds.

c) Ruhi (SHG-33)

Individual Beneficiaries	Loan Purpose & Amount (Rs.)			Income p.m (Rs.) from unit funded
	Consumption	Production	Total	
Fareeda Khatun	-	10000	10000	2500
Rani Khatun	-	10000	10000	2500
Ranju begam	-	10000	10000	3000

Ruhi SHG is comprised of 13 women all of which are from the Muslim community. It has obtained Rs.50000 from NMDFC through NGO at 5 % interest pa and has disbursed the same among its members for IGA activities relating to tailoring. One third of the loan is overdue for repayment.

Impact on the individual members included empowerment, reduced dependence on money lenders and improved socio-economic status as they are employed in small business.

As can be seen from the table above the three sample beneficiaries (all women) took loans for productive purposes. They earned Rs 2500 - 3000 pm from the units set up with the help NMDFC funds.

d) Shaida (SHG-34)

Individual Beneficiaries	Loan Purpose & Amount (Rs.)			Income p.m (Rs.) from unit funded
	Consumption	Production	Total	
Sabiya Khatun	-	10000	10000	2000
Alam Ara	-	10000	10000	2500
Siri Begum	-	10000	10000	2000

Shaida SHG is comprised of 12 women all of which are from the Muslim community. It has obtained Rs.60000 from NMDFC through NGO at 5 % interest pa and has disbursed the same among its members for IGA activities relating to tailoring. One third of the loan is overdue for repayment.

Impact on the individual members included empowerment, reduced dependence on money lenders and improved socio-economic status as they are employed in small business. Members can now fight against social evils.

As can be seen from the table above, the three sample beneficiaries (all women) took loans for productive purposes. They earned Rs 2000 - 2500 pm from the units set up with the help NMDFC funds. They want to upgrade their business.

e) Shama (SHG-35)

Individual Beneficiaries	Loan Purpose & Amount (Rs.)			Income p.m (Rs.) from unit funded
	Consumption	Production	Total	
Snjum Ara	-	10000	10000	3000
Anisha Khatun	-	10000	10000	5000
Afsana	-	10000	10000	2500

Shama SHG is comprised of 10 women all of which are from the Muslim community. It has obtained Rs.50000 from NMDFC through NGO at 5 % interest pa and has disbursed the same among its members for IGA activities relating to tailoring. One third of the loan is overdue for repayment.

Impact on the individual members included empowerment, reduced dependence on money lenders and improved socio-economic status as they are employed in small business.

It can be seen from the table above the three sample beneficiaries (all women) took loans for productive purposes. They earned Rs 2500 - 5000 pm from the units set up with the help NMDFC funds. They want to upgrade their business.

7.5 Karnataka

7.5.1 NGO – Sabala

a) Bibi Fatima (SHG-36)

Bibi Fatima SHG is comprised of 15-20 members hailing from Muslim community.

Impact on the individual members included empowerment, reduced dependence on money lenders and improved socio-economic status as they are employed in small business.

Please see consolidated comments below.

b) Chandbibi (SHG-37)

Chand Bibi SHG is comprised of 10 -15 members hailing from Muslim community. Impact on the individual members included empowerment, reduced dependence on money lenders and improved socio-economic status as they are employed in small business.

Please see consolidated comments below.

Individual Beneficiaries	Loan Purpose & Amount (Rs.)			Income p.m (Rs.) from unit funded
	Consumption	Production	Total	
Godma	.	2200	2200	2000
Bibeejan	200	700	900	1200

The IBs took loans for small business and earns regular monthly income from the same. See consolidated comments below

c) Deewan Huperiya (SHG-38)

Deewan Huperiya SHG is comprised of 15 - 20 members hailing from Muslim community. Impact on the individual members included empowerment, reduced dependence on money lenders and improved socio-economic status as they are employed in small business.

See consolidated comments below

d) Leela Huperiya (SHG-39)

Leela Huperiya SHG is comprised of 15 - 20 members hailing from Muslim community. Impact on the individual members included empowerment, reduced dependence on money lenders and improved socio-economic status as they are employed in small business.

See consolidated comments below

e) Tipu Sultan (SHG-40)

Tipu Sultan SHG is comprised of less than 10 members hailing from Muslim community. Impact on the individual members included empowerment, reduced dependence on money lenders and improved socio-economic status as they are employed in small business.

See consolidated comments below

Consolidated Comments

Observations:

NGO has disbursed the amount directly to the beneficiaries and not to the SHG. Amount is given in the form of **working capital** for tailoring machine, jute bag products and stitching, jewelery end-products and housing. NGO has set up a craft centre and it has a display showroom in Bijapur city. Handicrafts were sold locally and exported to European Countries. Around 400 members are employed by this NGO. Those who are not able to come to the centre are supplied raw material and the finished product is collected from them regularly by NGO staff.

NGOs Views:

Secretary, SABALA informed that the reason why she has given loan directly to the beneficiary and not to the SHG is that recovery is easy and beneficiary will not divert the loan amount for other purposes. She can earn as well as save. At the same time from whatever funds the NGO gets, it is not possible to maintain the Groups as cost is not provided by the funding institution. Maintenance cost is high as villages are located very far from the city. Since most of them come under BPL and majority of them are illiterate with meager income, it is not possible to spend on travel, hence working capital is provided in the form of material to their houses and whoever is ready to come to the handicraft centre is employed. NGO has also expressed its inability to provide training free of cost and incur other miscellaneous expenses.

Since SHGs have been by-passed in this case, no further analysis can be done at this level.

7.6 Kerala

7.6.1 NGO - Theeradesa Mahila Society

a) Daliya (SHG-41)

Individual Beneficiaries	Loan Purpose & Amount (Rs.)			Income p.m (Rs.) from unit funded
	Consumption	Production	Total	
Jolly Thankachan	-	9000	9000	2000
Susy Joy	-	9000	9000	1000
Vimala Jesome	-	9000	9000	1000

Daliya SHG is comprised of 20 women, 6 of which are Muslims and 14 Christians, all from BPL status. It has obtained Rs.180000 from NMDFC through NGO at 12 % interest pa and has disbursed the same among its members for IGA activities relating to fish vending, textile and business. Entire amount is repaid.

Impact on the individual members included empowerment, reduced dependence on money lenders and improvement in their socio-economic status as they are employed in small business. More loans are needed to scale up business.

As can be seen from the table above the three sample beneficiaries (all women) took loans for productive purposes. They earned Rs 1000 - 2000 pm from the units set up with the help NMDFC funds. They want to upgrade their business.

b) Gloria (SHG-42)

Individual Beneficiaries	Loan Purpose & Amount (Rs.)			Income p.m (Rs.) from unit funded
	Consumption	Production	Total	
Judith	.	9000	9000	1500
Jeema Joseph	.	9000	9000	1200
Sharlet Albert	.	9000	9000	2000

Gloria SHG is comprised of 20 women, all Christians. It has obtained Rs.180000 from NMDFC through NGO at 12 % interest pa and has disbursed the same among its members for IGA activities relating to fish vending, textile and business. Entire amount is repaid.

Impact on the individual members included empowerment, reduced dependence on money lenders and improvement in their socio -economic status as they are employed in small business. More loans are needed to scale up business.

As can be seen from the table above, the three sample beneficiaries (all women) took loans for productive purposes and repaid the entire dues. They earned Rs 1200 - 2000 pm from the units set up with the help NMDFC funds. They want to upgrade their business.

c) Japamala Rajini (SHG-43)

Individual Beneficiaries	Loan Purpose & Amount (Rs.)			Income p.m (Rs.) from unit funded
	Consumption	Production	Total	
Jaquiline Richard	9000	.	9000	.
Sherifa Mohammed	.	9000	9000	1500
Stella John	.	9000	9000	1000

Japamala Rajini SHG is comprised of 20 women, all Christians. It has obtained Rs.180000 from NMDFC through NGO at 12 % interest pa and has disbursed the same among its members for IGA activities relating to fish vending, textile and business. Entire amount is repaid.

Impact on the individual members included empowerment, reduced dependence on money lenders and improvement in their socio -economic status as they are employed in small business. More loans are needed to scale up business.

As can be seen from the table above the two of the sample beneficiaries (all women) took loans for productive purposes. They earned Rs 1000 and 1500 p m respectively from the units set up with the help NMDFC funds. They want more funds to avoid money lenders.

d) Rose (SHG-44)

Individual Beneficiaries	Loan Purpose & Amount (Rs.)			Income p.m (Rs.) from unit funded
	Consumption	Production	Total	
Sheeja Joy	.	9000	9000	2000
Seibunisa	.	9000	9000	1500
Victoriya Bablu	.	9000	9000	2000

Rose SHG is comprised of 20 women, 10 each from Muslim and Christian Communities. It has obtained Rs.180000 from NMDFC through NGO at 12 % interest pa and has disbursed the same among its members for IGA activities relating to fish vending, textile and business. Entire amount is repaid.

Impact on the individual members included empowerment, reduced dependence on money lenders and improvement in their socio-economic status as they are employed in small business. More loans are needed to scale up business.

As can be seen from the table above, the three sample beneficiaries (all women) took loans for productive purposes. They earned Rs 1500 and 2000 pm respectively from the units set up with the help NMDFC funds. They want to upgrade their business.

e) St. Philomina (SHG-45)

Individual Beneficiaries	Loan Purpose & Amount (Rs.)			Income p.m (Rs.) from unit funded
	Consumption	Production	Total	
Regina Cleejus	-	9000	9000	1300
Josephine Beenabom	-	9000	9000	1000
Geetha yesudas	-	9000	9000	1200

St. Philomina SHG is comprised of 20 women all Christians from BPL status. It has obtained Rs.180000 from NMDFC through NGO at 12 % interest pa and has

disbursed the same among its members for IGA activities relating to fish vending, textile and business. Entire amount is repaid.

Impact on the individual members included empowerment, reduced dependence on money lenders and improvement in their socio-economic status as they are employed in small business. More loans are needed to scale up business.

As can be seen from the table above the three sample beneficiaries (all women) took loans for productive purposes. They earned Rs 1000 and 1300 pm respectively from the units set up with the help NMDFC funds. They want to upgrade their business.

7.6.2 NGO – Bharat Sevak Samaj

a) Angel (SHG-46)

Individual Beneficiaries	Loan Purpose & Amount (Rs.)			Income p.m (Rs.) from unit funded
	Consumption	Production	Total	
Rahila Beevi	-	5000	5000	800
Jiji	-	4000	4000	800
Saji Samad	-	5000	5000	1000

Angel SHG is comprised of 15 women, 7 from Muslim and 8 from Christian Community, all from BPL status. It has obtained Rs.50000 from NMDFC through NGO at 12 % interest pa and has disbursed the same among its members for IGA activities relating to agriculture, dairy, business. Entire amount is repaid.

Impact on the individual members included empowerment, reduced dependence on money lenders and improvement in their socio-economic status as they are employed in small business. More loans are needed to scale up business.

As can be seen from the table above the three sample beneficiaries (all women) took loans for productive purposes. They earned Rs 800 - 1000 pm respectively from the units set up with the help NMDFC funds. They want to upgrade their business.

b) Bethel (SHG-47)

Individual Beneficiaries	Loan Purpose & Amount (Rs.)			Income p.m (Rs.) from unit funded
	Consumption	Production	Total	
Elizabeth	-	5000	5000	.
Geetha Jayaraj	-	5000	5000	1000
Anitha Edwin	-	5000	5000	800

Bethel SHG is comprised of 16 women, 2 from Muslim and 14 from Christian Community, all from BPL status. It has obtained Rs.50000 from NMDFC through NGO at 12 % interest pa and has disbursed the same among its members for IGA activities relating to agriculture, dairy, poultry and business. Entire amount is repaid.

Impact on the individual members included empowerment, reduced dependence on money lenders and improvement in their socio -economic status as they are employed in small business. More loans are needed to scale up business.

As can be seen from the table above, the sample beneficiaries (all women) took loans for productive purposes and earned Rs 800 - 1000 pm respectively from the units set up with the help NMDFC funds. They want to upgrade their business.

c) Kudumbini (SHG-48)

Individual Beneficiaries	Loan Purpose & Amount (Rs.)			Income p.m (Rs.) from unit funded
	Consumption	Production	Total	
Kamalam	-	5000	5000	900
Marriamma	-	5000	5000	900
Jasmin	-	3000	3000	800

Kudumbini SHG is comprised of 8 women, 1 from Muslim and 7 from Christian Community, all from BPL status. It has obtained Rs.50000 from NMDFC through NGO at 12 % interest pa and has disbursed the same among its members for IGA activities relating to agriculture, dairy and business. Entire amount is repaid.

Impact on the individual members included empowerment, reduced dependence on money lenders and improvement in their socio-economic status as they are employed in small business. More loans are needed to scale up business.

As can be seen from the table above the sample beneficiaries (all women) took loans for productive purposes and earned Rs 800 - 900 pm from the units set up with the help NMDFC funds. They want to upgrade their business.

d) Little Flower (SHG-49)

Individual Beneficiaries	Loan Purpose & Amount (Rs.)			Income p.m (Rs.) from unit funded
	Consumption	Production	Total	
Ayusha	.	4000	4000	800
Vilasini	5000	.	5000	.
Savitha	.	3000	3000	800

Little Flower SHG is comprised of 12 women, 2 from Muslim and 10 from Christian Community, all from BPL status. It has obtained Rs.50000 from NMDFC through NGO at 12 % interest pa and has disbursed the same among its members for IGA activities relating to agriculture, dairy, leather and textiles. Entire amount is repaid.

Impact on the individual members included empowerment, reduced dependence on money lenders and improvement in their socio-economic status as they are employed in small business. More loans are needed to scale up business.

As can be seen from the table above, two of the sample beneficiaries took loans for productive purposes and earned Rs 800 p m each from the units set up with the help NMDFC funds. They want to upgrade their business.

e) Pranavam (SHG-50)

Individual Beneficiaries	Loan Purpose & Amount (Rs.)			Income p.m (Rs.) from unit funded
	Consumption	Production	Total	
Nasiya	5000	.	5000	.
Fatima	.	4000	4000	700
Shamina	.	3000	3000	500

Pranavam SHG is comprised of 13 women, all Muslim Community and from BPL status. It has obtained Rs.50000 from NMDFC through NGO at 12 % interest pa and has disbursed the same among its members for IGA activities relating to agriculture, dairy and poultry. Entire amount is repaid.

Impact on the individual members included empowerment, reduced dependence on money lenders and improvement in their socio -economic status as they are employed in small business. More loans are needed to scale up business.

As can be seen from the table above, two of the sample beneficiaries took loans for productive purposes and earned Rs 500 and 700 pm respectively from the units set up with the help NMDFC funds. They want to upgrade their business.

7.7 Rajasthan

7.7.1 NGO - Mahila Mandal Barmer Agor

a) Abad Bhaiya Purush (SHG-51)

Individual Beneficiaries	Loan Purpose & Amount (Rs.)			Income p.m (Rs.) from unit funded
	Consumption	Production	Total	
Ali Khan	-	25000	25000	3000
Saraddin Khan	-	50000	50000	3000
Raees Khan	-	20000	20000	2500

Abad Bhaiya Purush SHG is comprised of 12 men, all Muslim Community, of which 8 are from BPL status. It has obtained Rs.300000 from NMDFC through

NGO at 5 % interest pa and has disbursed the same among its members for IGA activities relating to dairy, handicraft and business..

Impact on the individual members included empowerment, reduced dependence on money lenders and improved socio -economic status as they are employed in small business. Members want to enlarge business and increase number of beneficiaries.

It can be seen from the table above, that the IBs (all men) took loans for productive purposes and earned Rs 2500 - 3000 pm from the units set up with the help NMDFC funds.

b) Jai Hind (SHG-52)

Individual Beneficiaries	Loan Purpose & Amount (Rs.)			Income p.m (Rs.) from unit funded
	Consumption	Production	Total	
Fajal khan	-	15000	15000	2500
Nihal Khan	-	20000	20000	2000
Yunas Khan	-	15000	15000	2500

Jai Hind SHG is comprised of 11 members of whom 10 are men, all from Muslim Community, of which 4 are from BPL status. It has obtained Rs.175000 from NMDFC through NGO at 5 % interest pa and has disbursed the same among its members for IGA activities relating to dairy and handicraft. Repayment is a problem due to recurrent droughts and floods.

Impact on the individual members included empowerment, reduced dependence on money lenders and improved socio -economic status as they are employed in small business. Above all else, their power to speak openly has improved. Members want to repay full amount and enlarge business.

It can be seen from the table above, that the IBs (all men) took loans for productive purposes and earned Rs 2000 - 2500 pm from the units set up with the help NMDFC funds.

c) Mahila Mandal (SHG-53)

Individual Beneficiaries	Loan Purpose & Amount (Rs.)			Income p.m (Rs.) from unit funded
	Consumption	Production	Total	
Salimat	-	30000	30000	2500
Mariyam	-	20000	20000	1500
Janat	-	25000	25000	2150

Mahila Mandal SHG is comprised of 15 women, all from Muslim Community, of which 8 are from BPL status. It has obtained Rs.375000 from NMDFC through NGO at 5 % interest pa and has disbursed the same among its members for IGA activities relating to agriculture, dairy and handicraft. Due to recurrent droughts and floods, repayment of loan installments is a problem.

Impact on the individual members included empowerment, eliminated dependence on money lenders and improved socio -economic status as they are employed in small business. Members want to enlarge business.

It can be seen from the table above, that the IBs (all women) took loans for productive purposes and earned Rs 1500 - 2500 pm from the units set up with the help NMDFC funds.

d) Prayas (SHG-54)

Individual Beneficiaries	Loan Purpose & Amount (Rs.)			Income p.m (Rs.) from unit funded
	Consumption	Production	Total	
Ms. Maluki Ben	-	15000	15000	1500
Mr. Imam Khan	-	10000	10000	2200
Ms. Khmisha Khan	-	10000	10000	2500

Prayas SHG is comprised of 2 women and 10 men, all from Muslim Community, of which 6 are from BPL status. It has obtained Rs.150000 from NMDFC through NGO at 5 % interest pa and has disbursed the same among its members for IGA

activities relating to handicraft and business. Due to recurrent droughts and floods, repayment of loan installments is a problem. SHG also complained of exploitation by the contractor.

Impact on the individual members included empowerment, eliminated dependence on money lenders and improved socio-economic status as they are employed in small business. Members want to repay full amount, enlarge business and take training in marketing.

It can be seen from the table above, that the IBs took loans for productive purposes and earned Rs 1500 - 2500 pm from the units set up with the help NMDFC funds.

e) Unnati (SHG-55)

Individual Beneficiaries	Loan Purpose & Amount (Rs.)			Income p.m (Rs.) from unit funded
	Consumption	Production	Total	
Rizawana	-	30000	30000	3000
Hanifa	-	25000	25000	2500
Fatma	-	25000	25000	2000

Unnati SHG is comprised of 13 women all from Muslim Community, of which 5 are from BPL status. It has obtained Rs.325, 000 from NMDFC through NGO at 5 % interest pa and has disbursed the same among its members for IGA activities relating to agriculture, handicraft and business. Due to recurrent droughts and floods, repayment of loan installments is a problem.

Impact on the individual members included empowerment, eliminated dependence on money lenders and improved socio-economic status as they are employed in small business. Their literacy has also improved. Members want to enlarge business and start new activities.

It can be seen from the table above, that the IBs (all women) took loans for productive purposes and earned Rs 2000 - 3000 pm from the units set up with the help NMDFC funds.

7.7.2 NGO - Jan Siksha Evem Vikas Sansthan

a) Chamanpura 'A' (SHG-56)

Individual Beneficiaries	Loan Purpose & Amount (Rs.)			Income p.m (Rs.) from unit funded
	Consumption	Production	Total	
Abeda	-	10000	10000	1500
Khurshida	-	10000	10000	1800
Noor Jahan	-	10000	10000	2200

Chamanpura 'A' SHG is comprised of 20 women all from Muslim Community, of which 5 are from BPL status. It has obtained Rs.70, 000 from NMDFC through NGO at 12 % interest pa and has disbursed the same among its members for IGA activities relating to poultry, textile and small business such as watch repairing and business. Most of the amount has been repaid.

Impact on the individual members included empowerment, eliminated dependence on money lenders and improved socio -economic status as they are employed in small business. Members want to enlarge business.

It can be seen from the table above, that the IBs (all women) took loans for productive purposes and earned Rs 1500 - 2200 p m from the units set up with the help NMDFC funds.

b) Khariya (SHG-57)

Individual Beneficiaries	Loan Purpose & Amount (Rs.)			Income p.m (Rs.) from unit funded
	Consumption	Production	Total	
Sadika	-	10000	10000	2200
Farjana	-	10000	10000	2500
Amna	-	10000	10000	2800

Khariya SHG is comprised of 20 women all from Muslim Community, of which 8 are from BPL status. It has obtained Rs.40, 000 from NMDFC through NGO at 12 % interest pa and has disbursed the same among its members for IGA activities relating to poultry, textile, transport and small business such as fan repairing. The entire amount has been repaid.

Impact on the IBs included empowerment, eliminated dependence on money lenders and improved socio -economic status as they are employed in small business. Members want to enlarge business.

It can be seen from the table above, that the IBs (all women) took loans for productive purposes and earned Rs 2200 - 2800 pm from the units set up with the help NMDFC funds.

c) Madarfali 'A' (SHG-58)

Individual Beneficiaries	Loan Purpose & Amount (Rs.)			Income p.m (Rs.) from unit funded
	Consumption	Production	Total	
Firoza	-	10000	10000	2400
Taslina	-	10000	10000	2200
Shakila	-	10000	10000	1800

Madarfali 'A' SHG is comprised of 20 women all from Muslim Community, of which 8 are from BPL status. It has obtained Rs.70, 000 from NMDFC through NGO at 12 % interest pa and has disbursed the same among its members for IGA activities relating to poultry, transport and small business such as paper making and tailoring. The entire amount has been repaid.

Impact on the individual members included empowerment, eliminated dependence on money lenders and improved socio -economic status as they are employed in small business. Members want to enlarge business.

It can be seen from the table above, that the IBs (all women) took loans for productive purposes and earned Rs 1800 - 2400 pm from the units set up with the help NMDFC funds.

d) Meera Colony 'A' (SHG-59)

Individual Beneficiaries	Loan Purpose & Amount (Rs.)			Income p.m (Rs.) from unit funded
	Consumption	Production	Total	
Jarina	-	10000	10000	2000
Madina	-	15000	15000	2000
Ms. Mumtaz	-	10000	10000	3000

Meera Colony 'A' SHG is comprised of 17 women all from Muslim Community, of which 5 are from BPL status. It has obtained Rs.95, 000 from NMDFC through NGO at 12 % interest pa and has disbursed the same among its members for IGA activities relating to poultry, goat rearing, transport and small business such as grocery shop and tailoring. One third of the amount is yet to be repaid. SHG noted that the rate of interest is very high.

Impact on the individual members included empowerment, eliminated dependence on money lenders and improved socio -economic status as they are employed in small business. Members want to enlarge business.

It can be seen from the table above, that the IBs (all women) took loans for productive purposes and earned Rs 2000 - 3000 pm from the units set up with the help NMDFC funds.

e) Uttara 'A' (SHG-60)

Individual Beneficiaries	Loan Purpose & Amount (Rs.)			Income p.m (Rs.) from unit funded
	Consumption	Production	Total	
Ruksana	-	10000	10000	2500
Hameeda	-	10000	10000	2000
Faqroonisa	-	10000	10000	3000

Uttara 'A' SHG is comprised of 19 women all from Muslim Community and from BPL status. It has obtained Rs.50, 000 from NMDFC through NGO at 12 % interest pa and has disbursed the same among its members for IGA activities relating to poultry, transport, handicrafts and small business such as grocery shop. Most of the amount has been repaid.

Impact on the individual members included empowerment, eliminated dependence on money lenders and improved socio -economic status as they are employed in small business. Members want to enlarge business.

It can be seen from the table above, that the IBs (all women) took loans for productive purposes and earned Rs 2000 - 3000 pm from the units set up with the help NMDFC funds.

7.8 TAMIL NADU

7.8.1 NGO - Centre & Community Development

a) AI Ameen (SHG-61)

Individual Beneficiaries	Loan Purpose & Amount (Rs.)			Income p.m (Rs.) from unit funded
	Consumption	Production	Total	
R.Rani	.	4000	4000	1200
Razia Begam	.	2000	2000	3000
M.Kamrunnisa	7000	.	7000	.

AI Ameen SHG is comprised of 12 women all from Muslim Community and from BPL status. It has obtained Rs.150, 000 from NMDFC through NGO at 5 % interest pa and has disbursed the same among its members for IGA activities relating to small business. Two thirds of the amount has been repaid.

Impact on the individual members included empowerment, reduced dependence on money lenders and improved socio -economic status as they are employed in small business. Members want to enlarge business.

It can be seen from the table above, that the two women who took loans for productive purposes earned Rs 1200 and Rs 3000 pm respectively from the units set up with the help NMDFC funds.

b) Bismilla (SHG-62)

Individual Beneficiaries	Loan Purpose & Amount (Rs.)			Income p.m (Rs.) from unit funded
	Consumption	Production	Total	
Sameema Banu	14000	14000	28000	2000
Taheera	.	21000	21000	2000
Beebijan	.	21000	21000	2000

Bismilla SHG is comprised of 12 women all from Muslim Community and from BPL status. It has obtained Rs.135, 000 from NMDFC through NGO at 5 % interest pa and has disbursed the same among its members for IGA activities relating to small business. Entire amount has been repaid.

Impact on the individual members included empowerment, reduced dependence on money lenders and improved their socio -economic status as they are employed in small business. Members want to enlarge business.

It can be seen from the table above, that the IBs (all women) who took loans for productive purposes earned Rs 2000 from the units set up with the help NMDFC funds.

c) Immanuel (SHG-63)

Individual Beneficiaries	Loan Purpose & Amount (Rs.)			Income p.m (Rs.) from unit funded
	Consumption	Production	Total	
S.Kanaga	3500	.	3500	.
Muthulakshmi K.	7000	.	7000	.
K. Lakshmi	.	4000	4000	1500

Immanuel SHG is comprised of 15 women all from Christian Community and from BPL status. It has obtained Rs.123, 000 from NMDFC through NGO at 5 % interest pa and has disbursed the same among its members for IGA activities relating to small business, agriculture and education. Entire amount has been obtained in February 2009. Members are charged 24 % pa.

Impact on the individual members included empowerment, reduced dependence on money lenders and improved socio -economic status as they are employed in small business. Members want to enlarge business.

It can be seen from the table above, the women beneficiary who took loans for productive purposes earned Rs 1500 from the unit set up with the help NMDFC funds.

d) Minkhaz Magalir Kuzhu (SHG-64)

Individual Beneficiaries	Loan Purpose & Amount (Rs.)			Income p.m (Rs.) from unit funded
	Consumption	Production	Total	
Syed.Shameem	.	33000	33000	3000
M.Mh.Moharunisha	8000	.	8000	.
S.Kadhar berri	30500	.	30500	.

Minkhaz Magalir Kuzhu SHG is comprised of 12 women all from Muslim Community and from BPL status. It has obtained Rs.50, 000 from NMDFC through NGO at 5 % interest pa and has disbursed the same among its members for IGA activities relating to small business. Entire amount has been repaid.

Impact on the individual members included empowerment, reduced dependence on money lenders and improved socio -economic status as they are employed in small business. Members want to set up a shop.

It can be seen from the table above, that the IB who took loans for productive purposes earned Rs 3000 from the unit set up with the help NMDFC funds.

e) Vanavil (SHG-65)

Individual Beneficiaries	Loan Purpose & Amount (Rs.)			Income p.m (Rs.) from unit funded
	Consumption	Production	Total	
R. Nadhiya	2000	.	2000	-
Santhosham	.	5000	5000	1500
K. Guna	5250	.	5250	-

Vanavil SHG is comprised of 6 women all from Christian Community and from BPL status. It has obtained Rs.89, 000 from NMDFC through NGO at 5 % interest pa and has disbursed the same among its members for IGA activities relating to small business, agriculture and loan repayment. Loan disbursed in February 2009.

Impact on the individual members included empowerment, reduced dependence on money lenders and improved socio -economic status as they are employed in small business. Members want to enlarge business.

It can be seen from the table above, that the IB who took loans for productive purposes earned Rs 1500 from the unit set up with the help NMDFC funds.

7.9 Uttar Pradesh

7.9.1 NGO - Self Employment Women Association

a) Bela (SHG-66)

Bela SHG is comprised of 10 women all from Muslim Community and from BPL status. It has obtained no loans from NMDFC.

b) Bulandi (SHG-67)

Bulandi SHG is comprised of 10 women all from Muslim Community and from BPL status. It has obtained no loans from NMDFC.

c) Ekta (SHG-68)

Ekta SHG is comprised of 10 women all from Muslim Community and from BPL status. It has obtained no loans from NMDFC.

d) Khushboo (SHG-69)

Khushboo SHG is comprised of 10 women all from Muslim Community and from BPL status. It has obtained no loans from NMDFC.

e) Luxmi (SHG-70)

Luxmi SHG is comprised of 10 women all from Muslim Community and from BPL status. It has obtained no loans from NMDFC.

7.9.2 NGO - Momin Ansar Welfare Association

a) Haider (SHG-71)

Individual Beneficiaries	Loan Purpose & Amount (Rs.)			Income p.m (Rs.) from unit funded
	Consumption	Production	Total	
Rizwana Bee	.	25000	25000	3000
Zeenat	25000	.	25000	-
Gulshan Be	.	25000	25000	2000

Haider SHG is comprised of 11 women all from Muslim community and from BPL status. It has obtained Rs.250, 000 from NMDFC through NGO at 2 % interest pa and has disbursed the same among its members for IGA activities relating to textiles and zari work. Full amount has been repaid.

Impact on the individual members included empowerment, reduced dependence on money lenders and improved socio-economic status as they are employed in small business. Members want to enlarge business.

It can be seen from the table above, that the IBs who took loans for productive purposes earned Rs 2000 and Rs 3000 pm from the units set up with the help NMDFC funds.

b) Indian (SHG-72)

Individual Beneficiaries	Loan Purpose & Amount (Rs.)			Income p.m (Rs.) from unit funded
	Consumption	Production	Total	
Nasreen	-	25000	25000	3000
Rabina Bano	-	25000	25000	3000
Farzana Bee	-	25000	25000	3000

Indian SHG is comprised of 11 women all from Muslim Community. It has obtained Rs.250,000 from NMDFC through NGO at 2 % interest pa and has disbursed the same among its members for IGA activities relating to textiles and zari work. Full amount repaid.

Impact on the individual members included empowerment, reduced dependence on money lenders and improved socio -economic status as they are employed in small business. Members want to enlarge business.

It can be seen from the table above, that the IBs who took loans for productive purposes earned Rs 3000 pm each from the units set up with the help NMDFC funds.

c) Khushboo (SHG-73)

Individual Beneficiaries	Loan Purpose & Amount (Rs.)			Income p.m (Rs.) from unit funded
	Consumption	Production	Total	
Tabassum Praveen	.	25000	25000	2000
Fatama Bee	.	25000	25000	2500
Nurgis	.	25000	25000	2000

Khushboo SHG is comprised of 11 women all from Muslim Community. It has obtained Rs.250, 000 from NMDFC through NGO at 2.5 % interest pa and has disbursed the same among its members for IGA activities relating to textiles and zari work. Full amount has been repaid.

Impact on the individual members included empowerment, reduced dependence on money lenders and improved socio -economic status as they are employed in small business. Members want to enlarge business.

It can be seen from the table above, that the IBs who took loans for productive purposes earned Rs 2000 – 2500 pm from the units set up with the help NMDFC funds.

d) Shahzi (SHG-74)

Individual Beneficiaries	Loan Purpose & Amount (Rs.)			Income p.m (Rs.) from unit funded
	Consumption	Production	Total	
Aslam Javed	-	25000	25000	3000
Tasleem	-	25000	25000	3000
Ziaur Rehman	-	25000	25000	3000

Shahzi SHG is comprised of 11 members of whom 9 are male members, all from double BPL status. All are from Muslim Community. It has obtained Rs.250, 000 from NMDFC through NGO at 2 % interest pa and has disbursed the same among its members for IGA activities relating to textiles. Full amount has been repaid.

Impact on the individual members included empowerment, reduced dependence on money lenders and improved socio -economic status as they are employed in small business, such as supply of cottage cheese. Members want to enlarge business.

It can be seen from the table above, that the IBs who took loans for productive purposes earned Rs 3000 pm from the units set up with the help NMDFC funds.

7.9.3 NGO - Grameen Vikas Sansthan

a) Saiyada Baba MBS (SHG-75)

Individual Beneficiaries	Loan Purpose & Amount (Rs.)			Income p.m (Rs.) from unit funded
	Consumption	Production	Total	
Rafiqun	2500	10000	12500	.
Rabia Bano	1000	10000	11000	.
Saira Bano	600	10000	10600	.

Saiyada Baba MBS SHG is comprised of 10 women members, all from BPL status and all are from Muslim community. It has obtained Rs.30,000 from NMDFC through NGO at 8 % interest pa and has disbursed the same among its members for IGA activities relating to small business and goat rearing. Full amount has been repaid.

Impact on the individual members included empowerment, reduced dependence on money lenders and improved socio-economic status as they are employed in small business.

SHG is closed for the last two years due to absence of visit from NGO.

b) Ya Khwaza Garib Nawaz (SHG-76)

Individual Beneficiaries	Loan Purpose & Amount (Rs.)			Income p.m (Rs.) from unit funded
	Consumption	Production	Total	
Sakeela bano	3000	10000	13000	1500
Kamrun Nisa	2500	10000	12500	.
Mehrun Nisa	1500	0	1500	.

Ya Khwaza Garib Nawaz SHG is comprised of 18 women members , 12 from BPL status. All are from Muslim Community. It has obtained Rs.30, 000 from NMDFC through NGO at 8 % interest pa and has disbursed the same among its members for IGA activities relating to small business and textiles. Full amount repaid.

Impact on the individual members included empowerment, reduced dependence on money lenders and improved socio-economic status as they are employed in small business. Members want to enlarge business.

It can be seen from the table above, that the IB who took loans for productive purposes earned Rs 1500 pm from the units set up with the help NMDFC funds.

SHG is closed for the last two years due to absence of visit from NGO.

c) Ya Varis Mahila Bachat Samooh (SHG-77)

Individual Beneficiaries	Loan Purpose & Amount (Rs.)			Income p.m (Rs.) from unit funded
	Consumption	Production	Total	
Nasreen	3000	10000	13000	1500
Rabiya	2500	10000	12500	.
Sakeela	1500	10000	11500	800

Ya Varis Mahila Bachat Samooh SHG is comprised of 12 women members , 10 from BPL status. All are from Muslim Community. It has obtained Rs.30, 000 from NMDFC through NGO at 8 % interest pa and has disbursed the same among its members for IGA activities relating to small business and making of insence sticks. Full amount has been repaid.

Impact on the individual members included empowerment, reduced dependence on money lenders and improved socio-economic status as they are employed in small business. Members want to enlarge business.

It can be seen from the table above, that the IBs who took loans for productive purposes earned Rs 1500 and 800 pm respectively from the units set up with the help NMDFC funds. Income from the unit of other individual beneficiaries could not be ascertained.

SHG is closed for the last two years due to absence of visit from NGO.

d) Ya Varis Peer Baba MBS (SHG-78)

Individual Beneficiaries	Loan Purpose & Amount (Rs.)			Income p.m (Rs.) from unit funded
	Consumption	Production	Total	
Mehrun	2000	10000	12000	1800
Fatima	500	10000	10500	500
Sabeena	2400	10000	12400	500

Ya Varis Peer Baba MBS SHG is comprised of 17 women members , all from BPL status. All are from Muslim Community. It has obtained Rs.30, 000 from NMDFC through NGO at 8 % interest pa and has disbursed the same among its members for IGA activities relating to small business and poultry. Full amount has been repaid.

Impact on the individual members included empowerment, reduced dependence on money lenders and improved socio -economic status as they are employed in small business. Members want to enlarge business.

It can be seen from the table above, that the IBs who took loans for productive purposes earned Rs 500 - 1800 pm respectively from the units set up with the help NMDFC funds.

SHG is closed for the last two years due to absence of visit from NGO.

e) SHG - Yasmeen MBS (SHG-79)

Individual Beneficiaries	Loan Purpose & Amount (Rs.)			Income p.m (Rs.) from unit funded
	Consumption	Production	Total	
Hamidunnisha	2000	10000	12000	600
Yasmeen	1500	10000	11500	500
Baby	1000	10000	11000	500

Yasmeen MBS SHG is comprised of 12 women members, 10 from BPL status. All are from Muslim Community. It has obtained Rs.30, 000 from NMDFC through NGO at 8 % interest pa and has disbursed the same among its members for IGA activities relating to goat rearing and poultry. Full amount has been repaid.

Impact on the individual members included empowerment, reduced dependence on money lenders and improved socio -economic status as they are employed in small business. Members want to enlarge business.

It can be seen from the table above, that the IBs who took loans for productive purposes earned Rs 500 - 600 pm respectively from the units set up with the help NMDFC funds.

SHG is closed for the last two years due to absence of visit from NGO.

7.10 West Bengal

7.10.1 NGO - Bhawana Association for People Upliftment (BAPU)

a) Kajali Gosthi (SHG-80)

Kajali Gosthi SHG is comprised of 10 women members, 10 from BPL status. All are from Muslim Community. It has obtained no loans from NMDFC through NGO. No impact on the individual members was reported.

b) Krishna Gosthi (SHG-81)

Krishna Gosthi SHG is comprised of 12 women members, 10 from BPL status. All are from Muslim Community. It has obtained Rs.30, 000 from NMDFC through NGO at 8 % interest pa and has disbursed the same among its members for IGA activities relating to goat rearing and poultry. Full amount has been repaid.

Impact on the individual members included empowerment, reduced dependence on money lenders and improved socio -economic status as they are employed in small business. Members want to enlarge business.

No impact can be assessed at IB level as the only IB who has taken a loan has not reported income from the unit set up with the help NMDFC funds.

SHG is closed for the last two years due to absence of visit from NGO.

c) Netaji Group (SHG-82)

Netaji Group SHG is comprised of 12 women members, 10 from BPL status. All are from Muslim Community. It has obtained Rs.30, 000 from NMDFC through NGO at 8 % interest pa and has disbursed the same among its members for IGA activities relating to goat rearing and poultry. Full amount has been repaid.

Impact as ascertained at SHG level includes empowerment, reduced dependence on money lenders and improved socio -economic status as they are employed in small business. Members want to enlarge business.

It can be seen from the table above, that the IB who took loans for productive purposes earned Rs 2000 pm from the unit set up with the help NMDFC funds.

SHG is closed for the last two years due to absence of visit from NGO.

e) Pataka Gosthi (SHG-83)

Pataka Gosthi SHG is comprised of 12 women members, 10 from BPL status. All are from Muslim Community. It has obtained Rs.30, 000 from NMDFC through NGO at 8 % interest pa and has disbursed the same among its members for IGA activities relating to goat rearing and poultry. Full amount has been repaid.

Impact on the individual members as ascertained at SHG level include empowerment, reduced dependence on money lenders and improved socio -economic status as they are employed in small business. Members want to enlarge business.

No impact can be assessed at IB level as the only IB who has taken a loan has not reported income from the unit set up with the help NMDFC funds.

SHG is closed for the last two years due to absence of visit from NGO.

f) Rokeia Antma Sahayak Gosthi (SHG-84)

Rokeia Antma Sahayak Gosthi SHG is comprised of 10 women members, all from Muslim community. It has obtained no loans from the NMDFC through NGO. No impact on the individual members was reported.

7.10.2 NGO - Basirhat Family Planning Centre

a) Asha Seva Samiti (SHG-85)

Individual Beneficiaries	Loan Purpose & Amount (Rs.)			Income p.m (Rs.) from unit funded
	Consumption	Production	Total	
Morjina bibi	.	6000	6000	6000
Halimabibi	.	4000	4000	.
Fajilabibi	.	5000	5000	4000

Asha Seva Samiti SHG is comprised of 12 women members, 10 from BPL status. All are from Muslim Community. It has obtained Rs.30, 000 from NMDFC through NGO at 8 % interest pa and has disbursed the same among its members for IGA activities relating to goat rearing and poultry. Full amount has been repaid.

Impact on the individual members included empowerment, reduced dependence on money lenders and improved socio -economic status as they are employed in small business. Members want to enlarge business.

It can be seen from the table above, that the IBs who took loans for productive purposes earned Rs 4000 and Rs. 6000 pm respectively from the units set up with the help NMDFC funds.

SHG is closed for the last two years due to absence of visit from NGO.

b) Basirhat Family Planning Welfare Centre (SHG-86)

Individual Beneficiaries	Loan Purpose & Amount (Rs.)			Income p.m (Rs.) from unit funded
	Consumption	Production	Total	
Arajabibi	.	8000	8000	2000
Taslimabibi	.	6000	6000	3000

Basirhat Family Planning Welfare Centre SHG is comprised of 12 women members , 10 from BPL status. All are from Muslim Community. It has obtained Rs.30, 000 from NMDFC through NGO at 8 % interest pa and has disbursed the

same among its members for IGA activities relating to goat rearing and poultry. Full amount has been repaid.

Impact on the individual members included empowerment, reduced dependence on money lenders and improved socio-economic status as they are employed in small business. Members want to enlarge business.

It can be seen from the table above, that the IBs who took loans for productive purposes earned Rs 2000 and Rs.3000 pm respectively from the units set up with the help NMDFC funds.

SHG is closed for the last two years due to absence of visit from NGO.

d) Jamuna Seva Samiti (SHG-87)

Individual Beneficiaries	Loan Purpose & Amount (Rs.)			Income p.m (Rs.) from unit funded
	Consumption	Production	Total	
Saminur Nahar Bibi	.	6000	6000	8000
Makrumabibi	.	6000	6000	6000
Suriyabibi	.	4000	4000	12000

Jamuna Seva Samiti SHG is comprised of 12 women members , 10 from BPL status. All are from Muslim Community. It has obtained Rs.30, 000 from NMDFC through NGO at 8 % interest pa and has disbursed the same among its members for IGA activities relating to goat rearing and poultry. Full amount has been repaid.

Impact on the individual members included empowerment, reduced dependence on money lenders and improved socio-economic status as they are employed in small business. Members want to enlarge business.

It can be seen from the table above, that the IBs who took loans for productive purposes earned Rs 6000 - Rs.12000 from the units set up with the help NMDFC funds.

SHG is closed for the last two years due to absence of visit from NGO.

e) Kalyani Seva Samiti (SHG-88)

Individual Beneficiaries	Loan Purpose & Amount (Rs.)			Income p.m (Rs.) from unit funded
	Consumption	Production	Total	
Najimabibi	.	7000	7000	4000

Kalyani Seva Samiti SHG is comprised of 9 women members, 7 from BPL status. All are from Muslim Community. It has obtained Rs.48000 from NMDFC through NGO at 5 % interest pa and has disbursed the same among its members for IGA activities relating to poultry, dairy, textiles and small business. Almost entire amount has been repaid.

Impact on the individual members included empowerment, reduced dependence on money lenders and improved socio -economic status as they are employed in small business. Members want to enlarge business.

It can be seen from the table above, that the IB who took loans for productive purposes earned Rs 4000 from the unit set up with the help NMDFC funds.

SHG is closed for the last two years due to absence of visit from NGO.

f) Dipaboli (SHG-89)

Individual Beneficiaries	Loan Purpose & Amount (Rs.)			Income p.m (Rs.) from unit funded
	Consumption	Production	Total	
Fulsuratbibi	.	10000	10000	4000
Sahanarabibi	.	10000	10000	6000
Rajiabibi	.	10000	10000	6000

Dipaboli SHG is comprised of 10 women members all from BPL status. All are from Muslim Community. It has obtained Rs.30, 000 from NMDFC through NGO at 8 % interest pa and has disbursed the same among its members for IGA activities relating to goat rearing and poultry. Full amount has been repaid.

Impact on the individual members included empowerment, reduced dependence on money lenders and improved socio-economic status as they are employed in small business. Members want to enlarge business.

It can be seen from the table above, that the IBs who took loans for productive purposes earned Rs 4000 - Rs.6000 from the units set up with the help NMDFC funds.

SHG is closed for the last two years due to absence of visit from NGO.

VIII. STATE WISE ANALYSIS OF INDIVIDUAL BENEFICIARIES.

The earlier sections assessed impact at the level of the NGOs, SHGs and IBs. This section provides a multi faceted overview at State level, analyzing the IBs and the impact of NMDFC funding on them

8.1 As seen from Table 3 below, most of the SHGs had between 10 -15 members (43.35 %) and the balance split up almost equally between SHGs with upto 10 members and SHGs with over 15 members. This is also the normal size for an effectively functioning group and thus gives greater strength to the study findings.

Table-3 : Number of Members in the SHGs

State	Upto 10		Less than 15		Above 15		Total Sample
	No.	% to Total Sample	No.	% to Total Sample	No.	% to Total Sample	
Andhra Pradesh	15	25.00	21	35.00	24	40.00	60
Assam	6	40.00	9	60.00			15
Bihar	9	30.00	18	60.00	3	10.00	30
Karnataka			9	75.00	3	25.00	12
Kerala			6	20.00	24	80.00	30
Rajasthan			15	50.00	15	50.00	30
Tamilnadu			15	100.00			15
Uttar Pradesh	18	42.86	18	42.86	6	14.29	42
West Bengal	26	89.66	3	10.34			29
Total	74	28.14	114	43.35	75	28.52	263

8.2 As is well documented, SHGs are women dominated, if not almost exclusively so. As seen from Table-4 below, the study SHGs are 95.44 % women only group, and the balance divided almost equally between men and mixed groups. Thus sample is well representative of the SHG universe.

Table -4 : Distribution of beneficiaries by type of Group

State	Distribution of beneficiaries by type of Group						Total Sample
	Type of Group						
	Men Only		Women Only		Mixed		
	No	% to Total Sample	No.	% to Total Sample	No.	% to Total Sample	
Andhra Pradesh			60	100.00			60
Assam			15	100.00			15
Bihar			30	100.00			30
Karnataka			12	100.00			12
Kerala			30	100.00			30
Rajasthan	3	10.00	21	70.00	6	20.00	30
Tamilnadu			15	100.00			15
Uttar Pradesh	3	7.14	39	92.86			42
West Bengal			29	100.00			29
Total	6	2.28	251	95.44	6	2.28	263

8.3 SHGs normally have as members women who are between the age group between 25 - 60 years, being at their productive best. This is also reflected in the SHG sample as shown in the Table-5 below. About 88 % of the members in the sample SHGs are from the age group between 26 – 59 years.

Table – 5 : Distribution of Beneficiaries by Age group

State	Distribution of Beneficiaries by Age group										Total Sample
	Age Group										
	Less than 18 years		18-25 Years		26-35 Years		36-59 Years		Above 60 years		
	No.	% to Total Sample	No.	% to Total Sample	No.	% to Total Sample	No.	% to Total Sample	No.	% to Total Sample	
Andhra Pradesh	1	1.67	8	13.33	28	46.67	23	38.33			60
Assam					11	73.33	4	26.67			15
Bihar			1	3.33	12	40.00	17	56.67			30
Karnataka			9	75.00	3	25.00					12
Kerala					9	30.00	20	66.67	1	3.33	30
Rajasthan			1	3.33	18	60.00	11	36.67			30
Tamilnadu			3	20.00	6	40.00	6	40.00			15
Uttar Pradesh			4	9.52	23	54.76	15	35.71			42
West Bengal			4	13.79	17	58.62	8	27.59			29
Total	1	0.38	30	11.41	127	48.29	104	39.54	1	0.38	263

8.4 About 60 %of the IBs have attained education upto primary and middle level as shown by the table above. Out of 263 IBs, 104 (40%) have education up to primary level and this is a fair representation of the actual SHG universe in the real world. The details are provided in Table-6 below.

Table – 6 : Distribution of Beneficiaries by Education Attainments

State	Distribution of Beneficiaries by Education Attainments										Total Sample
	Education Attainments										
	Illiterate		Upto Primary		Middle		High School		> High School		
	No.	% to Total Sample	No.	% to Total Sample	No.	% to Total Sample	No.	% to Total Sample	No.	% to Total Sample	
Andhra Pradesh	6	10.00	36	60.00	11	18.33	4	6.67	3	5.00	60
Assam	1	6.67	4	26.67	4	26.67	6	40.00			15
Bihar	11	36.67	14	46.67	3	10.00	1	3.33	1	3.33	30
Karnataka	9	75.00			3	25.00					12
Kerala			3	10.00	9	30.00	12	40.00	6	20.00	30
Rajasthan	3	10.00	16	53.33	8	26.67	2	6.67	1	3.33	30
Tamilnadu	5	33.33	7	46.67	3	20.00					15
Uttar Pradesh	7	16.67	11	26.19	9	21.43	12	28.57	3	7.14	42
West Bengal	11	37.93	13	44.83	3	10.34	1	3.45	1	3.45	29
Total	53	20.15	104	39.54	53	20.15	38	14.45	15	5.70	263

8.5 Out of the 263 sample IBs 181 (69%) were landless and 62 (24%) were had land only upto 1 Ha. Thus the sample universe is well representative of the actual universe in that most of the members who are part of the SHGs are among the poorest of the poor apart from being landless. Details are given in Table-7 below :

Table-7 : Distribution of Beneficiaries by Land Ownership

State	Land Ownership Category						Total Sample
	Landless		Upto 1 ha		Above 1 ha		
	No.	% to Total Sample	No.	% to Total Sample	No.	% to Total Sample	
Andhra Pradesh	57	95.00	3	5.00			60
Assam	9	60.00	4	26.67	2	13.33	15
Bihar	15	50.00	15	50.00			30
Karnataka	6	50.00	5	41.67	1	8.33	12
Kerala			30	100.00			30
Rajasthan	16	53.33			14	46.67	30
Tamilnadu	13	86.67	2	13.33			15
Uttar Pradesh	38	90.48	2	4.76	2	4.76	42
West Bengal	27	93.10	1	3.45	1	3.45	29
Total	181	68.82	62	23.57	20	7.60	263

Table – 8 : Distribution of Beneficiaries by their Occupational Structure

State	Distribution of Beneficiaries by their Occupational Structure																
	Occupational Pattern																
	Agricultural Wage Worker		Non Agril. Wage Worker		Agriculture		Animal Husbandry		Artisan		Petty Trade		Service		Others		
	No.	% to Total Sample	No.	% to Total Sample	No.	% to Total Sample	No.	% to Total Sample	No.	% to Total Sample	No.	% to Total Sample	No.	% to Total Sample	No.	% to Total Sample	
Andhra Pradesh	17	28.33	7	11.67	4	6.67	18	30.00	3	5.00	17	28.33			1	1.67	60
Assam					6	40.00			1	6.67	7	46.67			6	40.00	15
Bihar	10	33.33			4	13.33			1	3.33					16	53.33	30
Karnataka	1	8.33									1	8.33			10	83.33	12
Kerala			8	26.67	6	20.00	1	3.33			4	13.33			11	36.67	30
Rajasthan	3	10.00			6	20.00	7	23.33			11	36.67			11	36.67	30
Tamilnadu	7	46.67	1	6.67	1	6.67					6	40.00			1	6.67	15
Uttar Pradesh	1	2.38	8	19.05	2	4.76			12	28.57	7	16.67	3	7.14	9	21.43	42
West Bengal	9	31.03			1	3.45					2	6.90			17	58.62	29
Total	48	18.25	24	9.13	30	11.41	26	9.89	17	6.46	55	20.91	3	1.14	82	31.18	263

8.6 As shown in the Table No. 8 above, the distribution of beneficiaries by their occupational structure corroborates the earlier findings that the SHGs members are normally poor and landless. They are occupied in petty trade (231%), agricultural wage workers 18%, non-agricultural wage workers 9 %, and agriculture 11% apart from animal husbandry, artisans, service and others.

8.7 Funds received and on-lent :

Funds received from NMDFC by the NGOs (Annexure-4), by SHGs from NGOs (Annexure-5), by IBs from SHGs (Annexure-6) show funding pattern and flow State-wise. The varying rates of interest, at times very high, need to be reviewed in detail by NMDFC and smoothed to the extent possible, with a downward bias..

8.8 A key area of impact was to assess the purposes of which the loan was taken and the avenues in which the loan was invested or utilized. As shown in Annexure- 7 most of the loans were taken for production purposes, though some were also for consumption. All loans in the States of Andhra Pradesh, Assam, Bihar, Rajasthan and West Bengal were for production purposes only. Loans for consumption only were in Uttar Pradesh (2), Tamilnadu (7) and Kerala (3) totaling to 12 beneficiaries and an overall amount of Rs. 1.35 Lakhs. The loans for production purposes only were for 199 beneficiaries and overall amount of 20.65 Lakhs. Thus, about 90% of the total loans in value terms were for production purposes and this stands to the great credit to NMDFC as these production loans provided regular monthly income to the beneficiaries from the units setup by them. Loans for production and consumption (as a single loan) were 15 numbers totally to Rs. 1.67 lakhs.. Only 37 of the 236 sample IBs did not take any loans. These included Uttar Pradesh (15), Karnataka (8) and West Bengal (14).

As per Table -9 below, the loans were utilized primarily for milch animals including cow, buffalo, being 60 units set up or 22.18 % of the total sample, 40 units setup for handicrafts/ weaving (15.21%), 10 poultry units (3.80 %), 9 petty trades units (3.42 %) and other units (75 numbers) or 28.52 % comprising of activities such tailoring, making daries, zari work etc as detailed inn the section dealing with the analysis of SHGs and IBs

As brought out in the table analyzed earlier, about 90% of the loans taken by the IBs from NMDFC were for productive purposes despite the facts that most of these loans were at very low rate of interests which would normally encourage a higher degree of loans for consumption. The earnings from the units setup as given in Table-10 below, have provided to the IBs recurring income on an enduring basis and in most cases, have

encouraged them to go for more loans from the NMDFC to enlarge their units. The details of the IBs and their recurrent income from units set up with NMDFC funds is provided as Annexure 8)

Table- 9 : Utilization of Loans for Productive Purposes

(Multiple Responses)

State	Invested in poultry unit		Invested in buying cow / buffalo		Invested in dairy unit		Invested in handicraft / weaving		Invested in petty trade		Others		Total Sample
	No.	% to Total Sample	No.	% to Total Sample	No.	% to Total Sample	No.	% to Total Sample	No.	% to Total Sample	No.	% to Total Sample	
Andhra Pradesh	1	1.67	14	23.33	31	51.67	15	25.00			1	1.67	60
Assam			1	6.67			3	20.00	6	40.00	5	33.33	15
Bihar							3	10.00			27	90.00	30
Karnataka							6	50.00			3	25.00	12
Kerala	1	3.33	2	6.67	2	6.67	2	6.67			13	43.33	30
Rajasthan	2	6.67					5	16.67			4	13.33	30
Tamilnadu							1	6.67			9	60.00	15
Uttar Pradesh	2	4.76			3	7.14	5	11.90	3	7.14	12	28.57	42
West Bengal	4	13.79	1	3.45	6	20.69		0.00			1	3.45	29
Total	10	3.80	18	6.84	42	15.97	40	15.21	9	3.42	75	28.52	263

Table 10 : Net Monthly Income of Individual Beneficiaries from the Unit

State	Upto Rs. 1000		Between Rs.1001 to Rs.2500		Between Rs. 2501 to Rs. 5000		Above Rs. 5000		No. of Beneficiaries Responded	Total sample
	No.	% to No. of Beneficiaries Responded	No.	% to No. of Beneficiaries Responded	No.	% to No. of Beneficiaries Responded	No.	% to No. of Beneficiaries Responded		
Andhra Pradesh	16	26.67	35	58.33	8	13.33	1	1.67	60	60
Assam	10	66.67	5	33.33					15	15
Bihar	5	19.23	18	69.23	3	11.54			26	30
Karnatka			7	100.00					7	12
Kerala	16	61.54	10	38.46					26	30
Rajasthan			24	80.00	6	20.00			30	30
Tamilnadu			6	75.00	2	25.00			8	15
Uttar Pradesh	6	30.00	7	35.00	7	35.00			20	42
West Bengal			2	16.67	4	33.33	6	50.00	12	29
Total	53	25.98	114	55.88	30	14.71	7	3.43	204	263

IX. IMPACT OF NMDFC ASSISTANCE

As we have seen in the foregoing section, the financial assistance provided by NMDFC at reasonable rates of interest have been utilized about 90% for productive purposes and almost all the units have provided the IBs with recurring monthly incomes which along with their participation in the SHGs group for the purpose of dealing with the NMDFC financial assistance have had an all-round impact on the members as explained below:

Table-11 below shows the impact on the members in terms of their empowerment, reduction in the dependence on the money lenders and improving their economic and social status.

Table-11 : Impact on Individual Beneficiaries

No.	State	No. of SHGs	Empowered Members	Reduced Dependence on Money Lenders	Improved Economic Status	Improved Social Status	Total Sample
1	Andhra Pradesh	20	60	57	60	60	60
2	Assam	5	15	15	15	15	15
3	Bihar	10	27	27	30	30	30
4	Karnataka	5	7	12	12	12	12
5	Kerala	10	30	30	30	30	30
6	Rajasthan	10	30	30	30	30	30
7	Tamil Nadu	5	15	15	15	15	15
8	Uttar Pradesh	14	42	42	42	39	42
9	West Bengal	10	29	29	29	29	29
Total		89	255	257	263	260	263

9.1 Empowerment of members

As can be seen from the table above, 89 SHGs felt that the NMDFC financial assistance had empowered the members by the virtue of the fact that while they were previously cloistered, they now moved out of their houses to interact on the SHG platform, take loans from NMDFC, set up and run units. This very process gave them enormous self-confidence and a sense of empowerment as individuals who could look after themselves. This findings was corroborated by the sample IBs The 5 SHGs (89/ 94)

who are not included in the total of 89 are those from whom no responses were obtained due to varying reasons explained earlier. At the IB level, this figure converts to 255 /263 actual respondents. Thus, both at the SHG and IB levels, the respondents were unanimous that the NMDFC program had empowered them. Since empowerment is a higher level of impact result, it is a significant pointer to the overarching success of the NMDFC financial assistance.

In fact, as analyzed at SHG level, the responses indicated that almost all the IBs who had taken loans for productive purposes, and had either fully repaid the same or were in the process of doing so, were keen on further loans to enlarge their small units. This can be considered a very significant indicator of empowerment of the assisted beneficiaries.

Only the SHGs relating to 3 IBs in Bihar and 5 IBs in Karnataka did not feel that their members felt empowered as yet. The NMDFC needs to focus on such groups / members and provide necessary assistance in this regard.

9.2 Reduced dependence on money lenders

As ascertained from the SHGs, 257 / 263 members reported reduced dependence on the local money lenders and in many cases the respondents indicated total elimination of any support sought from money lenders for the last few years. This almost unanimous response is a great achievement for NMDFC as it has enabled the poor women, who hitherto had no alternative whatsoever, in overcoming the stranglehold of a strong institution and practice prevalent for ages. Only 1 SHG each in AP and Bihar was still unable to resist the need to access the money lender, even though such financial assistance is usually at a very high rate of interest. Such cases require to be further investigated by the NMDFC and assess the need for special assistance so that these SHGs and their members (about 30) are freed from the money lender's web.

9.3 Improved Economic Status.

One of the most significant impacts of the NMDFC micro credit program has been the improvement in the economic status of the IBs assisted, as assessed at the SHG level. All (263 / 263) members were unanimous on this count. This is also in uniformity with the other related findings that about 90 % of the loans were for production purposes and invested in units which have provided good returns in that the members were able to get regular monthly income out of them. This stand to the great credit of NMDFC in both selection of accredited NGOs / SHGs / IBs and in providing them prompt financial assistance at low interest rates. The overwhelming success at the IB level on this count is also the great success of the NMDFC.

9.4 Improved Social Status

It is a moot point that almost unanimous responses indicating empowerment of IBs (almost exclusively women), their reduced dependence on usurious local money lenders and their economic improvement would automatically mean improved social status. Such an assumption belies the realities of the day to day existence of the impoverished women assisted by NMDFC. Improved social status is a long and difficult journey, in a world still dominated by men both domestically and socially. However, 260 / 263 respondents felt that the NMDFC assistance had actually improved their social status. This included several IBs who were practicing the flesh trade but had now stepped out of it to run small businesses funded by NMDFC assistance and step out from darkness into sunlight, both literally and figuratively. Only 3 members of an SHG in UP have yet to experience this joy. The NMDFC needs to provide focused attention and assistance in such cases as well.