

State Report –Sikkim

R.1 Introduction

S.1.1 Background of Sikkim Scheduled Castes, Scheduled Tribes and Other Backward Classes Development Corporation (SABCCO)

A Government Undertaking under the aegis of Social Welfare Department; Government of Sikkim was established under the Companies Act (Sikkim), 1961 on 27th February, 1996. It is a State Channelising Agency (SCA) which avails financial assistance by way of loan from Apex Corporations, viz. the National Scheduled Castes Finance and Development Corporation Ltd. (NSFDC), National Scheduled Tribes Finance and Development Corporation Ltd. (NSTFDC), National Backward Classes Finance and Development Corporation Ltd. (NBCFDC), National Handicapped Finance and Development Corporation (NHFDC) and National Minorities Development and Finance Corporation Ltd. (NMDFC) for financing income generating schemes for the STs, SCs, OBCs, Persons with Disabilities and Minorities. The Corporation identifies beneficiaries and the viable schemes as per the felt need of the Beneficiaries, disburses loans, monitors the utilization of loans by these beneficiaries and timely recovers of the loans.

S.1.2 Disbursement Patterns of NBCFDC Loans in the State for FY 2020-23

As per the data provided by the SCA, 89 beneficiaries have been given loans under NBCFDC loan categories during the period of 2020-23. Out of these 100% of the loans has been given under Term loan in the individual loan category.

Out of the 89 beneficiaries in the state, 9 beneficiaries have been given loans under the agriculture/allied sector, 4 beneficiaries have been given loans under small business/traditional occupation and the remaining 76 have been given loans under the small loan category under the Term Loan.

The distribution of beneficiaries across the districts of Sikkim for the years 2020-23 is given below:

Table: S.1.2.1

District	Number of Beneficiaries
Gangtok	51
Gyasling	1
Mangan	2
Namchi	18
Pakyong	17

Out of the total beneficiaries who have benefitted from the loan 39 are females, 49 Males and 1 in the other category. The maximum amount of loan disbursed is 3,00,000 Lakhs and the minimum amount is 1,00,000 Lakh.

The activities in which beneficiaries have been given the loans in are as follows:

Table: S.1.2.2

Activity	Number of Beneficiaries
Cardamom Plantation	4
Cyber Café	1
Dairy Farming	2
Food Production	1
Grocery and Maniyari	3
Homestay	24
Hotel and Lodging	9
Poultry Framing	8
Restaurant	40
Village Tourism	1

During the study period the SCA had only 3 rejected applicants. All of them were males and were from the districts of Rangpa, Gangtok, Pacheykhani. The reason for rejection as stated by the SCA was submission of incomplete documents.

S.1.3 Sample Population

A sample size of 21 beneficiaries and 19 non-beneficiaries was determined in consultation and as per terms of reference given by NBCFDC for the state of Sikkim as per the sampling plan for the study. All beneficiaries were interviewed based on the list of beneficiaries given by the SCA. The interviews were done through the Kobo tool and a structured closed ended questionnaire.

S.1.4 Sample Design Selection of Districts

The state of Sikkim was selected for this evaluative study as per the proposed sampling plan. State Channelising Agency selected for this evaluation was Sikkim SC, ST and OBC Development Corporation Ltd (SABCCO). Therefore, the districts for which consent was received became part of the present study. These districts were selected in consultation with SABCCO.

S.1.5 Sources of Data

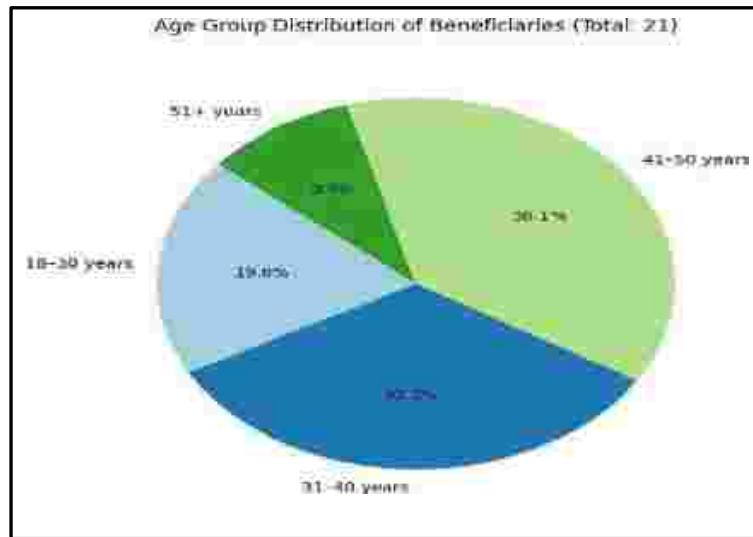
This was an empirical study intending for an evaluation of the lending schemes already implemented. The list of the beneficiaries for Term Loan and Micro-finance schemes of NBCFDC for the period of study (2020-23) was shared by SABCCO which comprised the name and other details of the beneficiary of the loan schemes. All the willing beneficiaries were contacted through

the SABCCO (State Channelising Agency) and were verified from the available list of beneficiaries.

The evaluation for various other parameters like the utilization ratio, loan recovery ratio/ mechanism, number of defaulters and the mechanism of monitoring done for these loans by the SCAs has been collected through the questionnaires in Kobo toolbox. Additionally, information has also been gathered from their websites and annual reports.

S.2 Analysis of the Socio-Economic Parameters

Figure: S.2.1: Age Distribution

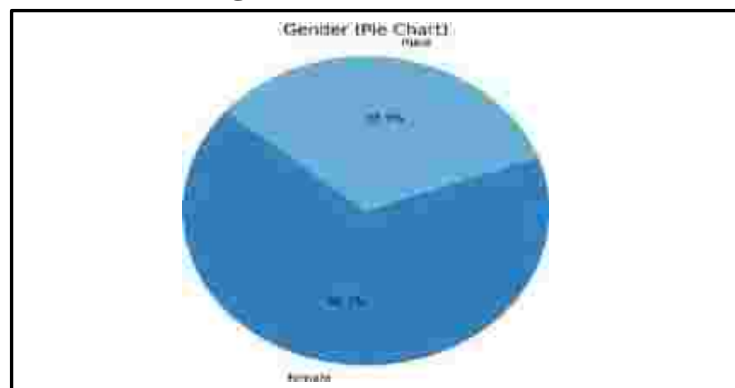


S.2.1 Age Distribution

The age distribution shows a concentration in the working- age population. 19% of the surveyed beneficiaries belong to the age of 18-30 years, 33.3% belong to the group of 31- 40 years, 38.1% belong to the 41-50 years age group and 9.5% were above 51 years.

S.2.2 Gender

Figure: S.2.2.1: Gender



Among the respondents, **66.7%** are **female** and **33.3%** are **male**. This reflects strong participation by women, either through targeted efforts or a higher expressed need. It supports the case for continuing gender- inclusive interventions and ensuring that women’s access to opportunities remains a focus.

S.2.3 Aadhaar Card Ownership

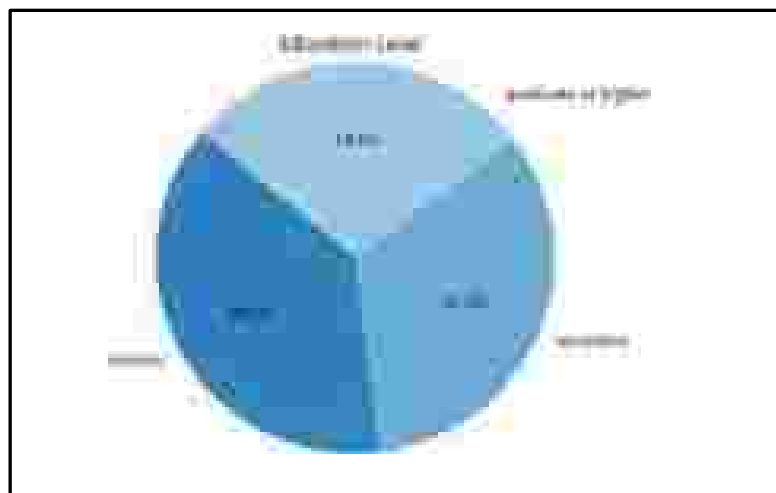
Every single respondent (**100%**) has an **Aadhaar card**, confirming full coverage in terms of national identification. This is a crucial enabler for accessing benefits and indicates that identity-linked schemes can be efficiently administered within this group.

S.2.4 Type of Bank Account

All respondents (100%) reported having a normal savings bank account. This is notable, as it shows deep financial inclusion, with no dependence on Jan Dhan or basic accounts. These individuals may already be participating in digital banking or formal lending systems.

S.2.5 Education Level

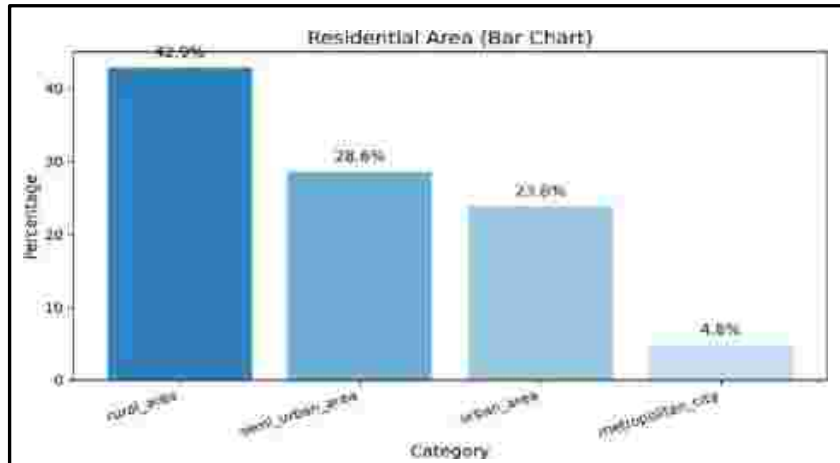
Figure: S.2.5.1 Education Level



Education among the group is fairly spread out, with 38.1% having completed only primary education, 33.3% having secondary education, and 28.6% possessing graduate or higher degrees. The data highlights a need for educational upliftment, especially for the lower tiers, while also recognizing the potential in more educated respondents for advanced skilling or entrepreneurship.

S.2.6 Residential Area

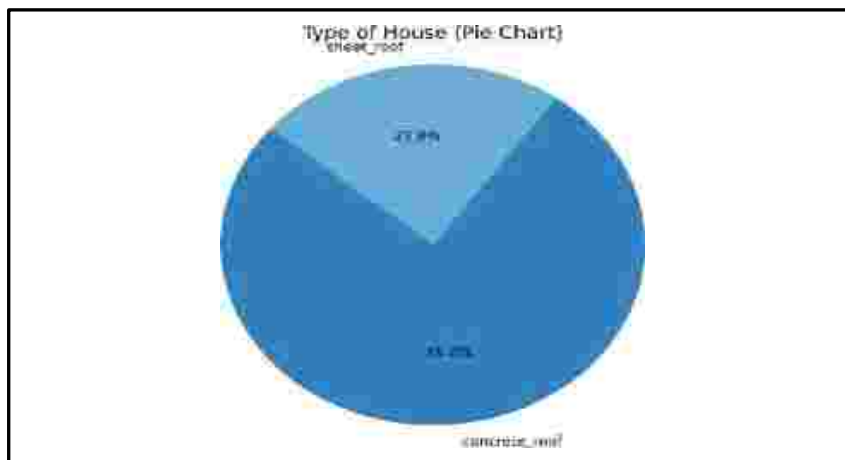
Figure: S.2.6.1 Residential Area



The majority of beneficiaries (42.9%) live in rural areas, with 28.6% in semi-urban, 23.8% in urban, and only 4.8% from metropolitan cities. This distribution underscores the rural-centric outreach of the scheme and suggests that most support mechanisms should be optimized for semi-urban and rural deployment.

S.2.7 Type of House

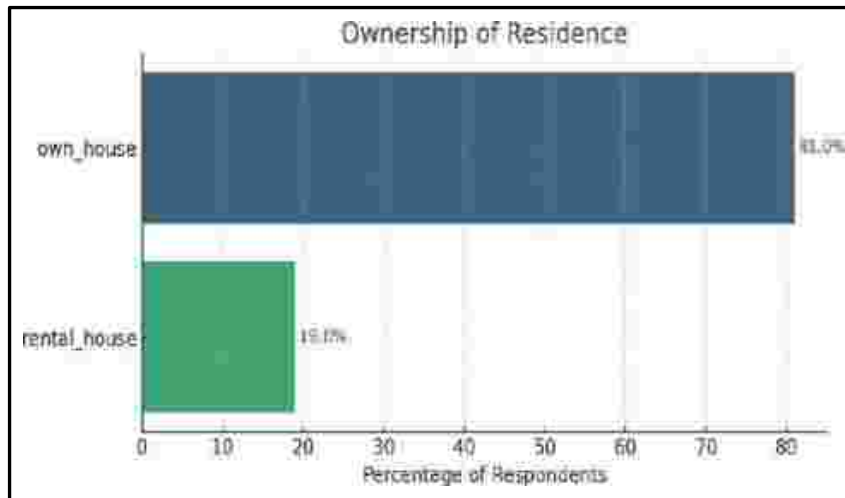
Figure: S.2.7.1 Types of House



Housing data reveals that **76.2%** of respondents live in **concrete-roofed** houses, while **23.8%** live under **sheet-roofed** structures. The presence of non-permanent roofing indicates the need for targeted housing improvement support, though the majority appear to have structurally sound dwell.

S.2.8 Ownership of Residence

Figure S.2.8.1 Ownership of Residence

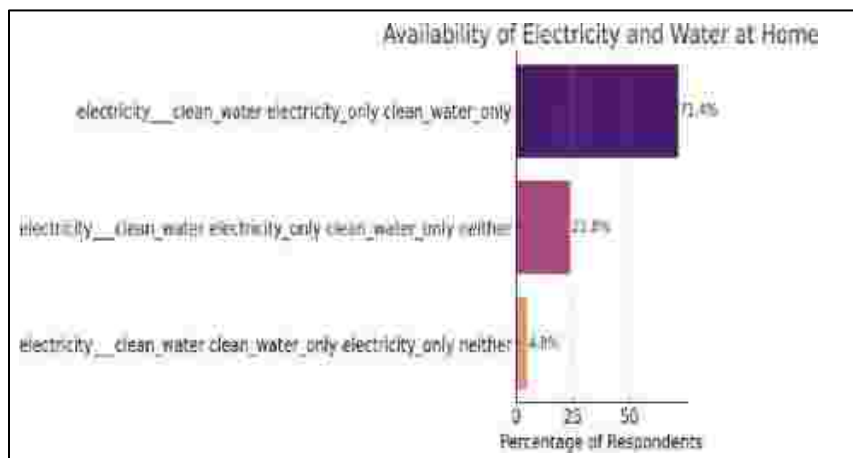


When asked about the type of residence, most respondents— 85.7%—reported living in their own house, while 14.3% reside in rented accommodations. This high rate of home ownership is encouraging, especially in rural and semi- urban contexts where generational landholding and family housing are more common.

Owning a house often corresponds to economic and social stability, and it may also impact creditworthiness when applying for loans. However, those living in rented homes may be more economically vulnerable or mobile, and thus may require different types of housing or rental support schemes, especially in urban centers.

S.2.9 Electricity and Water Availability at Home

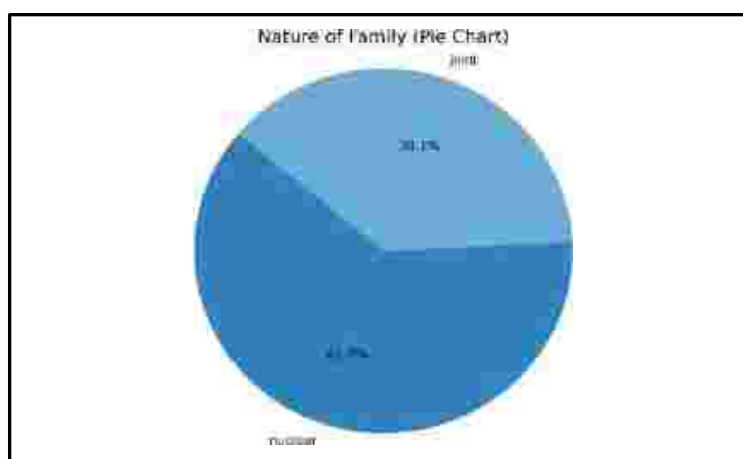
Figure S.2.9.1 Electricity and Water Availability at Home



The data reveals a varied picture regarding the availability of basic utilities like electricity and clean water. A plurality of respondents, 42.9%, reported having access to both electricity and clean water— which is a positive sign of basic infrastructure penetration in the region. However a significant portion, 23.8%, reported having access to only electricity, and another 19.0% reported access to only clean water. Alarming, 14.3% of the respondents stated that they had neither electricity nor clean water in their homes. This distribution indicates a clear infrastructure divide. While nearly half of the households enjoy adequate utility services, a substantial minority still live in precarious conditions. The lack of either electricity or clean water—particularly when both are absent— represents a severe barrier to quality of life, health, education, and economic productivity.

S.2.10 Nature of Family

Figure: 2.10.1 Nature of Family



A significant 61.9% of respondents live in nuclear families, while 38.1% are part of joint families. Nuclear households may face greater financial vulnerability due to fewer shared income sources, making them more dependent on external financial assistance.

S.2.11 Annual Family household Income Pre-loan and Post-loan

Table: S.2.11.1 Annual Family Household Income before Uptake of Loan

Income Levels	Response	Percentage
Below 1.5 Lakh	14	67
1.5-2.25 Lakh	5	24
2.25 Lakh -3 Lakh	2	10
Above 3 Lakh	0	0
Total count	21	100

As shown in the Table S.2.11.1 above, before up taking the loans given by NBCFDC, the Annual Family Household income of the beneficiaries in Sikkim ranged between below 1.5 lakh to 3 lakh. Household incomes of beneficiaries were concentrated in the lower income ranges. Over two-thirds of households were in the lowest income category, with no representation in higher-income groups. 67% of the beneficiaries reported having an income below 1.5 lakh, 24% reported earning somewhere between 1.5-2.25 Lakh annual family incomes and 10% beneficiaries reported their income in the range of 2.25-3 Lakhs.

Table S.2.11.2 shows a visible upward shift in income levels following financial assistance from NBCFDC only 29% of households report earning an annual household income below ₹1.5 lakh, 48% between ₹1.5–2.25 lakh, ₹19% reached ₹2.25–3 lakh, and 5% exceeded ₹3 lakh. This distribution indicates that only one-third of households still remain in the lowest bracket, a significant proportion has moved into higher income tiers.

Table: S.2.11.2 Annual Family household Income Post loan uptake

Income Levels	Response	Percentage
Below 1.5 Lakh	6	29
1.5-2.25 Lakh	10	48
2.25 Lakh -3 Lakh	4	19
Above 3 Lakh	1	5
Total count	21	100

Table: S.2.11.3 Change in Income Levels: Pre vs. Post Loan Uptake

Income Range	Percentage of Beneficiaries Pre-Loan (%)	Percentage of Beneficiaries Post- Loan (%)
Below ₹1.5 lakh	67	29
₹1.5–2.25lakh	24	48
₹2.25–3 lakh	10	19
Above ₹ 3 lakh	0	5

As is evident from the table S.2.11.3 above, the change in income levels pre vs. post loan uptake is given below:

- The lowest income group (below ₹1.5 lakh) reduced sharply from 67% to 29%, showing
- That over one- third of households moved out of this vulnerable category.
- The ₹1.5–2.25 lakh bracket nearly doubled (from 24% to 48%), becoming the most common income level post-loan.
- The share of households in the ₹2.25–3 lakh range also rose modestly, from 10% to 19%.
- 5 % of the beneficiaries have been found to have crossed the annual income of ₹3 lakh
- bracket, showing that some families were able to make significant income gains

- Average family monthly household Income (in Rs)

The average monthly income of the beneficiaries before uptake of the loan was found to be around Rs. 15,000. After the uptake of loans, the average monthly income increased to about Rs.20,000–25,000, showing a clear upward trend with an enhancement of nearly 35%–65% in monthly household earnings.

S.2.12 Employment Status

Table S.2.12.1: Employment Status of Beneficiaries

Employment Status	Response	Percentage
Salaried Employee	3	14
self employed	18	86
Unemployed	0	0
Student	0	0
Total	21	100

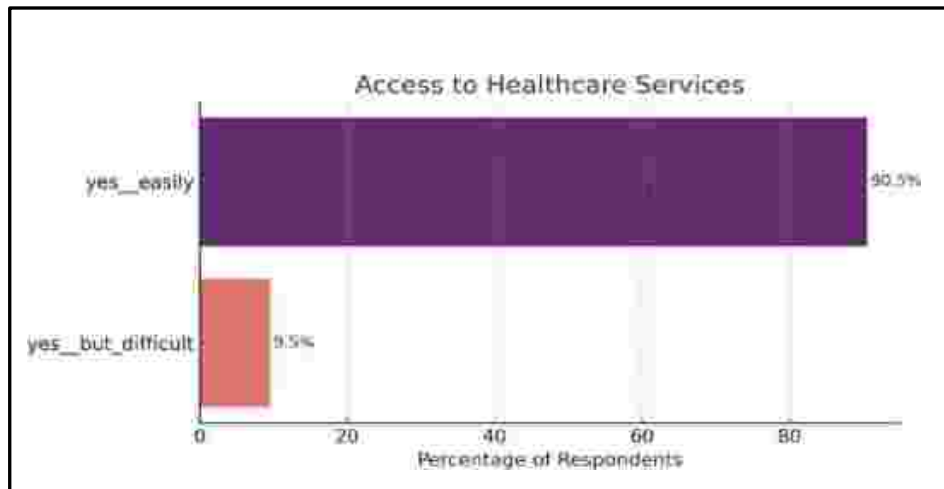
The employment profile of the beneficiaries presents a compelling picture of informal economic reliance. A striking 86 % of the respondents identify as self-employed, indicating that a majority of individuals are engaged in some form of entrepreneurial activity. This may include running small shops, providing home-based services, or managing micro-enterprises. In the context of Sikkim’s semi-urban and rural landscape, this finding points toward an adaptive economic behavior, likely driven by the absence of large- scale employment opportunities in the vicinity.

The self-employed majority reflects a grassroots economic structure, where individuals create their own livelihoods rather than depend on structured labor markets. However, such independence often comes at a cost. Without access to business insurance, formal credit, or market linkages, many of these enterprises remain vulnerable to income shocks and market fluctuations. The absence of scale, formal training, and growth capital constrains the capacity of these self-driven businesses to evolve into sustainable ventures. Therefore, this cohort could greatly benefit from targeted micro-finance schemes, training in business development, and connections to government or NGO-run livelihood programs.

In contrast, only 14% of respondents are salaried employees, a small but significant group likely engaged in formal employment through public or private institutions. While this group enjoys more stability, their limited presence signals the scarcity of formal sector jobs within the areas surveyed.

S.2.13 Healthcare Access

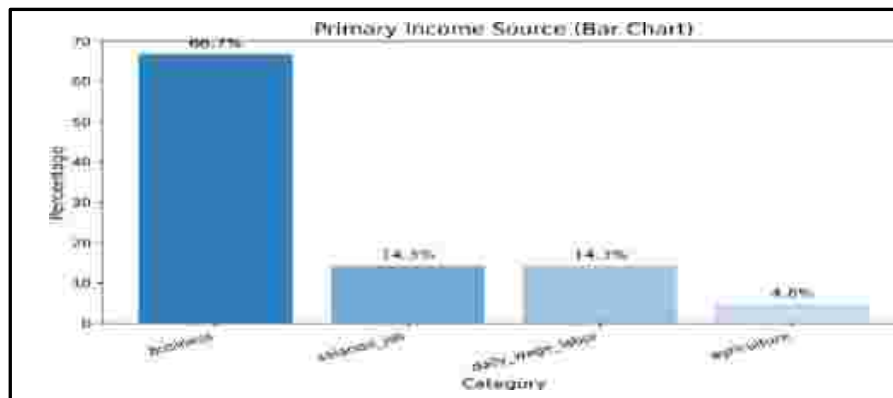
Figure S.2.13.1 Healthcare



Access to healthcare appears robust, with 90.5% reporting easy access, while 9.5% still face some difficulty. Although the overall picture is positive, this remaining gap can be addressed through improved last-mile delivery of medical services, particularly in rural and remote areas.

S.2.14 Nature of Work before Uptake of Loans

Figure S.2.14.1 Nature of Work before Uptake of Loans



The nature of work among the respondents further reinforces the insights drawn from their employment status. A majority—66.7%—report business as their primary source of income. These are not likely to be large commercial ventures but rather small, local businesses such as grocery kiosks, tailoring services, or repair work. This reliance on micro-enterprise reflects both resilience and resourcefulness among the beneficiaries, particularly in areas where salaried jobs are few and far between.

The predominance of business income highlights a critical area for policy support. While entrepreneurial, these individuals may face challenges such as lack of access to credit, absence of formal bookkeeping, or limited exposure to markets beyond their immediate communities. Capacity building in financial literacy, bookkeeping, and digital payments could make a significant impact on the long-term success of these micro-businesses. Linking these enterprises to Self-Help Groups (SHGs), cooperative societies, or e-commerce platforms could further boost their viability and income stability.

Alongside business owners, 14.3% of respondents draw their primary income from salaried employment, which corresponds closely with those who identified as formally employed in the previous parameter. This overlap suggests consistency in reporting and affirms the relatively small size of the formal employment segment in the population. Another 14.3% of respondents rely on daily wage labor, which includes seasonal or temporary work in construction, agriculture, or informal contracts. This group is particularly susceptible to economic and climatic uncertainties. Their irregular income streams, coupled with a lack of job security or social protection, position them as one of the most vulnerable subgroups in the dataset. Ensuring access to social safety nets, wage insurance, and skill training would be critical for improving their economic resilience. 4.8% of respondents cite agriculture as their main source of income. Considering Sikkim’s geographic and cultural background as a predominantly agrarian state, this percentage is surprisingly low. It suggests a possible shift away from traditional farming due to challenges like small landholdings, low yields, or lack of modern farming infrastructure. It may also point to diversification, where families are engaging in other income-generating activities while treating agriculture as a secondary or subsistence option.

S.3 Analysis of the Loan Access, Utilization, and Impact Assessment

S.3.1 Time taken by the Beneficiaries in obtaining loans from the SCA

Table S.3.1.1

Month Range	Responses	Percentage
Upto 4 months	17	81%
4-6 months	1	5%
More than 6 months	1	5%
Can't Recall	2	10%
Total Response	21	

The analysis of loan application and sanction timelines indicates that the majority of beneficiaries received their loans within a relatively short duration. Out of the 21 recorded responses, 17 beneficiaries (81%) had their loans sanctioned within up to 4 months of application. This demonstrates a fairly efficient process for most cases, ensuring timely access to financial support.

A small proportion of beneficiaries, 1 respondent (5%), experienced a loan sanction delay ranging between 4–6 months, while another 1 respondent (5%) reported waiting for more than 6 months. Additionally, 2 respondents (10%) could not recall the exact time taken for loan sanction.

Overall, the findings reveal that the scheme has largely been effective in ensuring quicker sanction of loans, with more than four-fifths of the beneficiaries accessing credit within a period of four months.

S.3.2 Purpose of uptake of loan

Table S.3.2.1

Question	Responses					
Purpose of Uptake of Loan	Working Capital	% of Beneficiaries	New Business	% of Beneficiaries	Business Expansion	% of Beneficiaries
	15	71%	3	14%	3	14%

As can be noted from the table S.3.2.1 above, a large majority of the respondents, accounting for 71%, reported that they had taken loans primarily to meet their working capital requirements. This indicates that most beneficiaries rely on credit as a means to sustain their day-to-day operations, manage cash flows, and ensure business continuity rather than for long-term investment.

Meanwhile, 14% percent of the respondents stated that the loan was used for setting up a new business, reflecting that a section of beneficiaries is leveraging financial support for entrepreneurial ventures. Similarly, another 14% reported that they utilized the loan for business expansion, suggesting that loans are also playing a role in facilitating growth and diversification among some enterprises.

S.3.3 Utilization of Loans for the Intended Purpose

100% beneficiaries had used the loan amount for the intended purpose. The activities for which utilization was done is given below:

Activity	Responses
Homestay	4
Restaurant	11
Hotel and Lodging	4
Cyber Cafe	1
Cardamom Plantation	1
Total Responses	21

S.4 Awareness of NBCFDC Loan Schemes, Rates of Interest & Facilitation of Loans Taken

A high awareness of the NBCFDC loans were seen amongst the beneficiaries. 100% reported to

know about the NBCFDC loans through word of mouth, friends or relative. A key strength in the loan application process was the high level of beneficiary autonomy. A remarkable 95.2% of respondents claimed to have handled the loan process independently, without relying on intermediaries or facilitators. Only 4.8% reported taking help from a third party.

100% of the beneficiaries stated to having filled the forms online through the SCA. The loans for all beneficiaries (100%) were given through bank transfer.

Table: S.4.1

Question	Response / Yes	Response / Yes (%)	Response / No	Response / No (%)
Do you know the amount of interest rate on your loan	14	67%	7	33%
Whether assistance received directly in bank account	21	100%	0	0%
Have you missed any installments	4	19%	15	71%
Do you find the interest fair and affordable	14	67%	7	33%

Based on the responses presented in the above table S.4.1, it is evident that the majority of beneficiaries display a fair level of financial awareness and discipline, though some gaps persist. About 67% of the respondents reported that they are aware of the interest rate on their loan, while 33 % admitted to not knowing it.

Encouragingly, all beneficiaries (100 %) confirmed that they received assistance directly into their bank accounts, reflecting the effectiveness of the Direct Benefit Transfer (DBT) system in ensuring transparency, efficiency, and elimination of leakages in fund disbursement.

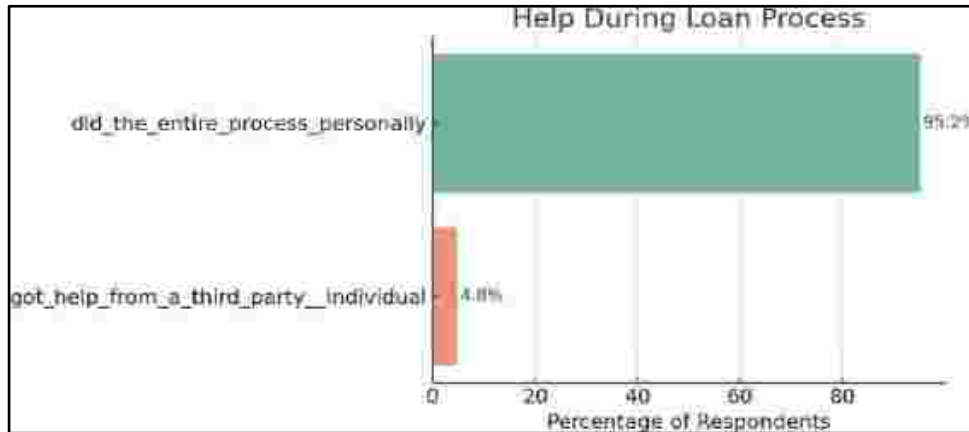
With respect to repayment behaviour, only 19 % of the respondents stated that were irregular in filling up their installments, whereas a majority of 71 % reported being regular in their repayments. This points to a generally disciplined repayment culture among beneficiaries, although the small proportion of defaulters suggests that challenges such as irregular income flows or financial stress may still be affecting some households. Furthermore, when asked about the fairness and affordability of the interest rate, 67 % expressed satisfaction, while 33 % felt otherwise. This suggests that although most respondents consider the financial terms reasonable, a sizable minority continues to find the cost of borrowing burdensome.

This independence reflects well on the accessibility and simplicity of the loan process, particularly in rural and semi-urban areas. However, it may also point to a lack of structured support systems or facilitation desks that could further streamline or optimize the application journey, especially for less literate or first-time borrowers.

When asked about awareness of other NBCFDC schemes, responses were limited, indicating that despite availing a loan, most beneficiaries were not familiar with the broader bouquet of loan

products. This reveals a critical gap in outreach and awareness-generation efforts by implementing agencies.

Figure: S.4.1: Beneficiaries who did the applying process independently



S.4.1 Insurance and Risk Coverage

Only a small number of beneficiaries reported taking insurance along with the loan. The majority either did not opt for or were not aware/offered insurance as part of the loan package.

This is a missed opportunity in terms of promoting financial protection. In populations that are economically fragile, insurance (especially health and life cover linked to the loan) can prevent households from falling back into poverty due to unforeseen crises. The low penetration of insurance points to an area that requires immediate attention—both from the lending institutions and financial literacy programs.

S.4.2 Creation of Assets out of Loan Assistance Provided

Figure: S.4.2.1 Creation of Assets out of Loan Assistance Provided

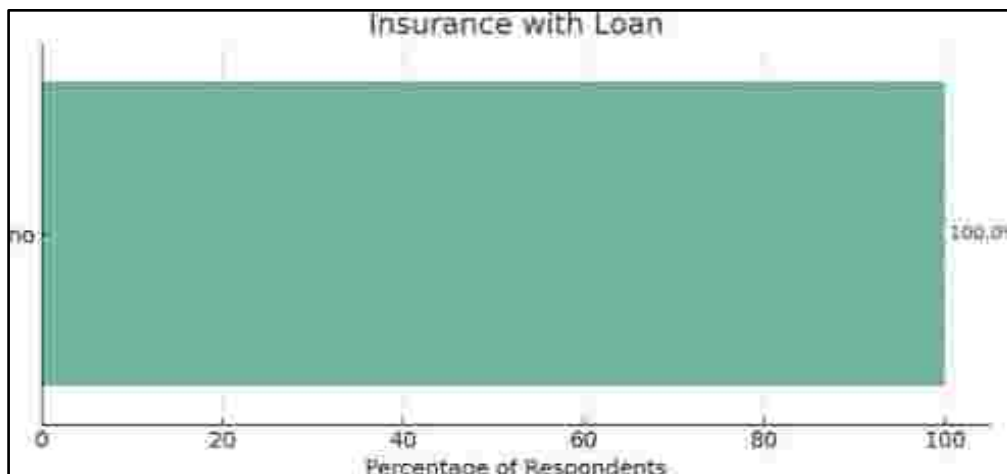


Table S.4.2.1

Activity	Number of Assets Created by Interviewed Beneficiaries
Homestay	4
Restaurant	11
Hotel and Lodging	4
Cyber Cafe	1
Cardamom Plantation	1
Total Responses	21

Most beneficiaries have either used it for up taking of working capital, purchase of raw material or business expansion. New business like that of the cybercafé was also established. Loan money was utilized for up taking agricultural activity through purchase of seeds in case of the cardamom plantation.

S.5 Analysis of the Perception-Based Assessment of Loan Experience and Impact through Likert Scale

To assess beneficiaries' perceptions and experiences, a set of Likert scale questions was included in the survey. Respondents were asked to rate their satisfaction with loan services, the impact of the loan on their social and economic well-being, and changes related to women's empowerment. Each set of statements was rated on a standard 5-point scale, tailored to the theme.

The findings from the Likert scale analysis have been shown through visualizations in their respective sections given below:

S.5.1 Satisfaction with Loan Services

The responses on the questions in the Likert scale for this category has been tabled and the observations are given below.

Table S.5.1.1

Questions	Number of respondents for each rating					% of Beneficiaries per response				
	1	2	3	4	5	1	2	3	4	5
Satisfaction of the loan scheme availed	1	0	1	10	8	5%	0%	5%	48%	38%
Assistance and guidance provided by Agency	1	0	2	11	7	5%	0%	10%	52%	33%
Time taken for Loan approval	1	0	1	11	8	5%	0%	5%	52%	38%
Interest rates	1	0	3	10	7	5%	0%	14%	48%	33%
Fund disbursement process	1	0		10	8	5%	0%	0%	48%	38%
Amount of loan disbursed	1	0	2	10	7	5%	0%	10%	48%	33%
Loan Repayment Terms	1	1		12	6	5%	5%	0%	57%	29%
Transparency of Loan Terms	1	0	1	10	9	5%	0%	5%	48%	43%
Employee behaviour during lending process	1	0		10	10	5%	0%	0%	48%	48%
Guarantee requirements	1	0	4	9	7	5%	0%	19%	43%	33%

Analysis:

- **Satisfaction with the Loan Scheme Availed**

A large proportion of beneficiaries (86%) expressed satisfaction with the loan scheme, with 48% satisfied and 38% highly satisfied. Only 5% each reported dissatisfaction or remained neutral. This indicates that the scheme is broadly well-received and meets the expectations of most borrowers.

- **Assistance and Guidance Provided by the Agency**

About 85% of respondents rated the assistance positively, suggesting that agencies are playing a supportive role in loan facilitation. However, 10% rated it neutral, implying that there is still scope for improving handholding and guidance, particularly for first-time borrowers.

- **Time Taken for Loan Approval**

Loan approval time was positively rated by 90% of beneficiaries, reflecting efficiency in processing. Only a small fraction (10%) reported dissatisfaction or neutrality. This is a strong area of performance and indicates streamlined processes.

- **Interest Rates**

While 81% of respondents were satisfied with the interest rates, 14% rated them as neutral, and 5% dissatisfied. This suggests that although the rates are broadly acceptable, they remain a point of concern for a minority of borrowers who may find them relatively high compared to other credit sources.

- **Fund Disbursement Process**

Nearly 86% of beneficiaries expressed satisfaction with the disbursement process. This indicates that once approved, funds are reaching beneficiaries without significant hurdles. Very few reported dissatisfactions, showing that the mechanism is functioning smoothly.

- **Amount of Loan Disbursed**

Satisfaction levels stood at 81%, with 10% neutral and 5% dissatisfied. The relatively higher neutrality here suggests that some beneficiaries may have expected a higher loan amount than what was sanctioned, pointing to a gap between expectations and actual disbursement.

- **Loan Repayment Terms**

A significant majority (86%) rated the repayment terms positively, though 10% expressed dissatisfaction. This suggests that while repayment schedules are broadly acceptable, a minority of borrowers may be finding the terms rigid or burdensome.

- **Transparency of Loan Terms**

This parameter received one of the strongest responses, with 91% of beneficiaries finding the terms

transparent. Only 5% each were dissatisfied or neutral. Transparency thus emerges as a key strength of the scheme, enhancing trust among borrowers.

- **Employee Behaviour During Lending Process**

Employee behaviour received the highest positive feedback, with 96% of beneficiaries reporting satisfaction. This highlights the professionalism and supportive conduct of staff, which plays a critical role in shaping borrower experience.

- **Guarantee Requirements**

While 76% were satisfied, this parameter had the highest share of neutral (19%) and dissatisfied (5%) responses. This suggests that guarantee requirements remain a concern for a notable section of beneficiaries, possibly acting as a barrier for some potential borrowers.

S.5.2 Socio-Economic Standard of Living

The responses on the questions in the Likert scale for this category have been tabled and the observations are given below.

Table: S.5.2.1

Question	Number of Responses according to scale					% of Beneficiaries per response				
	1	2	3	4	5	1	2	3	4	5
Ability to repay debts	0	1	6	14	0	0%	5%	29%	67%	0%
Access to healthcare facilities	0	1	11	8	1	0%	5%	52%	38%	5%
Asset ownership	0	3	4	11	3	0%	14%	19%	52%	14%
Clothing standards	0	1	8	12	0	0%	5%	38%	57%	0%
Equal participation in decision-making	0	0	8	12	1	0%	0%	38%	57%	5%
Food and Nutritional Standards	0	1	8	12	0	0%	5%	38%	57%	0%
Household Savings	0	1	8	10	1	0%	5%	38%	48%	5%
Improved quality of children’s education	1	1	10	9	0	5%	5%	48%	43%	0%
Overall living standards	0	1	7	13	0	0%	5%	33%	62%	0%
Respect and Recognition in the community	0	1	9	8	2	0%	5%	43%	38%	10%

Analysis:

- **Ability to Repay Debts**

A very strong 67% of beneficiaries felt confident in their ability to repay debts (rated 4), while 29% were neutral and only 5% dissatisfied. No one reported being highly dissatisfied or highly satisfied. This shows good repayment capacity overall, though most responses concentrated in the “satisfied” range rather than “highly satisfied.”

- **Access to Healthcare Facilities**

Around 43% of respondents rated healthcare access positively (38% satisfied, 5% highly satisfied), but a significant 52% were neutral. This indicates that while beneficiaries are not largely dissatisfied, access to healthcare remains an area of limitation, with only a minority perceiving a clear improvement.

- **Asset Ownership**

Responses were mixed: 52% satisfied and 14% highly satisfied, but 19% neutral and 14% dissatisfied. This suggests that while over two-thirds acknowledge some improvement, a notable share still struggles to build assets, pointing to uneven impacts of the loan scheme on asset creation.

- **Clothing Standards**

A large proportion (57%) were satisfied, and 38% neutral. Very few expressed dissatisfactions, though no one rated it as “highly satisfied.” This implies moderate improvements in household clothing standards, but not a strong transformative change.

- **Equal Participation in Decision-Making**

This parameter saw high positivity: 57% satisfied and 5% highly satisfied, with 38% neutral. Importantly, no one expressed dissatisfaction. This suggests that loans may be indirectly empowering beneficiaries in household or economic decision-making, though the improvement is largely incremental.

- **Food and Nutritional Standards**

Almost identical to clothing, 57% satisfied, 38% neutral, and 5% dissatisfied. The majority indicate some improvement, but the absence of “highly satisfied” responses suggests that while nutrition standards are improving, beneficiaries do not perceive them as fully adequate.

- **Household Savings**

Satisfaction stood at 48%, with 38% neutral and 10% either dissatisfied or highly satisfied. This indicates modest progress in building savings, but improvements appear uneven across households, possibly linked to repayment obligations or income variability.

- **Improved Quality of Children’s Education**

Here, 43% were satisfied, and 48% neutral, with 10% dissatisfied (5% highly dissatisfied, 5% dissatisfied). No one rated it highly satisfactory. This suggests that while the scheme may support education indirectly, significant gains in perceived quality of children’s education are not strongly evident.

- **Overall Living Standards**

This parameter showed one of the strongest responses, with 62% satisfied and 33% neutral. Only 5% were dissatisfied, and none highly satisfied. Beneficiaries largely agree that their living standards have improved, though perceptions remain moderate rather than strongly enthusiastic.

- **Respect and Recognition in the Community**

About 48% reported satisfaction (38% satisfied, 10% highly satisfied), and 43% were neutral. Only 5% reported dissatisfaction. This indicates that access to loans has had a visible though moderate effect on social status and recognition, with nearly half of the respondents acknowledging improved standing in their community.

S.5.3 Parameters analysis the Empowerment of Women

Table S.5.3.1

Question	Scale Wise Response					% of beneficiaries for each response				
	1	2	3	4	5	1	2	3	4	5
I can make financial decisions independently	0	2	3	13	2	0%	10%	15%	65%	10%
I am involved in decisions on Education and marriage	0	1	6	11	2	0%	5%	30%	55%	10%
I participate more in social and community events	0	0	8	11	1	0%	0%	40%	55%	5%
I feel more confident in solving problems	0	1	3	12	4	0%	5%	15%	60%	20%
I have made personal choices without family permission	0	0	4	15	1	0%	0%	20%	75%	5%
I feel more Respected in Family and community	0	0	3	15	2	0%	0%	15%	75%	10%
I have mentored or guided in accessing loans	2	2	5	9	2	10%	10%	25%	45%	10%
I have received any support for business or work	0	2	5	10	3	0%	10%	25%	50%	15%
My knowledge of health and rights has improved	0	0	3	11	6	0%	0%	15%	55%	30%

Analysis:

- **Involvement in Decisions on Children’s Education/Marriage**

A strong 67% of respondents reported being satisfied with their involvement in such decisions, with 14% neutral and 14% somewhat dissatisfied. Only 5% were highly satisfied. This shows a positive trend toward greater involvement, though still moderate in depth.

- **Ability to Make Financial Decisions Independently**

This parameter shows a solid empowerment outcome: 67% satisfied and 10% highly satisfied, with 24% neutral. None were dissatisfied. This indicates that most beneficiaries feel empowered to take financial decisions independently post-loan, marking a significant achievement of the scheme.

- **Confidence in Solving Problems**

A remarkable 71% rated themselves satisfied and 19% highly satisfied, with no neutral or negative responses. This suggests a transformative effect of the scheme on beneficiaries' problem-solving confidence, making this one of the strongest empowerment outcomes observed.

- **Feeling Respected in Family and Community**

This parameter received the highest satisfaction levels: 76% satisfied and 19% neutral, with no dissatisfaction. It indicates that beneficiaries are gaining respect and recognition in their immediate social networks, a strong indicator of socio-psychological empowerment.

- **Ability to Make Personal Decisions without Family Permission**

Around 48% felt satisfied and 19% highly satisfied, while 20% were neutral or dissatisfied. This shows moderate empowerment in personal autonomy, but traditional family dynamics may still influence individual decision-making in many cases.

- **Mentoring or Guiding Others in Accessing Loans**

This is one of the weaker areas: only 19% were satisfied and 10% highly satisfied, while 33% were somewhat dissatisfied and 14% highly dissatisfied. This suggests that peer mentoring or knowledge-sharing about loan access is not yet widespread among beneficiaries, possibly due to limited confidence or information.

- **Receiving Support for Own Business or Work**

About 48% were neutral, 33% satisfied, 14% somewhat dissatisfied, and 5% highly dissatisfied. This indicates that while some have received support for their business, many remain unsure about its adequacy, and a segment has not experienced meaningful assistance.

- **Participation in Community Events**

This parameter shows moderate engagement: 48% neutral and 48% satisfied, with 5% somewhat Dissatisfied. No one reported high satisfaction. This implies that while beneficiaries are beginning to participate in community events, the level of involvement is still cautious or occasional.

- **Knowledge of Health Rights**

Satisfaction is fairly high here: 48% satisfied and 33% highly satisfied, with 19% neutral. No one expressed dissatisfaction. This shows that loan interventions are having spillover effects on awareness of entitlements and rights, which is a very positive sign for holistic development.

S.6 Non - Beneficiary Analysis

To enable a comparative analysis of the economic impact between beneficiaries and non-beneficiaries, a control group comprising rejected applicants under the same schemes was selected. The sample of 19 non- beneficiaries, i.e., rejected applicants was identified in consultation with the State Channelizing Agency (SCA). The rejections were mainly due to the fact the applicants were above BPL and for the ones below BPL there was a lack required documents. A detailed parameter- wise analysis is presented below:

Table S.6.1

Parameter	Analysis
What is your gender?	Male: 53.0%; Female: 47.0%
What is your highest level of education?	Secondary: 47.0%; Graduate or higher: 37.0%; Primary: 16.0%
Where do you currently reside?	Urban area: 47.0%; Rural area: 32.0%; Semi-urban area: 21.0%
What is the nature of the house occupied?	Concrete Roof: 68.0%; Sheet Roof: 32.0%
What amenities are available in your home?	Electricity, Piped Water, Sanitation: 74.0%; Electricity, Piped Water, Sanitation, Internet: 26.0%
What is your marital status?	Married: 53.0%; Single: 42.0%; Widowed: 5.0%
What is the nature of family?	Nuclear: 74.0%; Joint: 26.0%
Number of Dependents	No data available
What was your annual household income during 2020–2023?	Below ₹1.5 Lakh: 79.0%; ₹1.5–2.25 Lakh: 5.0%; ₹2.25–3 Lakh: 5.0%; Above ₹3 Lakh: 11.0%
What is your annual household income now?	Below ₹1.5 Lakh: 58.0%; ₹1.5–2.25 Lakh: 21.0%; ₹2.25–3 Lakh: 5.0%; Above ₹3 Lakh: 16.0%
What is your current employment status?	Unemployed: 47.0%; Self-employed: 37.0%; Employed (Salaried): 16.0%
What is your current economic status?	Above BPL: 58.0%; BPL: 42.0%
What is your primary source of income?	Business: 63.0%; Salaried Job: 16.0%; Agriculture: 11.0%; Daily Wage Labour: 11.0%

S.7 Discussion Points with the SCA

1. The SCA has been actively implementing NBCFDC schemes since 2014, covering a range of interventions such as Mahila Samridhi Yojana, Micro Credit Scheme, Education Loan, and Term Loan, ensuring outreach to multiple categories of beneficiaries.
2. The average size of loan is 2 Lakhs
3. Beneficiaries are largely reached through open applications, which reflects community awareness about NBCFDC schemes and their growing acceptance among target groups.
4. Loan disbursement is generally completed within 1–3 months, showing that processes are in place to ensure funds reach beneficiaries within a reasonable timeframe.
5. Recovery performance currently stands at around 60%, indicating that a substantial number

- of borrowers are repaying on time, with scope for further strengthening repayment practices.
6. The SCA follows structured monitoring practices such as field visits and periodic beneficiary feedback, helping to track loan utilization and repayment.
 7. Women and youth continue to benefit from the schemes, with about 30% of the portfolio directed to women borrowers, and dedicated support being extended under education and skill-linked initiatives.
 8. Alongside NBCFDC loans, the SCA also implements other development finance schemes (NSTFDC, NSKFDC, NMDFC), which allows it to leverage multiple resources for community upliftment.

S.8 Success Stories

S.8 (a) Kalpana Gurung – Homestay Entrepreneur in Sikkim



Name of SCA	Sikkim Scheduled Castes, Scheduled Tribes and Other Backward Classes Development Corporation (SABCCO)
Name of Scheme	Term Loan (Small Business Category)
Name of Beneficiary	Kalpana Gurung
Loan Amount Requested	₹3,00,000/-
Loan Amount Received	₹3,00,000/-
Annual Income before & after taking Loan	₹1,00,000/- (before) → ₹1,50,000/- (after)
Name of SCA	Sikkim Scheduled Castes, Scheduled Tribes and Other Backward Classes Development Corporation (SABCCO)
Purpose of Loan	Development of a homestay facility



Ms. Kalpana Gurung, a resident of Sikkim, always aspired to create a sustainable source of income for her family while promoting the rich culture and hospitality of her region. However, with a household income of less than ₹1,00,000 per month, her financial limitations restricted her ability to invest in a business idea.

Kalpana came to know about the NBCFDC loan scheme through her neighbors who had earlier availed the benefit. Encouraged by their positive experience, she applied for financial assistance under the Small Business category and was sanctioned a loan of ₹3,00,000.

With this support, she invested in developing a homestay facility to cater to the increasing flow of domestic and international tourists visiting Sikkim. She used the funds to upgrade her home with better infrastructure, comfortable guest facilities, and provisions for offering authentic local experiences. A defining aspect of her journey has been her strong financial discipline. Kalpana ensured that she was a regular payee, making timely repayments throughout the loan tenure. She has now successfully completed the repayment of her loan, setting an example of responsible borrowing.

The impact of the loan has been transformational. Her monthly income, which was previously below ₹1,00,000, has now risen to approximately ₹1,50,000. This increase has improved her family's standard of living, enabled her to provide better educational opportunities for her children, and enhanced her social standing in the community.

S.8 (b): Mrs. Aruna Rai-Restaurant Owner

Name of SCA	Sikkim Scheduled Castes, Scheduled Tribes and Other Backward Classes Development Corporation (SABCCO)
Name of Scheme	Term Loan (Small Business Category)
Name of Beneficiary	Mrs. Aruna Rai
Loan Amount Requested	₹1,00,000/-
Loan Amount Received	₹1,00,000/-
Monthly Profit from Business	₹15,000/- per month
Annual Income before Loan	Below ₹1,00,000/-
Annual Income after Loan	₹1,50,000 – ₹2,25,000/-
Purpose of Loan	To open and develop a restaurant business

Mrs. Aruna Rai, An aspiring entrepreneur, dreamed of opening her own restaurant to provide quality food and create a sustainable livelihood for her family. Her household income was below ₹1,00,000 annually, which limited her ability to invest in her vision.

She came to know about the NBCFDC loan scheme from a government office and applied under the Small Business category. With the support of a loan of ₹1,00,000, she was able to set up her restaurant by investing in essential infrastructure, kitchen equipment, and furniture.



Over time, Aruna's dedication and commitment helped her not only establish but also develop the restaurant into a profitable business. Today, she earns a profit of ₹15,000 per month, and her annual income has grown to between ₹1.5 to ₹2.25 lakhs, Marking substantial improvement from her pre-loan situation. Her disciplined financial management and entrepreneurial spirit have enabled her to transform her family's standard of living while also serving as an inspiration to others in her community. Aruna's journey demonstrates how access to affordable finance through NBCFDC empowers women to create sustainable businesses and contribute meaningfully to local economic development.



State Report

Tamil Nadu



State Report-Tamil Nadu

TN.1 Introduction

TN.1.1 Background of Tamil Nadu Backward Classes Economic Development Corporation (TABCEDCO)

Tamil Nadu is one of India's most industrialized and urbanized states, with a strong performance across social indicators like literacy, women's participation, and poverty reduction. However, disparities persist across regions, especially among backward classes in rural interiors. In this context, NBCFDC loan schemes channelized through TABCEDCO play a critical role in providing financial assistance to the backward classes through groups and individual loans.

The loan offered by NBCFDC through TABCEDCO aims to empower backward-class individuals and Self-Help Groups (SHGs) by facilitating access to capital for micro-enterprises and self-employment. Over the past three years, the lending schemes of NBCFDC have progressively broadened their outreach, as reflected in the quantum and spread of loan disbursements. This analysis uses disbursement data to assess geographic coverage, scheme-wise distribution, gender and group dynamics, and structural inefficiencies.

TN.1.2 Disbursement Patterns of NBCFDC Loans in the State for FY 2020-23

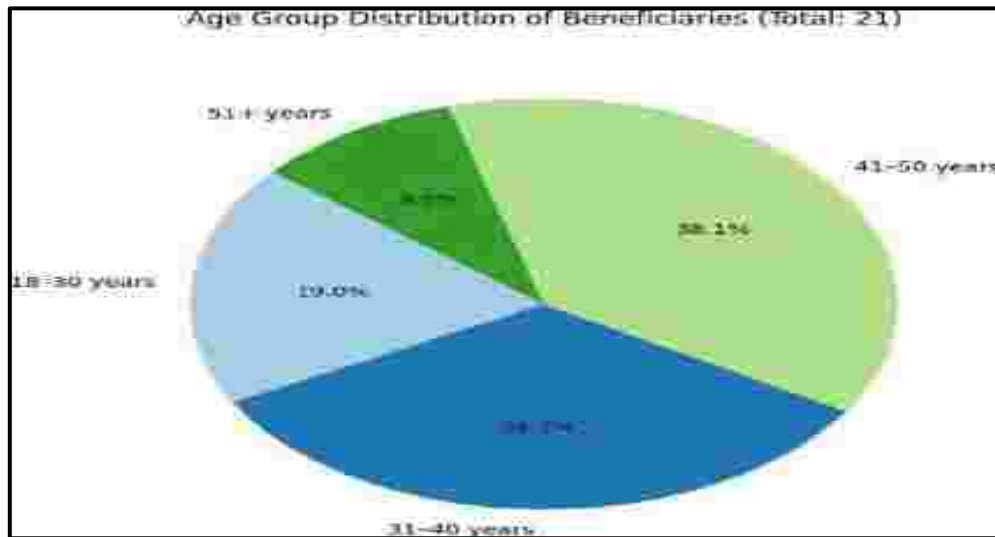
Overall Growth in Lending Volume: Between FY 2020–21 and 2022–23, the number of beneficiaries under group loan schemes of NBCFDC increased substantially, from 13,683 in 2020–21 to 13,784 in 2022–23. The loan amount disbursed under group loans also rose from ₹8,857.26 lakhs to ₹8,818.28 lakhs. While this suggests consistent financial outreach, the disbursement quantum shows a marginal tapering in FY 2022–23, indicating a potential plateau.

Loan Type Distribution: There is a consistent preference for group loans over individual loans, accounting for over 88–94% of total lending across the years. The continued emphasis on group-based lending aligns with the state's strong SHG movement, particularly among women.

To comprehensively assess the impact of the scheme across diverse socio-economic and geographic contexts, ten districts were selected from different zones of Tamil Nadu, ensuring representation from metropolitan, urban, peri-urban, rural, industrial, and hilly regions. The selection was strategically designed to cover varied demographic profiles and economic activities, and to reflect the distribution of loans among different categories- male, female, individual, group, and Self-Help Group (SHG) beneficiaries.

TN.1.3 Sample Population

Figure TN.1.3.1



A sample size of 134 beneficiaries and 95 non-beneficiaries was determined in consultation and as per terms of reference given by NBCFDC for the state of Tamil Nadu as per the sampling plan for the study. All beneficiaries were interviewed based on the list of beneficiaries given by the SCA. The interviews were done through the Kobo tool and a structured closed ended questionnaire.

TN.1.4 Sample Design Selection of Districts

The state of Tamil Nadu was selected for this evaluative study as per the proposed sampling plan. State Channelising Agency selected for this evaluation was Tamil Nadu Backward Classes Economic Development Cooperation (TABCEDO)

Therefore, the districts for which consent was received became part of the present study. These districts were selected in consultation with TABCEDCO.

TN.1.5 Sources of Data

This was an empirical study intending for an evaluation of the lending schemes already implemented. The list of the beneficiaries for Term Loan and Micro-finance schemes of NBCFDC for the period of study (2020-23) was shared by TABCEDCO which comprised the name and other details of the beneficiary of the loan schemes. All the willing beneficiaries were contacted through the TABCEDCO (State Channelising Agency) and were verified from the available list of beneficiaries.

The evaluation for various other parameters, like the utilization ratio, loan recovery ratio/mechanism, number of defaulters, and the mechanism of monitoring done for these loans by the SCAs, has been collected through the questionnaires in the Kobo toolbox. Additionally, information has also been gathered from their websites and annual reports.

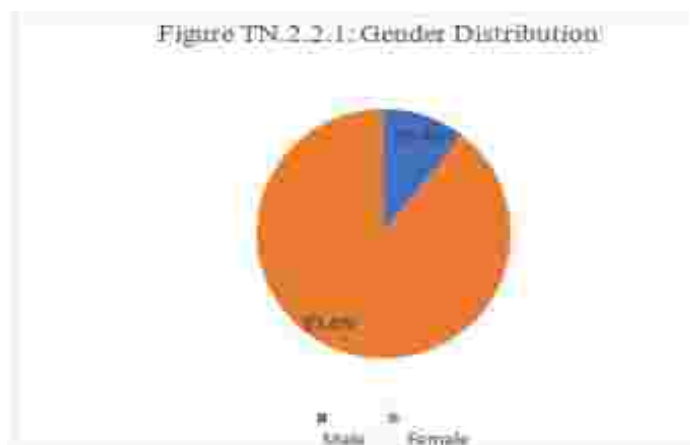
TN.2 Analysis of the Socio-Economic Parameters or educational criteria.

TN.2.1 Age Group Distribution:

The age distribution shows a concentration in the working-age population. Most individuals belong to the 31–40 age group, followed by those in the 18–30 category. A smaller representation is seen in the 41–50 and 51+ brackets.

This age structure reflects the scheme's outreach toward economically productive cohorts. The predominance of middle-aged beneficiaries implies that the program is supporting individuals likely engaged in income generation or employment-seeking activities. The presence of younger adults (18–30) signals early-stage intervention which could have long-term developmental impacts. On the other hand, minimal representation in the 51+ group might point to either fewer applicants from this age bracket or lesser eligibility due to income

TN.2.2 Gender

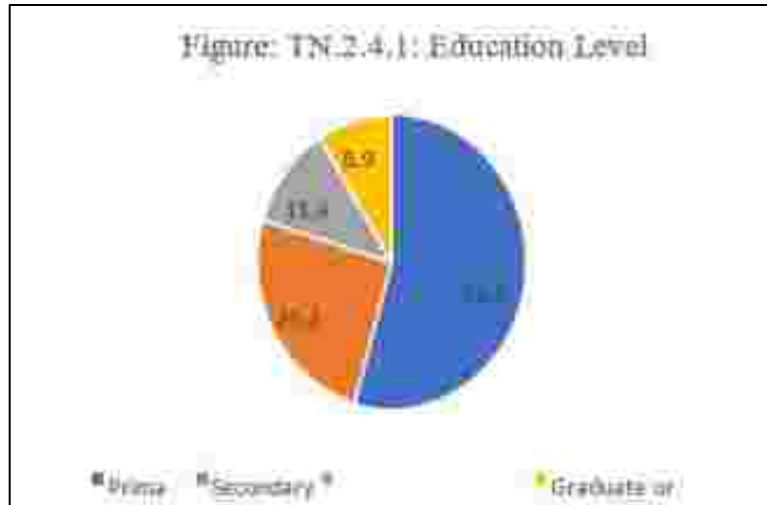


A dominant majority of the beneficiaries are female, highlighting the significant role that the NBCFDC scheme plays in empowering women at the grassroots. Among the respondents, 89.6% are female and 10.4% are male. This reflects strong participation by women, either through targeted efforts or a higher expressed need. This aligns well with the strong SHG-based lending framework that has been observed in districts like Kanchipuram and Tirunelveli.

TN.2.3 Type of Bank Account

All respondents (100%) reported having a normal savings bank account. This is notable, as it shows deep financial inclusion, with no dependence on Jan Dhan or basic accounts. These individuals may already be participating in digital banking or formal lending systems.

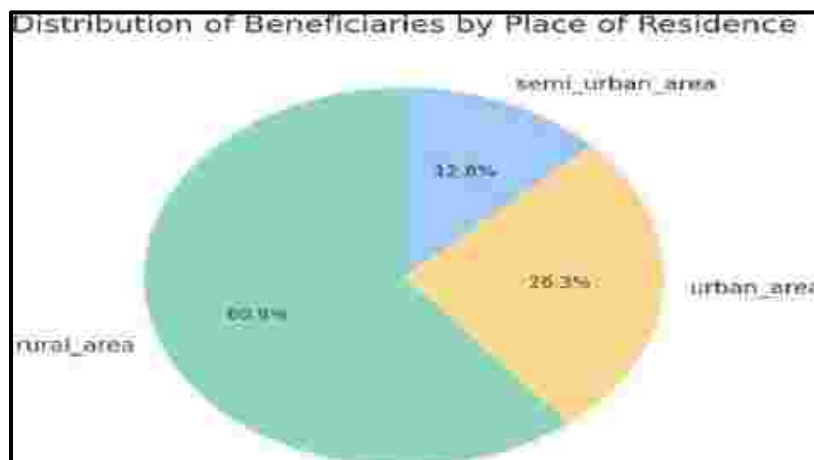
TN.2.4 Educational Background:



Education among the group is fairly spread out, with 54.5% having completed only primary education, 25.2% having secondary education, and 8.9% possessing graduate or higher degrees, while 11.4% have no formal education. The data highlights a need for educational upliftment, especially for the lower tiers, while also recognizing the potential in more educated respondents for advanced skilling or entrepreneurship.

TN.2.5 Residential Area: The majority of respondents are based in rural and urban areas, with a fair representation from semi-urban zones as well. This spread demonstrates the scheme’s adaptability and coverage across diverse habitation clusters, ensuring wide access to economic opportunities.

Fig: TN.2.5.1



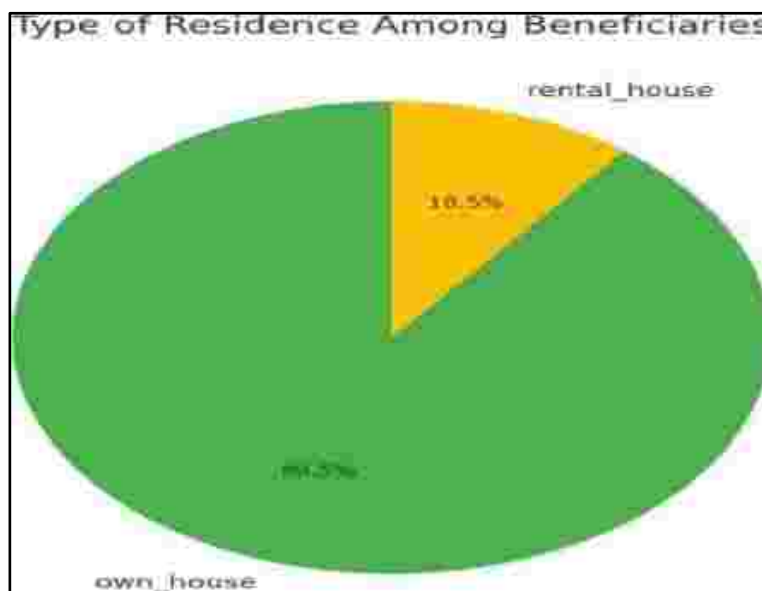
The data reveals that the majority of NBCFDC beneficiaries in Tamil Nadu reside in rural areas, accounting for approximately 60.9% of the sample. This aligns with the scheme’s objective of reaching underprivileged and economically weaker sections, who predominantly reside in rural

regions. Urban beneficiaries make up 26.3%, reflecting the program’s outreach in more developed settings where self-employment and small enterprises are equally important for livelihood.

A smaller, yet notable segment (12.8%) resides in semi-urban areas, which often act as transitional zones with characteristics of both urban and rural economies. This distribution confirms that NBCFDC’s lending programs are largely succeeding in targeting beneficiaries in rural and underserved areas while maintaining balanced coverage across urban and semi-urban landscapes.

TN.2.6 Ownership of Residence: The data reveals a clear trend in housing ownership among NBCFDC beneficiaries.

Figure TN.2.6.1

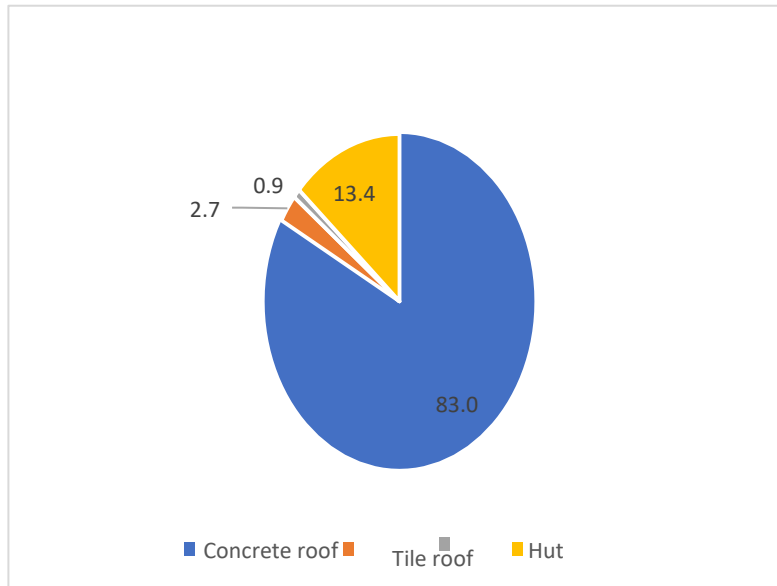


A substantial majority (89.47%) reside in town houses. This indicates a relatively stable living situation, which could contribute to greater financial security and more confident participation in lending programs. Only around 10.53% live in rented houses, which may suggest a more vulnerable socio-economic condition, potentially requiring additional support mechanisms like rental subsidies or targeted financial literacy programs. This distribution underlines the importance of tailoring credit and welfare interventions according to beneficiaries’ housing status to ensure inclusivity and sustainability.

TN.2.7 Type of House:

Housing data reveals that 83.0% of respondents live in concrete-roofed houses, while 13.4% reside in sheet-roofed dwellings, with smaller proportions living under tile-roofed (2.7%) and hut structures (0.9%). The presence of non-permanent roofing highlights the need for targeted housing improvement initiatives, though the overwhelming majority appear to live in structurally stable homes.

Fig: TN.2.7.1: Types of House

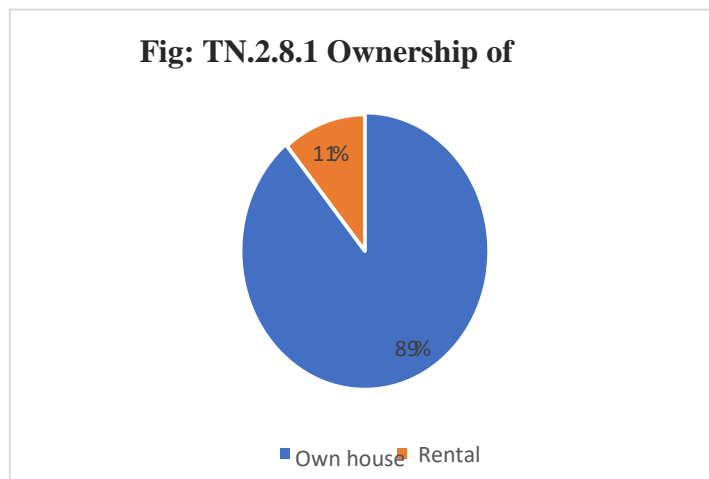


TN.2.8 Ownership of Residence:

When asked about the type of residence, most respondents (89%) reported living in their own house, while 11% reside in rented accommodations. This high rate of home ownership is encouraging, especially in rural and semi-urban contexts where generational landholding and family housing are more common.

Owning a house often corresponds to economic and social stability, and it may also impact creditworthiness when applying for loans. However, those living in rented homes may be more economically vulnerable or mobile, and thus may require different types of housing or rental support schemes, especially in urban centers.

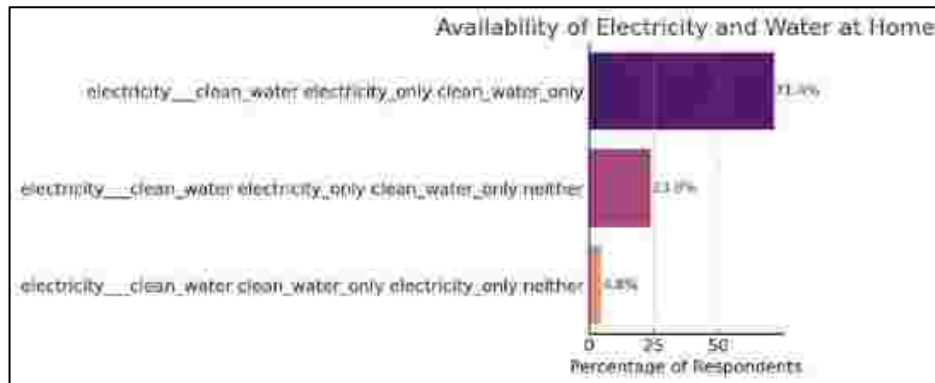
Fig: TN.2.8.1 Ownership of



TN.2.9 Electricity and Water Availability at Home

The data reveals a varied picture regarding the availability of basic utilities like electricity and clean water. A plurality of respondents, 42.9%, reported having access to both electricity and clean water which is a positive sign of basic infrastructure penetration in the region.

Figure TN.2.9.1

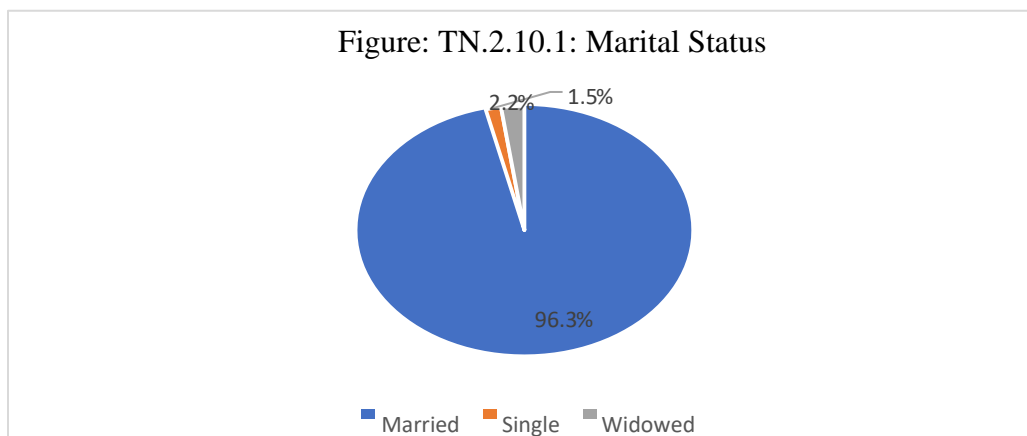


However, a significant portion, 23.8%, reported having access to only electricity, and another 19.0% reported access to only clean water. Alarming, 14.3% of the respondents stated that they had neither electricity nor clean water in their homes.

This distribution indicates a clear infrastructure divide. While nearly half of the households enjoy adequate utility services, a substantial minority still live in precarious conditions. The lack of either electricity or clean water—particularly when both are absent—represents a severe barrier to quality of life, health, education, and economic productivity.

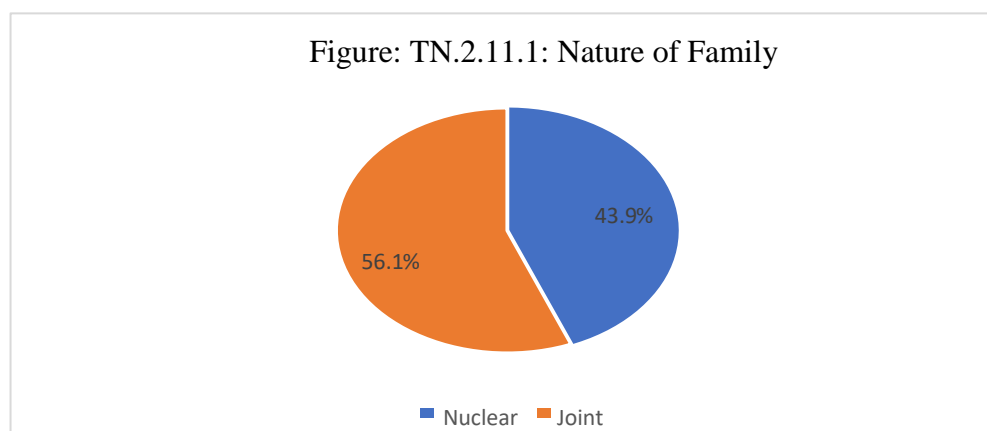
TN.2.10 Marital Status

Most respondents (96.3%) are married, followed by 2.2% who are widowed, and 1.5% who are single. The large proportion of married individuals suggests that many beneficiaries may have dependent family members, which affects financial planning, housing needs, and access to social benefits.



TN.2.11 Nature of Family

A significant 56.1 of respondents live in Joint families, while 43.9% are part of Nuclear families. Nuclear households may face greater financial vulnerability due to fewer shared income sources, making them more dependent on external financial assistance.



TN.3 Annual Family household income pre-loan and post-loan

Table TN.3.1: Annual Family Household Income before uptake of loan

Income Levels	Response	Percentage
Below 1.5 Lakh	45	34%
1.5-2.25 Lakh	42	31%
2.25 Lakh -3 Lakh	47	35%
Total count	134	100%

The income distribution of the sample (N = 134) shows a fairly balanced spread across the three low- income categories, with 34% of respondents earning below ₹1.5 lakh annually, 31% falling in the ₹1.5 to 2.25 lakh range, and the highest share, 35%, in the ₹2.25 to 3 lakh bracket. This indicates that while a significant proportion of households remain in the most vulnerable income group, a slightly larger segment occupies the upper band of the low-income spectrum, suggesting relatively better financial stability within the sample.

Table TN.3.2: Annual Family Household Income post loan uptake

Income Levels	Response	Percentage
Below 1.5 Lakh	20	15%
1.5-2.25 Lakh	50	37%
2.25 Lakh -3 Lakh	35	26%
Above 3 Lakh	29	22%
Total count	134	100%

Table 4 shows a visible upward shift in income levels. Only 15% of households report earning an annual household income below ₹1.5 lakh, while 37% fall in the ₹1.5–2.25 lakh range. A further 26% of households reported incomes between ₹2.25–3 lakh, and 22% exceeded ₹3 lakh annually.

This distribution indicates that a relatively small proportion of households now remain in the lowest bracket, while a significant share has moved into higher income tiers, reflecting an overall improvement in household earnings.

Table TN.3.3: Change in Income Levels: Pre vs. Post Loan Uptake

Income Levels	Before (Response)	Before (%)	After (Response)	After (%)	Change (Percentage)
Below 1.5 Lakh	45	34%	20	15%	–19%
1.5–2.25 Lakh	42	31%	50	37%	6%
2.25–3 Lakh	47	35%	35	26%	–9%
Above 3 Lakh	0	0%	29	22%	22%
Total	134	100%	134	100%	—

The comparison of income levels before and after shows a clear upward shift in earnings among respondents. The lowest income group, earning below ₹1.5 lakh, reduced significantly from 34% to 15%, indicating that many households moved out of extreme financial vulnerability. The share of respondents in the ₹1.5 to 2.25 lakh category also increased from 31% to 37%, suggesting gradual upward mobility into a more stable income range. Although the ₹2.25 to 3 lakh group declined from 35% to 26%, this drop is explained by a substantial rise in the above ₹3 lakh category, which increased from 0% to 22%, reflecting strong improvement in income levels.

TN.4 Average Monthly Household income pre vs post loan uptake (in Rs)

The average monthly income shows a substantial increase from ₹15,000 before to ₹25,000 after, reflecting a ₹10,000 rise in earnings. This represents a 66.7% increase in monthly income, indicating a strong improvement in the financial position of the respondents.

Table: TN.4.1 Employment Status

Employment Status	Response	Percentage
Salaried Employee due to business failure	5	3.7%
self employed	113	84.3%
Unemployed due to business failure	16	11.9%
Total	134	100%

The employment profile of the beneficiaries highlights a strong reliance on self-employment. An overwhelming 84.3% of respondents identify as self-employed, suggesting that the majority are engaged in entrepreneurial or own-account activities such as running small shops, providing household-based services, or managing micro-enterprises. This finding points to an adaptive

economic strategy in the absence of large-scale salaried job opportunities, particularly in rural and semi-urban contexts.

The predominance of self-employment reflects a grassroots-driven livelihood structure where individuals generate income independently rather than depending on formal labor markets. However, such dependence on informal work can expose households to risks such as unstable earnings, limited access to formal credit, and weak market linkages. These challenges restrict the ability of small enterprises to grow into sustainable ventures. Targeted interventions such as microfinance schemes, business development training, and integration with government or NGO livelihood programs could strengthen this segment.

In contrast, only 3.7% of respondents are salaried employees due to business failure, representing a very small group with likely greater stability through formal employment in either government or private institutions. Meanwhile, 11.9% of the respondents remain unemployed due to business failure, indicating a vulnerable group that requires attention through employment generation and skill development programs.

TN.4.2 Healthcare Access

Access to healthcare appears robust, with 88.5% reporting easy access, while 12.5% face some difficulty. Although generally positive, the remaining gap could be addressed through improved last-mile delivery of medical services, particularly in rural and remote areas.

TN.4.3 Nature of Work before uptake on loans

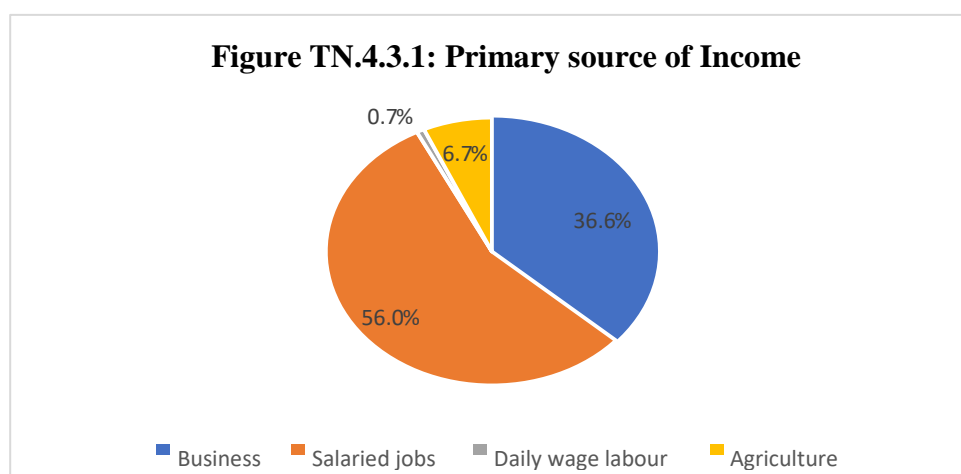
The distribution of primary sources of income among respondents reveals a strong dependence on salaried jobs. A majority (56.0%) report salaried employment as their main source of income, highlighting the importance of stable, wage-based work in sustaining household livelihoods. This group is likely engaged in public or private sector roles that offer relatively more security compared to informal or irregular income sources. However, the dominance of salaried jobs also underscores the need for skill enhancement and job creation policies to ensure continued absorption of the workforce.

Alongside salaried jobs, 36.6% of respondents identify business as their primary source of income. These are not large-scale ventures but typically small, localized activities such as shops, tailoring, or service-based enterprises. This reliance on micro-businesses reflects adaptability and entrepreneurial spirit, yet these households may face constraints in accessing credit, bookkeeping knowledge, or wider markets. Policy measures such as financial literacy training, digital payments, and linkages with SHGs, cooperatives, or online platforms could strengthen the viability of these small enterprises.

A smaller segment (6.7%) report agriculture as their primary source of income, while only 0.7% depend on daily wage labour. The relatively low share of agriculture, despite its traditional significance, may indicate a gradual shift away from farming due to challenges like fragmented

landholdings, declining productivity, or lack of modern infrastructure. The very small proportion in daily wage labour suggests limited dependence on casual work, though such households remain economically vulnerable given the absence of stable incomes.

Overall, the data points to a dual reliance on salaried employment and small-scale business activity, with agriculture and casual wage work playing only minor roles. This shift signals changing livelihood patterns and highlights the importance of targeted interventions for both wage-earners and self-employed households.



TN.5 Analysis of the Loan Access, Utilization, and Impact Assessment

Table TN.5.1: Time taken by the beneficiaries in obtaining loans from the SCA

Month Range	Responses	Percentage
Up to 4 months	90	67%
4-6 months	12	9%
More than 6 months	28	22%
Can't Recall	3	2%
Total Response	134	100%

The analysis of loan application and sanction timelines indicates that the majority of beneficiaries received their loans within a relatively short duration. Out of the 134 recorded responses, 90 beneficiaries (67%) had their loans sanctioned within up to 4 months of application. This demonstrates a fairly efficient process for most cases, ensuring timely access to financial support.

A small proportion of beneficiaries, 12 respondent (9%), experienced a loan sanction delay ranging between 4–6 months, while another 28 respondent (22%) reported waiting for more than 6 months.

Additionally, 3 respondents (2%) could not recall the exact time taken for loan sanction. Overall, the findings reveal that the scheme has largely been effective in ensuring quicker sanction of loans, with more than four-fifths of the beneficiaries accessing credit within a period of four months.

TN.5.1 Purpose of Uptake of loan

Table TN.5.1.1

Question	Responses					
	Working Capital	% of beneficiaries	New Business	% of beneficiaries	Business expansion	% of beneficiaries
Purpose of uptake of loan	60	45%	34	25%	40	30%

As can be noted from the table above, the largest share of respondents, 45%, reported taking loans primarily to meet their working capital requirements. This suggests that nearly half of the beneficiaries depend on credit to sustain day-to-day operations, manage cash flows, and ensure the smooth functioning of their enterprises rather than for long-term investments.

Meanwhile, 25% of the respondents indicated that the loan was used for setting up a new business, showing that a notable segment is channeling financial support into entrepreneurial ventures. Additionally, 30% of the beneficiaries reported utilizing the loan for business expansion, highlighting that credit has also been instrumental in enabling growth and diversification of existing enterprises.

TN.5.2 Utilization of loans for the intended purpose

100% beneficiaries had used the loan amount for the intended purpose. The activities for which utilization was done is given below:

Table TN.5.2.1

Activity	Responses	Percentage
Homestay	20	15%
Restaurant	11	8%
Hotel and lodging	44	33%
Cyber café	1	1%
Cardamom Plantation	1	1%
Kirana shop	57	43%
Total	134	100%

TN.5.3 Awareness of NBCFDC loan schemes, rates of interest & Facilitation of loans taken

Table TN.5.3.1

Question	Response/ Yes	Response/ Yes in %	Response/ No	Response/ No in %
Do you know the interest rate on your loan	117	87%	17	13%
Whether assistance received directly in bank account	94	70%	40	30%
Have you missed any installments	134	100%	0	0%

Question	Response/ Yes	Response/ Yes in %	Response/ No	Response/ No in %
Do you find the internet fair and affordable	121	90%	13	10%

The responses indicate a broadly positive picture of financial awareness and repayment discipline, with a few gaps that merit attention. A large majority (87%) report knowing the interest rate on their loan, while 13% remain unaware—suggesting the need for clearer rate communication at sanction and through follow-up counselling. Most beneficiaries (70%) confirm that assistance was received directly into their bank accounts, evidencing strong use of DBT mechanisms for transparent, efficient disbursement; however, the remaining 30% point to scope for universalising bank-linked transfers. Repayment behaviour is especially encouraging: 100% report no missed instalments, reflecting a disciplined culture of timely repayment. Perceptions of affordability are also favourable, with 90% finding the interest fair and affordable, though 10% still experience cost pressures—an area where repayment counselling, flexible schedules, or temporary hardship support could help. Overall, the data portray informed borrowers, effective digital disbursement, and strong repayment norms, alongside manageable gaps in interest-rate awareness and universal DBT coverage.

TN.5.4 Insurance and Risk Coverage

Only a small number of beneficiaries reported taking insurance along with the loan. The majority either did not opt for or were not aware/offered insurance as part of the loan package.

This is a missed opportunity in terms of promoting financial protection. In populations that are economically fragile, insurance (especially health and life cover linked to the loan) can prevent households from falling back into poverty due to unforeseen crises. The low penetration of insurance points to an area that requires immediate attention—both from the lending institutions and financial literacy programs.

TN.5.5 Creation of Assets out of loan assistance provided

Out of the 134 beneficiaries interviewed the following assets have been created:

Table TN.5.5.1

Activity	Responses	Percentage
Homestay	20	15%
Restaurant	11	8%
Hotel and lodging	44	33%
Cyber café	1	1%
Cardamom Plantation	1	1%
Kirana shop	57	43%
Total	134	100%

Most beneficiaries have either used it for up taking of working capital, purchase of raw material or business expansion. New business like that of the cybercafé was also established. Loan money was utilized for up taking agricultural activity through purchase of seeds in case of the cardamom plantation.

TN.6 Analysis of the Perception-Based Assessment of Loan Experience and Impact through Likert Scale

To assess beneficiaries' perceptions and experiences, a set of Likert scale questions was included in the survey. Respondents were asked to rate their satisfaction with loan services, the impact of the loan on their social and economic well-being, and changes related to women's empowerment. Each set of statements was rated on a standard 5-point scale, tailored to the theme.

The findings from the Likert scale analysis have been shown through visualizations in their respective sections given below:

TN.7 Satisfaction with Loan Services

The responses on the questions in the Likert scale for this category has been tabled and the observations are given below.

Table: TN.7.1

Questions	Number of respondents for each rating					% of Beneficiaries per response				
	1	2	3	4	5	1	2	3	4	5
Satisfaction of the loan scheme availed	7	1	2	28	96	5%	1%	1%	21%	72%
Assistance and guidance provided by the Agency	0	0	8	38	88	0%	0%	6%	28%	66%
Time taken for Loan approval	12	2	8	30	82	9%	1%	6%	22%	61%
Interest rates	7	2	2	38	85	5%	1%	1%	28%	63%
Fund disbursement process	3	2	7	30	92	2%	1%	5%	22%	69%
Amount of loan disbursed	3	1	3	33	94	2%	1%	2%	25%	70%
Loan Repayment Terms	2	0	12	29	91	1%	22%	9%	#REF!	68%
Transparency of Loan Terms	0	0	10	22	102	0%	0%	7%	16%	76%
Employee behaviour during lending process	0	0	10	37	87	0%	0%	7%	28%	65%
Guarantee requirements	0	0	10	40	84	0%	0%	7%	30%	63%

Analysis:

- **Satisfaction with the Loan Scheme Availed**

A very large share (93%) expressed satisfaction with the scheme—21% satisfied and 72% highly satisfied. Only 7% were dissatisfied/neutral (5% and 1% each, plus 1% neutral). This shows the scheme is strongly meeting borrower expectations.

- **Assistance and Guidance Provided by the Agency**

About 94% rated the agency's support positively (28% satisfied, 66% highly satisfied), while 6% were neutral and none dissatisfied. Agencies are largely providing effective handholding, with limited scope to improve pre-sanction guidance for the neutral group.

- **Time Taken for Loan Approval**

Approval timelines were viewed positively by 83% of beneficiaries (22% satisfied, 61% highly satisfied). A smaller portion reported concerns—10% dissatisfied and 6% neutral—suggesting a need to streamline a few bottlenecks.

- **Interest Rates**

Satisfaction with interest rates is high at 91% (28% satisfied, 63% highly satisfied), with 1% neutral and 6% dissatisfied. While broadly acceptable, rates remain a pain point for a small minority.

- **Fund Disbursement Process**

Nearly 91% were satisfied with disbursement (22% satisfied, 69% highly satisfied). Only 3% were dissatisfied and 5% neutral, indicating that once sanctioned, funds are reaching beneficiaries smoothly.

- **Amount of Loan Disbursed**

Satisfaction stood at 95% (25% satisfied, 70% highly satisfied); 2% were neutral and 3% dissatisfied. A small subset may have expected higher sanction amounts, pointing to the value of early expectation- setting.

- **Loan Repayment Terms**

A strong 90% rated repayment terms positively (22% satisfied, 68% highly satisfied). About 9% were neutral and 1% dissatisfied, implying terms are broadly workable, with a few borrowers perceiving rigidity.

- **Transparency of Loan Terms**

This is a clear strength: 92% found terms transparent (16% satisfied, 76% highly satisfied). Only 7% were neutral and 0% dissatisfied, reflecting high trust in communication and documentation.

- **Employee Behaviour During Lending Process**

Employee conduct drew very positive feedback—93% satisfied (28% satisfied, 65% highly satisfied) and 7% neutral, with no dissatisfaction reported. Professional, supportive interactions are enhancing borrower experience.

- **Guarantee Requirements**

While 93% were satisfied (30% satisfied, 63% highly satisfied), 7% remained neutral. This suggests some beneficiaries still seek clearer, earlier communication on guarantor/collateral norms to remove uncertainty.

Table TN.7.2: Likert responses on questions relating to Socio-Economic Standard of Living

Question	Number of Responses according to scale					% of Beneficiaries per response				
	1	2	3	4	5	1	2	3	4	5
Ability to repay debts	0	0	22	39	73	0%	0%	16%	29%	54%
Access to healthcare facilities	0	15	14	25	80	0%	11%	10%	19%	60%
Asset ownership	6	2	3	49	74	4%	1%	2%	37%	55%
Clothing standards	4	2	21	41	66	3%	1%	16%	31%	49%
Food and Nutritional Standards	0	0	17	33	84	0%	0%	13%	25%	63%
Household Savings	9	0	16	43	66	7%	0%	12%	32%	49%
Overall living standards	0	0	20	75	39	0%	0%	15%	56%	29%

Analysis:

- **Ability to Repay Debts**

A very strong 83% of beneficiaries felt confident about repayment (29% satisfied; 54% highly satisfied). Only 16% were neutral, and 0% dissatisfied. This indicates good repayment capacity and comfort with EMIs.

- **Access to Healthcare Facilities**

About 79% rated access positively (19% satisfied; 60% highly satisfied), while 10% were neutral and 11% dissatisfied. Most beneficiaries perceive better access, though a small segment still faces gaps.

- **Asset Ownership**

A combined 92% reported improvement (37% satisfied; 55% highly satisfied). Neutral and dissatisfied responses were low (2% and 5% respectively), suggesting the scheme is helping households build assets for the majority.

- **Clothing Standards**

Overall 80% expressed satisfaction (31% satisfied; 49% highly satisfied). 16% were neutral and 4% dissatisfied. This points to clear, though not universal, improvement in household consumption quality.

- **Food and Nutritional Standards**

This parameter shows one of the strongest gains: 88% satisfied (25% satisfied; 63% highly satisfied) with 13% neutral and 0% dissatisfied. Most households perceive tangible improvements in diet and nutrition.

- **Household Savings**

About 81% reported better savings (32% satisfied; 49% highly satisfied). 12% were neutral and 7% dissatisfied, indicating progress for most households but with some still struggling to set aside surplus.

- **Overall Living Standards**

A solid 85% rated their living standards positively (56% satisfied; 29% highly satisfied), 15% were neutral, and 0% dissatisfied. Beneficiaries largely agree that the scheme has improved day-to-day wellbeing, with many clustering in the “satisfied” category.

TN.8 Non-beneficiary Analysis

The parameter wise non-beneficiary analysis for 95 beneficiaries is given below:

Table: TN.8.1

Parameter	Analysis
What is your gender?	Male: 7.4%; Female: 92.6%
What is your highest level of education?	Graduate or higher: 7.4%; Secondary: 29.5%; Primary: 48.4%; No formal education: 14.7%
Where do you currently reside?	Urban area: 41.1%; Rural area: 48.4%; Semi-urban: 10.5%
What is the Nature of the house Occupied?	Concrete Roof: 66.3%; Sheet Roof: 18.9%; Hut: 7.4%; Tile Roof: 7.4%
What amenities are available in your home?	Electricity–Piped Water–Sanitation: 92.6%; Electricity–Piped Water–Sanitation–Internet: 7.4%
What is your marital status?	Married: 92.6%; Single: 7.4%; Widowed: 0%; Divorced: 0%
What is the Nature of Family?	Nuclear: 63.2%; Joint: 36.8%
Number of Dependents	No data available
What was your annual household income during 2020– 2023?	Below 1.5 Lakh: 25.3%; 1.5–2.25 Lakh: 74.7%; 2.25–3 Lakh: 0%

Parameter	Analysis
What is your annual household income now?	Below 1.5 Lakh: 25.3%; 1.5–2.25 Lakh: 50.5%; 2.25–3 Lakh: 25.3%; Above 3 Lakh: 0%
Average Monthly Income (₹)	During 2020–23: ₹13,750; Now: ₹14,750
What is your current employment status?	Self-employed: 100%; Employed (salaried): 0%; Unemployed: 0%; Student: 0%
What is your current economic status?	Above BPL: 66.3%; BPL: 33.7%
What is your primary source of income?	Business: 81.1%; Agriculture: 18.9%; Salaried job: 0%; Daily wage labour: 0%

TN.8.1 Change in Income Levels

The income distribution shows a clear upward shift over time. During 2020–2023, nearly 75% of respondents were concentrated in the 1.5–2.25 lakh slab, with 25% in the below 1.5 lakh category. In the current period, the income profile has diversified and improved: while 25% still fall below 1.5 lakh, a significant proportion has moved into higher brackets — 50.5% now earn between 1.5–2.25 lakh, and 25.3% have progressed into the 2.25–3 lakh category. This upward transition, along with a rise in average monthly income from ₹13,750 to ₹14,750, indicates improved economic stability and increased earning capacity among respondents.

TN.8.2 Overall Insight

The analysis shows that in Tamil Nadu, beneficiaries are predominantly from low- and mid-income backgrounds, with only limited income growth reported, and awareness levels about NBCFDC are low even among participants. For non-beneficiaries, these challenges are magnified—they are more likely to remain in the lowest income categories, see little or no improvement in earnings, and remain unaware of available schemes. This underscores the need for targeted awareness drives and stronger outreach to ensure that the most vulnerable groups, particularly those currently excluded, can benefit from support and move towards more sustainable income growth.

TN.9 Success Story:

Sakthivel P, Tamil Nadu



Field	Details
Name of SCA	Tamil Nadu Adi Dravidar Housing and Development Corporation (TAHDCO)
Name of Scheme	General Loan Scheme (Small Business Category)
Name of Beneficiary	Sakthivel P
Loan Amount Requested	₹50,000/-
Loan Amount Received	₹47,500/-
Annual Income Before & After Taking Loan	₹1,00,000/- (before) → ₹1,44,000/- (after)
Purpose of Loan	Small business expansion (purchase of raw materials & working capital)

Sakthivel P, a 59-year-old resident of an urban neighbourhood in Tamil Nadu, has spent most of his life working hard to support his family. Living in his own modest house with a hut-type structure and sharing responsibilities within a joint family, Sakthivel was the main earning member with four dependents relying on him. With only primary education and limited resources, he ran a small business, earning about ₹1,00,000 annually — barely enough to meet household needs and monthly expenses of nearly ₹50,000. Despite his consistent efforts, lack of capital kept his business from growing. He struggled to buy raw materials, maintain inventory, or upgrade even basic tools. His savings were minimal, and without external help, expansion was not possible.

Everything changed when Sakthivel learned about the NBCFDC General Loan Scheme through government offices/banks. Motivated, he applied offline for a loan under the Small Business Category. His application was processed, and he received ₹47,500, which he immediately invested in his business. With the loan amount, Sakthivel purchased raw materials and essential supplies, stabilized his day-to-day working capital, and improved business operations. As a result, his income witnessed a significant improvement rising from ₹1,00,000 to about ₹1,44,000 annually. This increase gave him financial breathing space and allowed him to manage household needs more comfortably.

Sakthivel has been a regular loan repayer, maintaining discipline and showing clear commitment to financial responsibility. He now feels more secure, confident, and optimistic about expanding his business further. The loan not only strengthened his livelihood but also restored his confidence in his ability to provide for his family.

For Sakthivel, the NBCFDC-supported loan has been more than financial assistance it has been a lifeline, enabling him to rebuild stability and dignity through sustainable income generation.



State Report

Telangana



State Report -Telangana

T.1 Introduction

T.1.1 Background of Telangana Backward Classes Co-operation Finance Corporation Ltd.

The Directorate of Welfare of Schedule Castes & Backward Classes Department implements various schemes for the Welfare of Schedule Castes & Backward Classes in the State of Telangana. The main function of the Department is to co-ordinate and supervise the activities of other departments in the matter of implementation of various schemes designed for the Welfare of Scheduled Castes, Backward Classes and De-notified Tribes. To ensure all round development of Scheduled Castes & Backward Classes a separate Administrative Secretary and Director have been posted. Financial assistance to those who are not in a position to sustain themselves from their own resources and are in dire need of financial assistance various enticing schemes has been launched.

T.1.2 Disbursement of Loans under NBCFDC in the State

The NBCFDC lending schemes in Telangana have been in operation through the Telangana Backward Classes Co-operation Finance Corporation Ltd, reflecting a long-standing institutional commitment to the socio-economic upliftment of marginalized communities. Over the years, the SCA has built considerable implementation capacity and domain experience. Micro Credit Scheme (MCS), Education Loan Scheme, and the Term Loan Scheme. This portfolio addresses a broad range of development needs—from women's empowerment and micro-entrepreneurship to education and business expansion for small-scale Industries, Business sector.

The average loan size ranges from ₹50,000 to ₹3 lakh, which makes it well-suited for micro and small enterprises. These loans have supported traditional occupations and informal sector activities that dominate the livelihoods of backward class communities. The Term Loan Scheme, in particular, has seen the highest uptake. Education Loan uptake has been minimal, which could point to either lower demand, stricter eligibility, or gaps in awareness and guidance for potential student borrowers. Loans in the Agriculture and Allied sectors have shown fluctuating engagement, suggesting that while rural enterprise financing exists, its consistency is influenced by seasonal, policy, or outreach-related factors.

The state's loan recovery performance has shown a declining trajectory over the observed period. In the financial years 2020–22, the recovery rate stood at a relatively strong 93.38%, reflecting effective collection mechanisms and borrower compliance during that time. However, in 2022–23, there was a notable decline, with the recovery rate dropping to 85.86%. This 7.52 percentage point decrease indicates emerging challenges in repayment behaviour, enforcement, or economic conditions affecting borrowers' ability to repay. The trend signals a need for corrective measures to prevent further deterioration and to improve credit discipline and financial health in the state.

T.1.3 Sample Population

A sample size of 200 beneficiaries and 200 non-beneficiaries was determined in consultation and as per terms of reference given by NBCFDC for the state of Telangana as per the sampling plan for the study. Beneficiaries were interviewed through random sampling from the list of beneficiaries given by the SCA. Beneficiaries were covered from districts of Yadadri Bhongir and Ranga Reddy. The interviews were done through the Kobo tool and a structured closed ended questionnaire.

T.1.4 Sample Design Selection of Districts

The state of Telangana was selected for this evaluative study as per the proposed sampling plan. State Channelising Agency selected for this evaluation was Telangana Backward Classes Co-operation Finance Corporation Ltd. Therefore, the districts for which consent was received became part of the present study. These districts were selected in consultation with the SCA (Stree Nidhi credit co-operative federation LTD) in Telangana.

T.1.5 Sources of Data

This was an empirical study intending for an evaluation of the lending schemes already implemented. The list of the beneficiaries for Term Loan schemes of NBCFDC for the period of study (2020-23) was shared by SCA which comprised the name and other details of the beneficiary of the loan schemes. All the willing beneficiaries were contacted through the State Channelising Agency and were verified from the available list of beneficiaries.

The evaluation for various other parameters like the utilization ratio, loan recovery ratio/mechanism, number of defaulters and the mechanism of monitoring done for these loans by the SCAs has been collected through the questionnaires in Kobo toolbox. Additionally, information has also been gathered from their websites and annual reports.

T.1.6 Research Tools

T.1.6.1 Key Impressions and Insights from Field Survey

- Based on field observations, several key insights emerged regarding the operational practices and effectiveness of NBCFDC's loan implementation through the State Channelising Agency (SCA). It was noted that all loans disbursed fall under the Term Loan category, with no diversification into other lending products. Despite a demand for higher-value loans among beneficiaries, the District Manager (DM) is restricted to sanctioning loans only up to ₹1 lakhs, limiting the ability to meet the full capital needs of small entrepreneurs.
- A recurring issue observed was that beneficiaries lacked clarity about the applicable interest rates. While they were generally aware of the monthly repayment amounts, they were unaware of the exact rate of interest, indicating gaps in financial literacy and pre-disbursement counselling. Additionally, standard deductions are made at the time of loan sanction, including

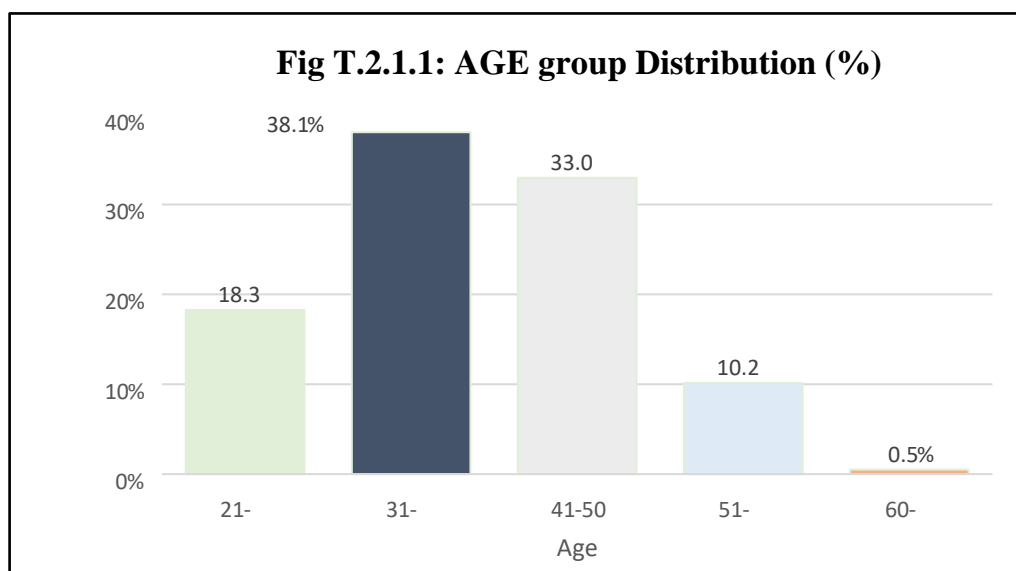
charges for insurance coverage of work-related assets. However, it was found that none of the beneficiaries continued the insurance beyond the first year, primarily due to a lack of awareness. Most were unaware that any such insurance had been activated or could be renewed. This highlights the urgent need for enhanced counselling by the SCA on the importance of insuring productive assets and the procedural steps to maintain coverage.

- Another critical finding was that the minimum sanctioned loan amounts are often too small to enable sustainable income generation. Beneficiaries receiving smaller amounts reported that these were insufficient to establish viable economic activities. In contrast, loans of ₹1,00,000 and above were reported to be more effective in meeting livelihood needs, contributing more meaningfully toward business sustainability and income security.

T.2 Analysis of the Socio-Economic Parameters

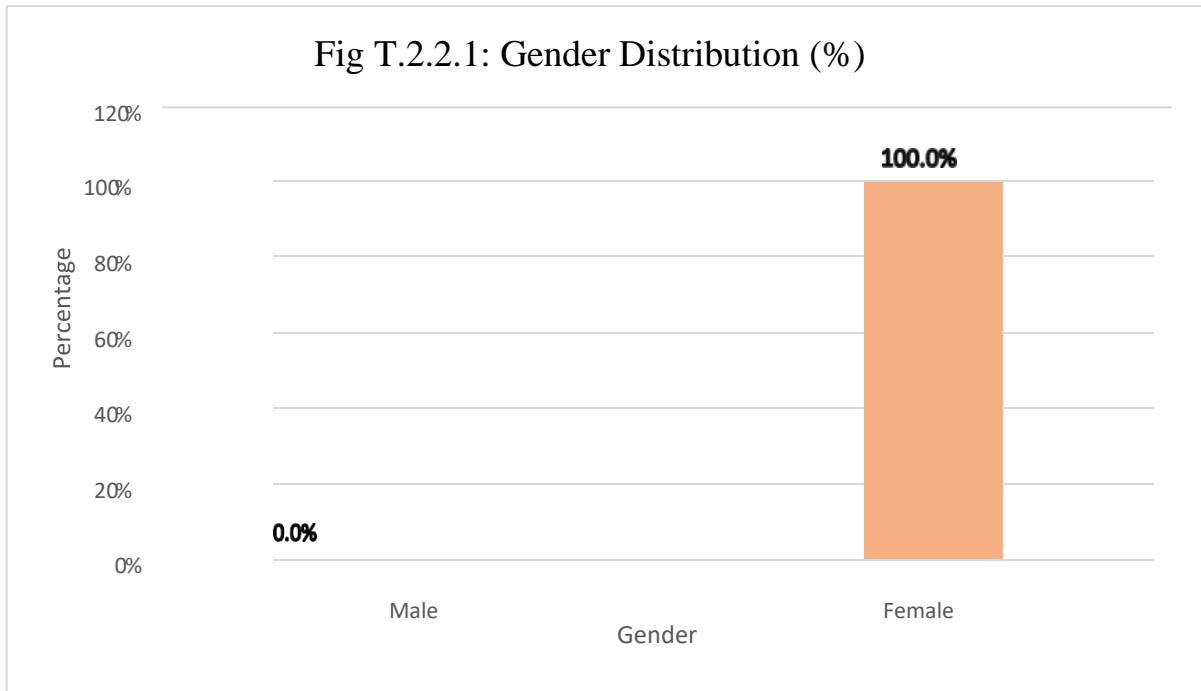
T.2.1 Age Group Distribution:

The age profile of respondents is concentrated within the working-age population, particularly between 20 and 60 years, with a noticeable peak at age 40. This indicates a focus on economically active individuals, aligning with the goal of providing productive loans to those likely to engage in self-employment or enterprise. Older age groups (51–60) are relatively underrepresented.



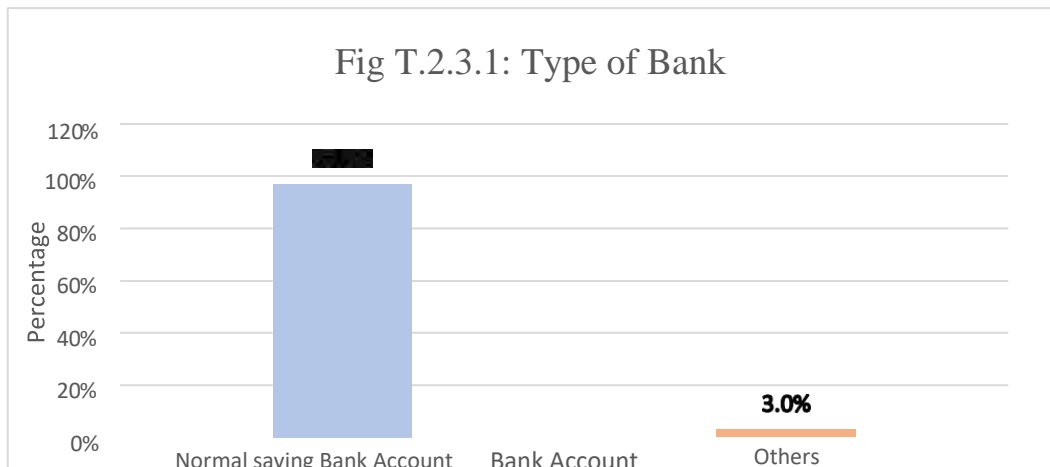
T.2.2. Gender: Among the respondents, 100% are female. This reflects a targeted lending initiative focused solely on women, which is common in: Microfinance loans, bank linkage programs, government schemes. The data highlights a strong effort toward financial inclusion for women, especially in contexts where women have traditionally had limited access to formal credit.

Women gaining access to credit helps improve household income, children’s education, and overall community development.



T.2.3 Type of Bank Account

Among the respondents, 97.0% use normal savings bank accounts, and only 3.0% use other Accounts. This indicates a significant shift toward mainstream banking products, suggesting increased financial inclusion beyond basic zero-balance accounts.

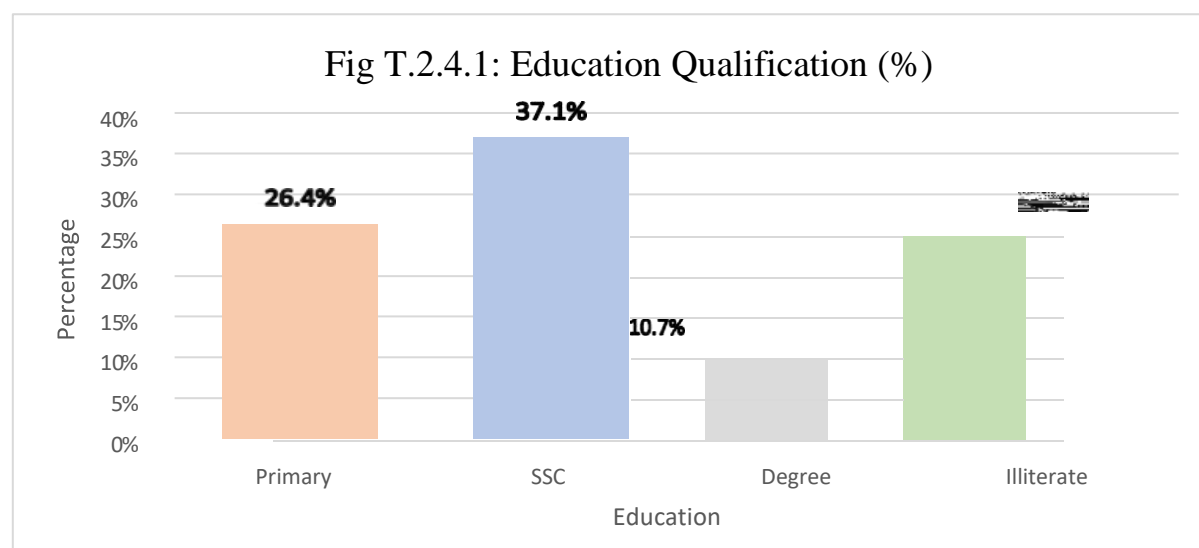


T.2.4 Education Level

The loan beneficiaries come from varied educational backgrounds. The largest group of beneficiaries have completed SSC (**37.1%**), indicating that individuals with basic secondary education are most active in accessing loans for livelihood and business purposes.

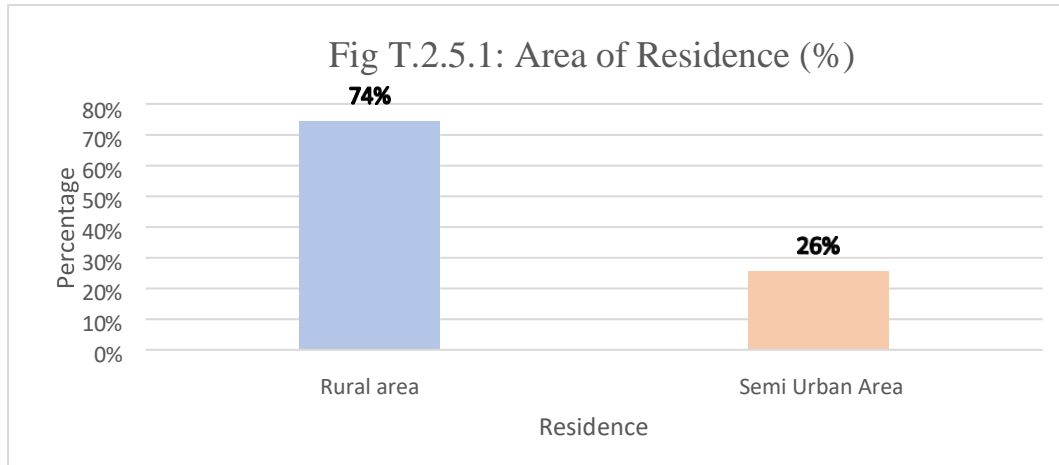
A significant portion of beneficiaries are either Primary educated (**26.4%**) or Illiterate (**25.9%**), together accounting for over half of the total borrowers. This shows that people with limited or no formal education are also effectively utilizing financial support to improve their livelihoods, highlighting the inclusiveness of loan schemes.

On the other hand, only **10.7%** of beneficiaries are graduates, which suggests that highly educated individuals are less dependent on such loan schemes, possibly due to alternative income sources or better access to formal financial institutions.



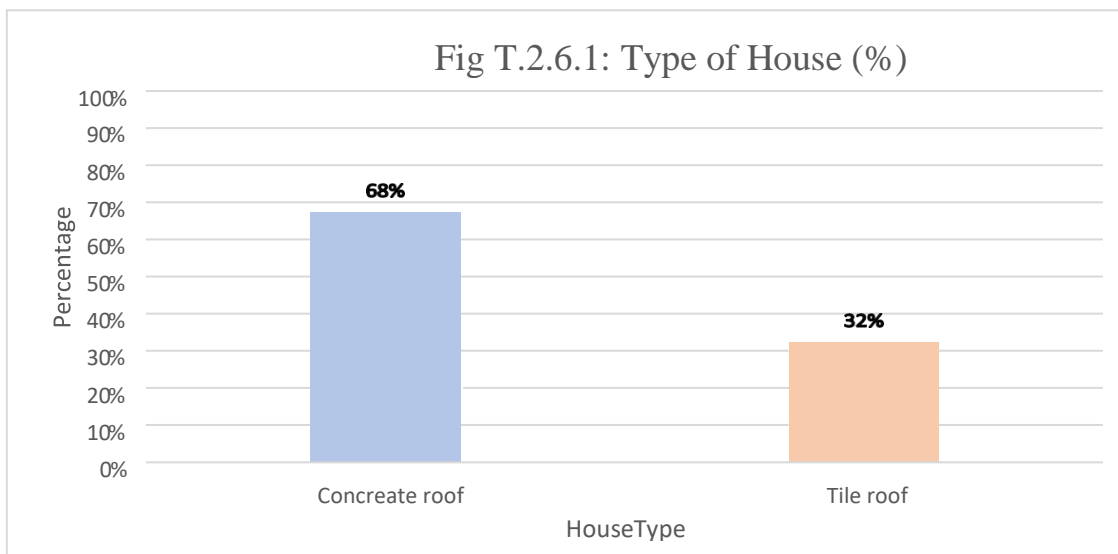
T.2.5 Residential Area

Among the respondents, **74% in rural**, and **26% in semi-urban areas**. This suggests that most beneficiaries are rural-based and shows awareness programs working on rural areas. However, a decent percentage of semi-urban shows scheme better utilized in the rural areas than utilized by cities.



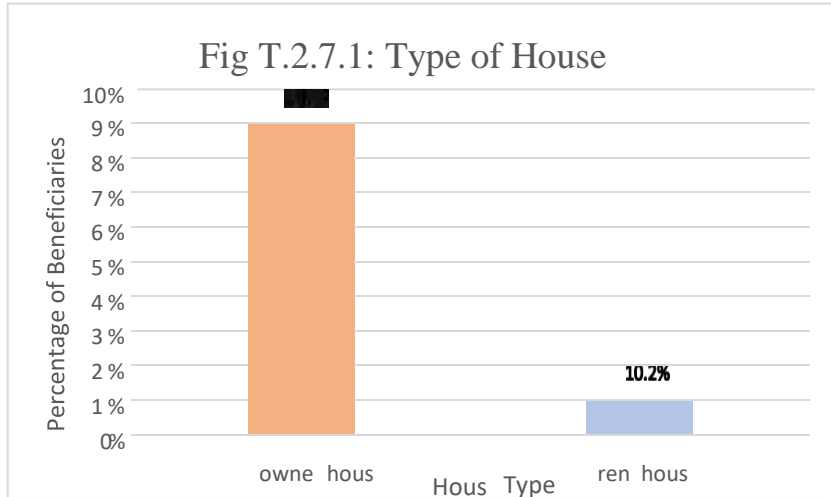
T.2.6 Type of House

Among the respondents, 68% reside in concrete-roofed houses, while 32% live in tile-roofed homes. This indicates a significant representation of individuals in secure housing conditions, pointing to a relatively stable socio-economic base among beneficiaries.



T.2.7 Ownership of Residence

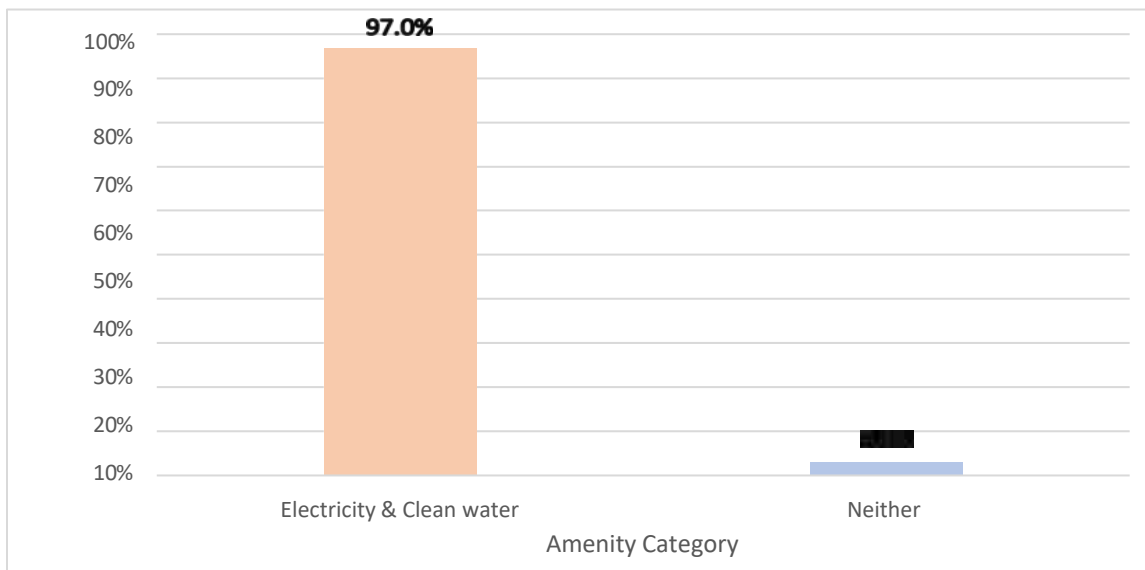
Among the respondents, 89.8% live in self-owned houses, while only 10.2% reside in rental accommodations. This reflects residential security among beneficiaries, often considered a positive factor for financial eligibility and loan recovery potential.



T.2.8 Electricity and Water Availability at Home

97.0% of beneficiaries have access to both electricity and clean water, reflecting strong foundational infrastructure coverage across the surveyed population. Only **3.0%** have neither, which shows schemes are effective in improving basic necessities.

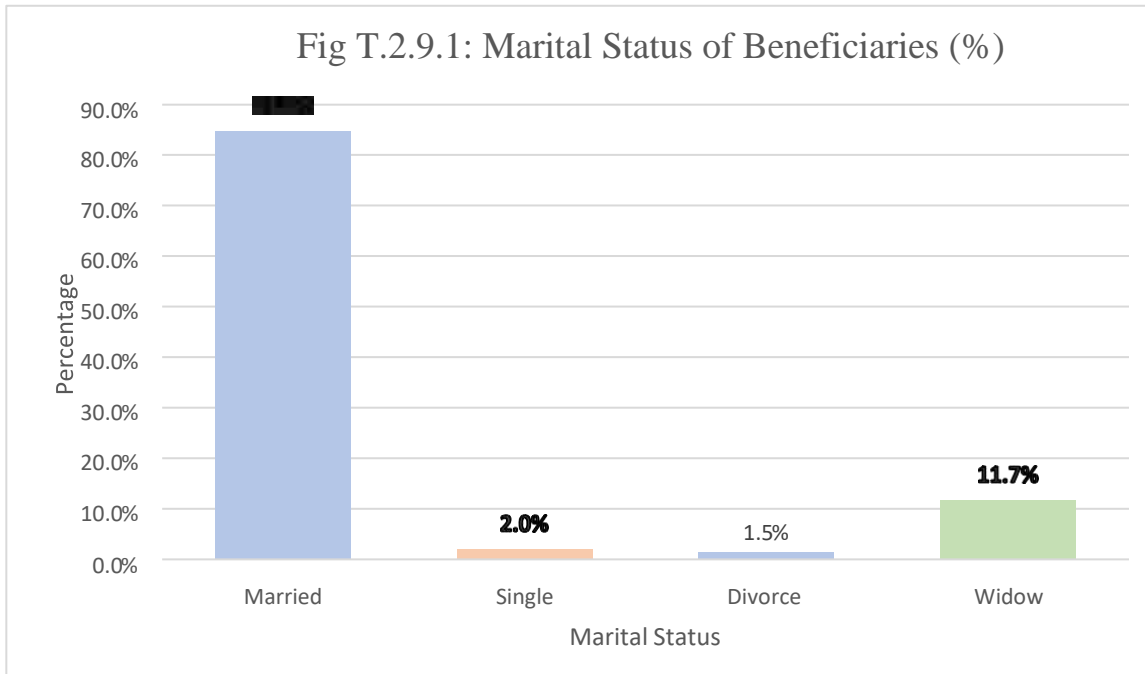
Figure: T.2.8.1



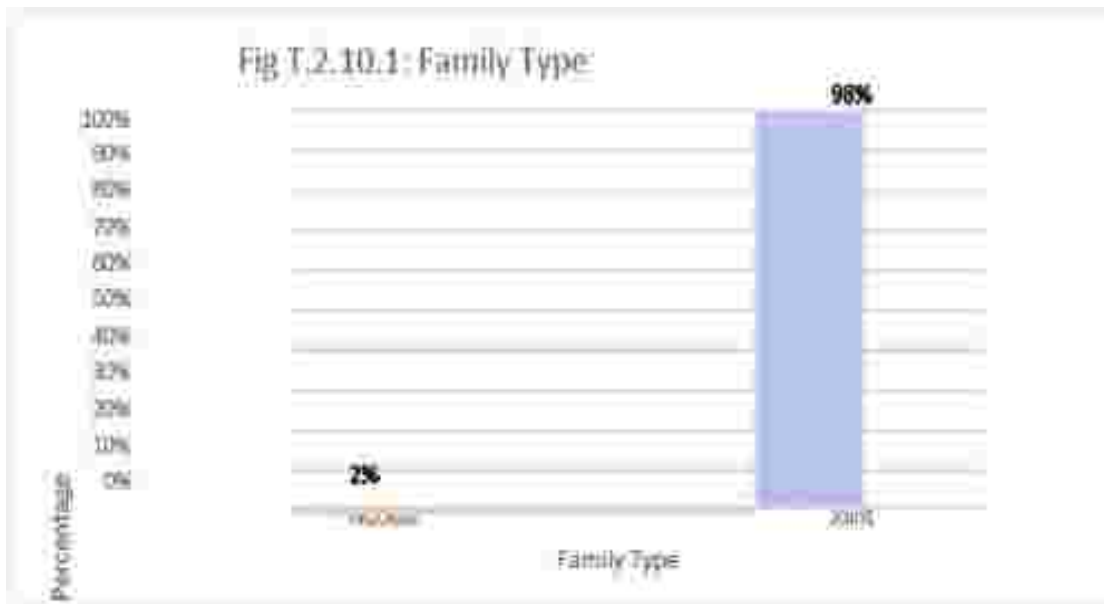
T.2.9 Marital Status

The majority of respondents (84.8%) identified as married, indicating that the NBCFDC schemes are primarily reaching family-centred individuals, many of whom are likely the primary earners or jointly responsible for household welfare. A smaller segment, 2.0%, are single, highlighting

inclusion of independent individuals, possibly young adults or early-stage entrepreneurs. Just 1.5% of the beneficiaries are Divorced & 11.7% widow representing a vulnerable demographic that may require more targeted support.

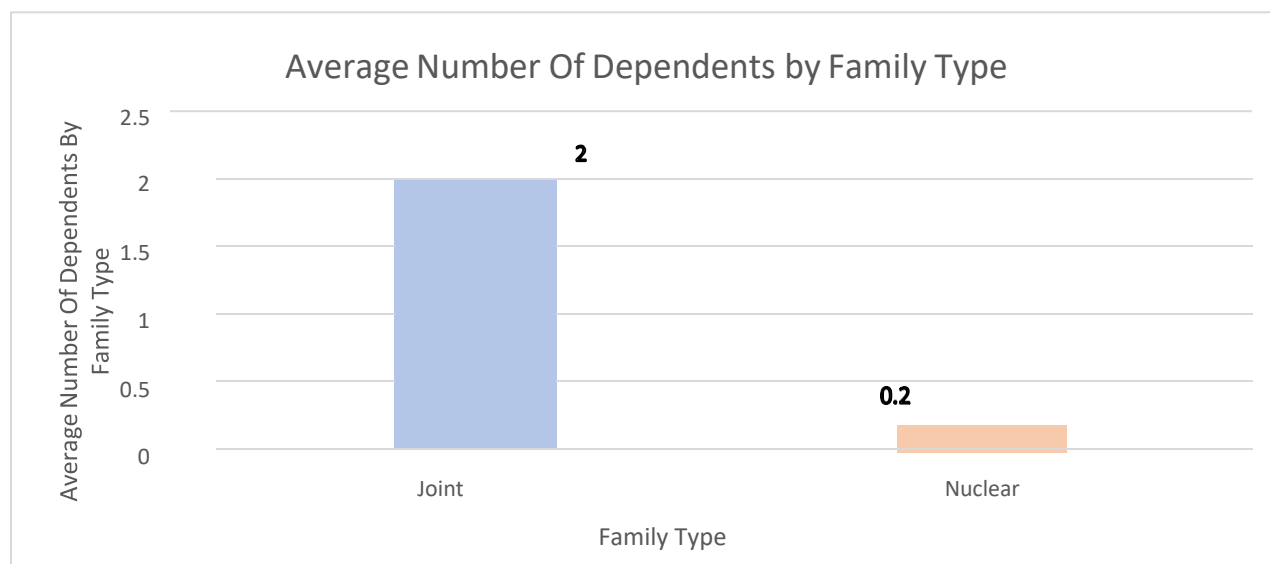


T.2.10 Nature of Family



The distribution of beneficiaries shows divide between nuclear families (2%) and joint families (98%), suggesting that the NBCFDC effectively reaching households with joint families. This

shows the scheme helping even the disappearing nuclear family structure along with modern family structure.



When comparing the number of dependents, joint families have a higher average at 2 dependents, while nuclear families average 0.2 dependents. The divide is expected as it is consistent with expectations— joint families often include extended members such as parents, in-laws, or siblings, increasing dependency.

T.2.11 Annual family household income pre vs post loan

Table T.2.11.1: Annual Income of beneficiaries Pre Loan

Income Level (Annual)	Count	Percentage
Below 1.5 Lakh	166	83
1.5 – 2.25 Lakh	22	11
2.25 – 3 Lakh	14	7
Total	200	100

Before receiving financial assistance, the majority of beneficiaries were concentrated in the lowest income bracket, with 83% earning below ₹1.5 lakh annually. Only 11% fell in the ₹1.5–2.25 lakh range, and a small 7% were in the ₹2.25–3 lakh category. This distribution clearly indicates that the beneficiary group largely comprised low-income households with limited financial capacity and modest economic activity prior to accessing the loan.

Table T.2.11.2: Annual Income of beneficiaries Post Loan

Income Levels	Responses	Percentage
Below 1.5 Lakh	88	44
1.5–2.25 Lakh	38	19
2.25–3 Lakh	32	16
Above 3 Lakh	40	20
Total	200	100

Following the uptake of loans, the income profile of beneficiaries shows a significant upward improvement. The proportion of households earning below ₹1.5 lakh annually reduced to **44%**, almost half of the pre-loan share, demonstrating strengthened earning capacity. Meanwhile, **19%** of beneficiaries moved into the ₹1.5–2.25 lakh range, and **16%** reached the ₹2.25–3 lakh bracket. Most notably, **20%** of beneficiaries crossed into the above ₹3 lakh income category, which previously had zero representation. This shift reflects enhanced productivity, expanded enterprise activities, and improved livelihood outcomes supported by the loan interventions.

Table T.2.11.3: Change in Income levels Pre vs Post Loan

Income Level (Annual)	Pre-Loan (%)	Post-Loan (%)	% Change in beneficiaries
Below 1.5 Lakh	83	44	-39
1.5 – 2.25 Lakh	11	19	8
2.25 – 3 Lakh	7	16	9
Above 3 Lakh	0	20	20

The comparative assessment reveals a clear and meaningful upward mobility among beneficiaries. The sharp 39percentage-point decline in the lowest income slab signifies that a large share of households transitioned to higher earning categories. The middle-income brackets showed moderate but steady improvements, with 8 and 9 percentage-point increases, respectively. The most impactful change is observed in the 20% of beneficiaries who moved into the above ₹3 lakh category, indicating significant income enhancement for a sizable segment. Overall, the data confirms that the loan scheme played a transformative role in elevating household incomes and strengthening economic resilience.

T.3 Average Household Monthly Income Pre and Post loan (in Rs)

A clear improvement was observed in household income levels after the uptake of the loan, with the average monthly income rising from Rs 13,188 to Rs 19,330. This represents a substantial increase of approximately **46%**, reflecting the positive impact of the loan on enhancing earning capacity. The rise suggests that beneficiaries were able to expand their economic activities, improve productivity, or diversify their income sources following the financial support, leading to stronger and more sustainable livelihood outcomes.

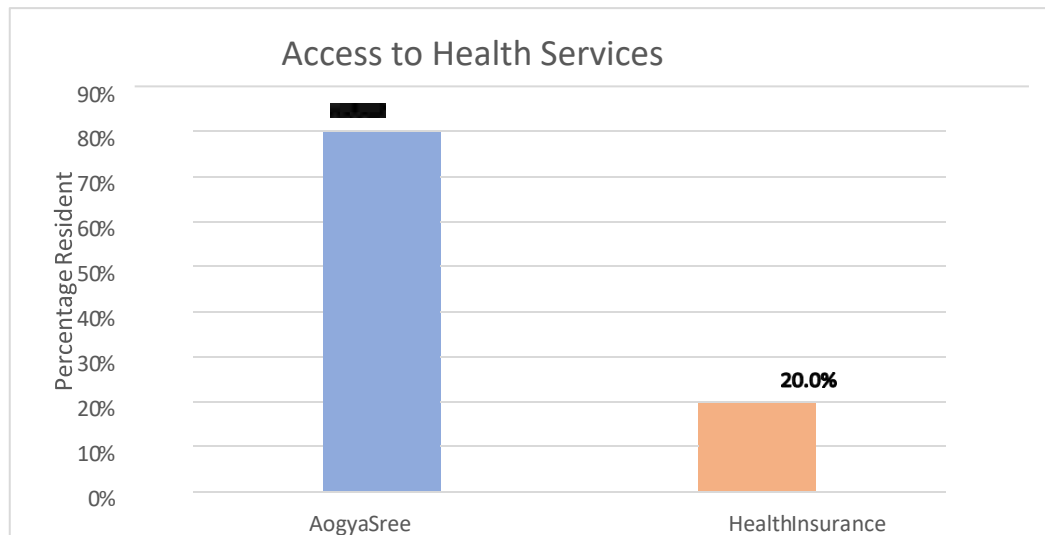
T.3.1 Employment Status

The distribution of employment status among the beneficiaries reveals a strong dominance of self-employment, with approximately 91.9% of respondents engaged in self-employed occupations. This indicates that the NBCFDC schemes are primarily reaching individuals who are either running small businesses or are involved in informal economic activities, reflecting the program's alignment with grassroots entrepreneurial needs. Only 8.1% of respondents reported being unemployed despite having undertaken the loan, indicating that the scheme has predominantly reached economically active individuals who are in a position to utilize financial support for income-generating activities.

When examining the role of the main earner in the household, the data shows that in 62.2% of cases, the respondents themselves are the primary earners, indicating a substantial level of economic self-reliance among beneficiaries. Meanwhile, in about 21.6% of households, the main earner is referred to as “Owner,” likely implying the head of the household or the principal economic contributor other than the respondent. The remaining 16.2% reflect a mixed category, including spouses, sons, or other named individuals, highlighting the presence of shared earning responsibilities. This distribution reflects the diversity in household structures and income sources, while also demonstrating that the scheme effectively supports both individual and family-led economic units.

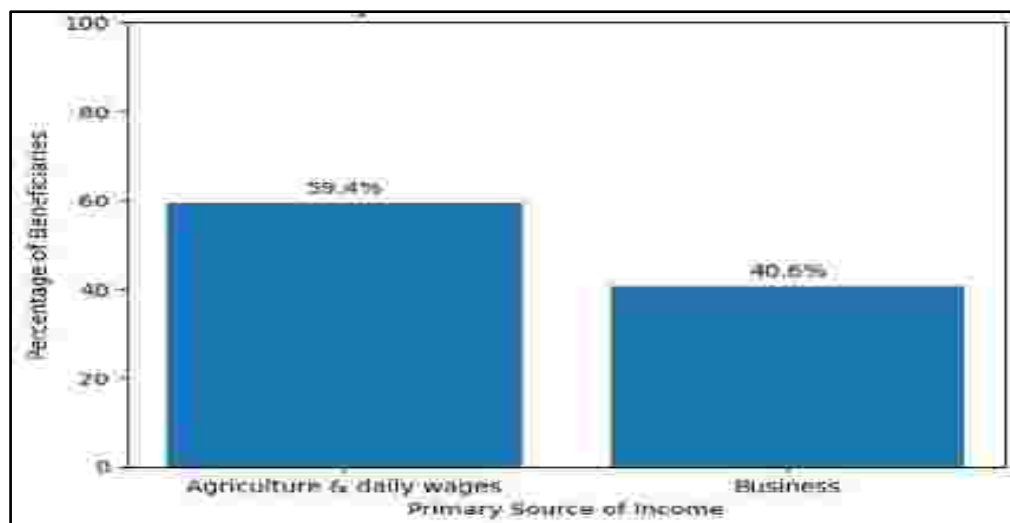
T.3.2 Healthcare Access

Approximately **80%** of respondents reported having access to some form of **Arogyasree** including Ayushman cards, LIC policies, government insurance schemes, or private insurance and were able to access services without major barriers.



In addition, 20% of the beneficiaries rely on direct government facilities such as government hospitals, dispensaries, or government health cards, without mentioning insurance as a mediator. This underlines the continued dependence on public infrastructure for primary healthcare services.

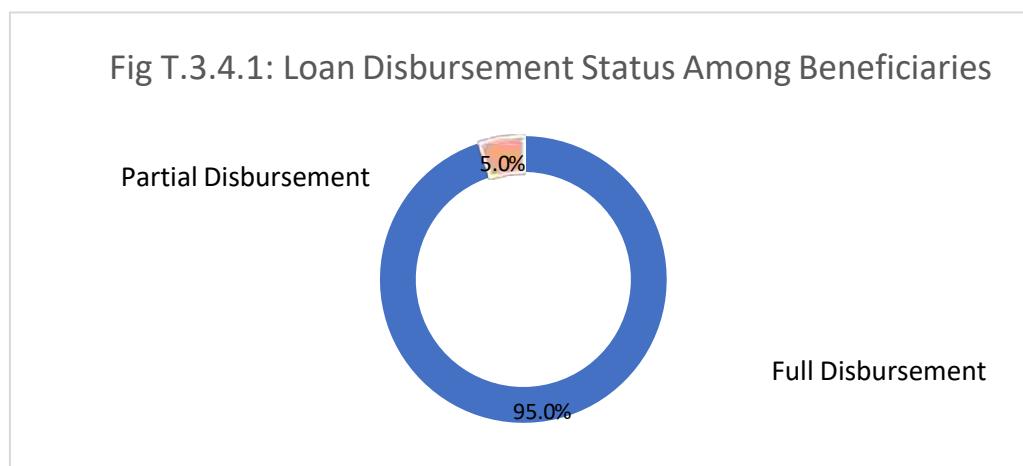
T.3.3 Primary Source of Income



59.4% of respondents report agricultural work as their primary source of income. This reflects the scheme’s strong alignment with microenterprise and self-employment sectors, affirming its relevance to Agriculture relative work, and daily wages form the backbone of rural and peri-urban economies.

Interestingly 40.6% of beneficiaries reported business as their main livelihood. This indicates the scheme is helpful for both agriculture workers and business employers.

T.3.4 Analysis of the Loan Access, Utilization, and Impact Assessment

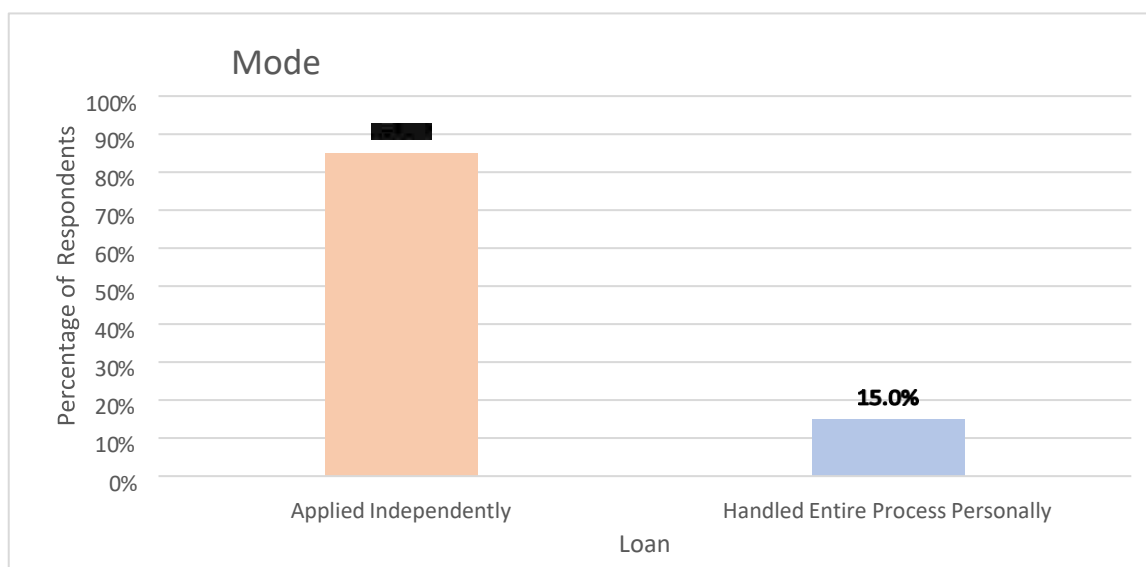


In case of disbursement of the loans, 95% % of the beneficiaries reported to have received the full amount they applied for, while 5% experienced partial disbursement. To understand the overall responsiveness of the loan disbursement process, the average disbursement rate was calculated as the ratio of the amount received to the amount applied, across all respondents.

The analysis reveals an average disbursement rate of approximately 95%, indicating that, on average, beneficiaries received 95 paise for every rupee they applied for. A closer look shows that full disbursements were most common in cases where the requested loan amount was ₹50,000 or ₹100,000. These cases were typically approved without deduction.

T.3.5. Awareness & Facilitation

The analysis of responses regarding how beneficiaries applied for the loan indicates that a **majority (85%)** reported applying **independently**, without any external support. This suggests a fairly high level of confidence and awareness among respondents about the loan application process.

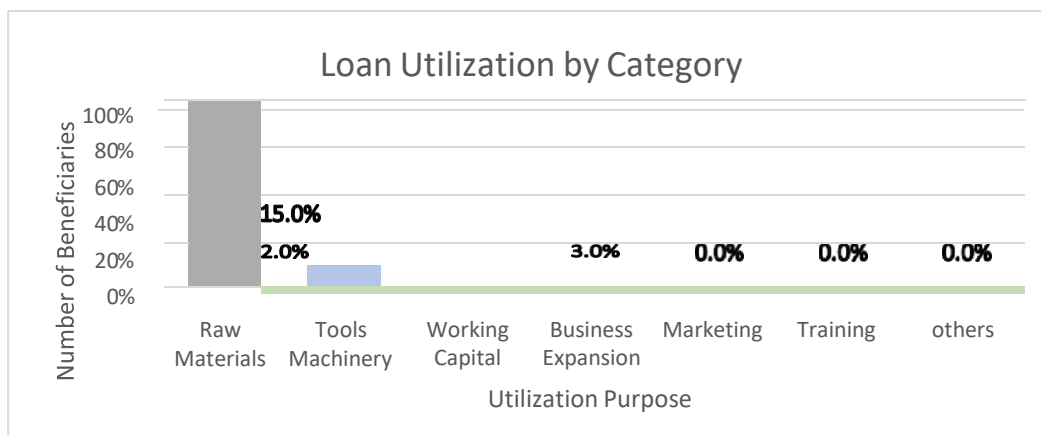


A share, around 15%, reported that they handled the entire process personally, reinforcing the finding that a few respondents were not only independent but also fully self-sufficient in dealing with procedural aspects.

Overall, while the majority appear to be capable of managing the process on their own, the data also suggests that indicating a potential need to strengthen facilitation services, simplify procedures, or enhance outreach to ensure broader accessibility and ease.

T.3.6 Utilization of Loan for the Intended Purpose

The analysis of loan utilization patterns among beneficiaries indicates that a significant majority reported using the loan for the purchase of raw materials, with approximately 80% of respondents selecting this option. This suggests that immediate operational inputs remain a primary concern for most borrowers, especially those engaged in small-scale production or trade activities.



About 15.0% of the beneficiaries utilized their loans to acquire tools and machinery, reflecting a notable investment in fixed assets that could contribute to enhanced productivity or service delivery. This points to a willingness among many respondents to use credit for capacity-building rather than just short-term needs.

A smaller share, around 2%, reported using the loan for working capital purposes, such as meeting daily business operational expenses. While this category reflects important liquidity needs, it was less prominent compared to raw material procurement or asset purchase.

Relatively fewer respondents, about 3%, reported using the loan for business expansion, such as acquiring additional space or scaling their operations. This limited engagement in long-term growth oriented utilization may suggest risk aversion or limited enterprise margins within the target group. Usage for marketing and promotion was negligible and there were no significant responses related to training or repayment of prior debts, indicating that strategic or developmental aspects of enterprise management remain under-addressed.

T.3.7 Insurance and Risk Coverage

During field interactions and FGDs conducted in Telangana, it was observed that beneficiaries generally lacked awareness regarding insurance components linked to their loans. However, beneficiaries were neither informed about the purpose of this deduction nor made aware that an insurance policy had been initiated on their behalf.

As a result, there was no follow-up or renewal in subsequent years, and no structured mechanism appears to be in place for continued coverage. Only a very limited number of respondents

acknowledged having received or opted for insurance coverage at the time of loan disbursement. The majority were either unaware of such provisions or reported that insurance was not explicitly offered to them. This reflects a missed opportunity in advancing financial protection for economically vulnerable households. The absence of insurance coverage—particularly for physical assets, crops, or livestock financed through the loan—exposes beneficiaries to significant risks. Strengthening communication on insurance components and institutionalizing renewal mechanisms could substantially improve the resilience of these households.

Enhancing financial literacy and building institutional protocols around mandatory or optional insurance offerings may be critical steps in bridging this gap.

T.3.8 Post- Loan Outcomes

The post-loan outcomes observed among beneficiaries present a diverse but generally encouraging picture of economic progress. A considerable number of respondents reported having made profits through the enterprises supported by NBCFDC loans. While exact values vary, most estimates suggest monthly or seasonal profits ranging between ₹6,000 and ₹50,000, with some outliers indicating earnings in the range of ₹80,000–

₹100,000. In qualitative terms, beneficiaries conveyed satisfaction with business growth, and some even referred to expansion—such as increasing shop size or acquiring equipment for food-based enterprises. These patterns suggest that the loans have translated into tangible income generation, particularly for those operating in small trade or service sectors.

Although employment generation was limited, a few respondents reported creating local employment, especially in Tractor plantation another cited seasonal work paid daily wages per a day work, Hotel created a work for labour.

Savings behaviour was found to be relatively strong, with the majority of respondents indicating they save regularly. This reflects positively on financial discipline and the transition toward more stable household cash flow.

T.3.9 Creation of Asset

Asset Category	Count	Percentage
Agri Tractor	62	31
Weaving Unit	52	26
Livestock / Cattle Rearing	42	21
Kirana Shop	40	20
Fast Food Centre / Small Restaurant	4	2
Total	200	100

The survey data shows that the highest proportion of beneficiaries invested in agriculture-related machinery, with Agri-tractors accounting for 31% of the total assets created. This is followed by weaving units (26%), reflecting strong engagement in traditional craft-based livelihoods. Livestock and cattle rearing also form a substantial share at 21%, indicating a preference for dairy and allied activities. Kirana shops constitute 20% of the investments, showing micro-retail as another key income-generating avenue. Fast food and small restaurants account for a small portion (2%), suggesting limited but emerging interest in service-oriented micro-enterprises.

T.4 Analysis of the Perception-Based Assessment of Loan Experience and Impact through Likert Scale

To assess beneficiaries' perceptions and experiences, a set of Likert scale questions was included in the survey. Respondents were asked to rate their satisfaction with loan services, the impact of the loan on their social and economic well-being, and changes related to women's empowerment. Each set of statements was rated on a standard 4 and 5-point scale, tailored to the theme.

The findings from the Likert scale analysis have been shown through visualizations in their respective sections given below:

T.4.1 Satisfaction with Loan Services

The responses on the questions in the Likert scale for this category have been tabled and the observations are given below.

Table T.4.1.1: Likert responses on questions relation to Satisfaction with Loan Services

Parameter	Number of Responses for each scale					Total Responses
	1	2	3	4	5	
Satisfaction with Loan Scheme Aailed	0	0	6	138	56	200
Assistance & Guidance Provided by Agency	0	0	6	137	57	200
Time Taken for Loan Approval	0	0	6	140	54	200
Interest Rates	0	0	0	176	24	200
Fund Disbursement Process	0	0	6	137	57	200
Amount of Loan Disbursed	0	0	6	137	57	200
Loan Repayment Terms	0	0	6	137	57	200
Transparency of Loan Terms	0	0	6	137	57	200
Employee Behaviour During Lending Process	0	0	6	137	57	200
Guarantee Requirements	0	0	6	136	58	200

T.5 Analysis of Beneficiary Satisfaction on Loan Process (Percentage-Based Likert Analysis)

- Across all loan-related parameters, the majority of responses fall under scale 4, accounting for approximately 65–75% of total responses. This indicates that beneficiaries are consistently “satisfied” with every major aspect of the loan process.
- High ratings at scale 5 constitute around 20–30% of responses across most parameters. This reflects a strong segment of beneficiaries who are “highly satisfied,” showing that the scheme meets or exceeds expectations in several operational areas.
- Ratings at scale 3 form only about 3–5% of total responses, demonstrating that only a small minority reported moderate satisfaction. Scores of 1 and 2 are nearly non-existent, confirming that dissatisfaction levels are extremely low.
- Parameters such as Fund Disbursement Process, Assistance Provided by the Agency, and Loan Repayment Terms show especially strong performance, with over 70% rating these at scale 4 and about 25% at scale 5. This highlights efficient delivery and supportive institutional behaviour.
- Interest Rates and Transparency of Loan Terms also receive solid approval, with more than 65% giving a score of 4 and nearly 30% scoring them at 5, showing that beneficiaries find the financial terms fair and clearly communicated.
- Employee Behaviour during Lending stands out with close to 75% rating it at 4 and around 20% at 5, suggesting consistently respectful and helpful interactions with field staff.
- Overall, the percentage distribution shows that about 90–95% of all responses fall within the top two satisfaction categories (4 and 5).

T.5.1 Socio-Economic Standard of Living

The responses on the questions in the Likert scale for this category has been tabled and the observations are given below.

Table T.5.1.1: Likert responses on questions relating to Socio-Economic Standard of Living

Questions	Number of responses for each scale				
	1	2	3	4	5
Food and Nutritional Standards	0	0	1	101	95
Clothing Standards	0	0	1	101	95
Asset Ownership	0	0	1	101	95
Household Savings	0	0	1	101	95
Overall Living Standards	0	0	1	101	95
Ability to Repay Debts	0	0	1	101	95

T.5.2 Analysis of Socio-Economic Impact Indicators

The feedback provided through Likert-scale responses reveals strong positive perceptions regarding the impact of NBCFDC-supported loans on various aspects of socio-economic well-being.

- Ability to Repay Debts emerged as the most positively rated dimension, with 101 out of 197 respondents rating it at level 4. This reflects a high level of confidence in financial stability and repayment capacity post-loan.
- Household Savings and Overall Living Standards also received overwhelming endorsement, with 101 and 197 respondents, respectively, assigning the highest rating of 4. This suggests meaningful improvements in both financial behaviour and quality of life.
- Clothing Standards and Food and Nutritional Standards similarly showed favourable outcomes, with 101 out 197 respondents rating them at level 4. These indicators reflect enhanced consumption capacity and basic needs fulfilment.
- Asset Ownership showed a relatively broader spread across ratings, the majority still rated it 4 or 5, indicating tangible asset gains but with variation depending on household.
- Notably, there are no responses in the lower end of the scale (1, 2), suggesting that none of the respondents rated their standard of living as poor or very poor. The majority of responses cluster at level 4 and level 5, indicating a generally positive outlook on socio-economic conditions among the participants.

T.6 Non-beneficiary

The NBCFDC scheme in Telangana was designed to extend concessional loans to economically weaker sections for improving livelihood opportunities. However, survey findings indicate that despite clear eligibility, a section of applicants remained **non-beneficiaries** due to structural and procedural constraints. A total of 200 non-beneficiaries were surveyed from Telangana for the evaluation. The following table shows the parameter-wise findings for the non-beneficiary analysis.

Parameter	Analysis
Gender	Female: 100%
Highest Level of Education	Secondary: 46%; Graduate or Higher: 32%; Primary: 18%; No formal education: 4%
Residence Type	Rural: 78%; Semi-Urban: 18%; Urban: 4%
Type of House (Ownership)	Own House: 86%; Rental House: 14%
Nature of House Structure	Concrete Roof: 62%; Sheet Roof: 28%; Tile Roof: 6%; Hut: 4%
Amenities Available	Electricity: 97%; Piped Water: 88%; Sanitation: 84%; Internet: 22%; None: 3%
Marital Status	Married: 72%; Single: 20%; Widowed: 8%
Nature of Family	Joint: 68%; Nuclear: 32%

Parameter	Analysis
Number of Dependents	0–1: 22%; 2–3: 58%; 4 or more: 20%
Annual Income (2020–23)	Below 1.5 Lakh: 81%; 1.5–2.25 Lakh: 11%; 2.25–3 Lakh: 6%; Above 3 Lakh: 2%
Current Annual Income (2024–25)	Below 1.5 Lakh: 62%; 1.5–2.25 Lakh: 22%; 2.25–3 Lakh: 10%; Above 3 Lakh: 6%
Current Employment Status	Self-employed: 64%; Unemployed: 22%; Daily wage labour: 8%; Salaried: 6%
Economic Status	BPL: 74%; Above BPL: 26%
Primary Source of Income	Agriculture & Allied: 58%; Small Business: 28%; Labour Work: 10%; Salaried: 4%
Access to Healthcare	Yes, easily: 48%; Yes, but difficult: 30%; No Access: 20%; Not applicable/Other: 2%
Awareness of Loan Schemes	No: 92%; Yes: 8%
Reason for Not Applying	No Awareness: 78%; Collateral Requirement: 8%; Gender Bias: 2%; Lack of Group Formation: 12%
Willingness to Apply in Future	Yes: 82%; No: 18%
Primary Activity Preferred if Loan is Taken	Agriculture: 56%; Small Business: 30%; Transport: 8%; Services: 6%
Likelihood to Join SHG	Yes: 88%; No: 12%
Barriers to Loan Access (Avg. Likert Score)	Lack of Awareness: 4.3; Complicated Application: 4.1; Collateral Need: 4.2; Digital Literacy: 3.9; No Guidance: 4.2; Gender Discrimination: 3.7

In Telangana, beneficiaries are distributed across low, mid, and high-income categories, but most continue to see only limited growth in earnings. Awareness about NBCFDC remains moderate, though nearly half of the beneficiaries themselves lack proper knowledge of the institution. For non-beneficiaries, these challenges are more severe: they are likely concentrated in lower income groups, experience little or no income increase, and have very low awareness of support schemes. This underlines the need for more focused outreach, especially among low-income households, to ensure that the benefits of schemes reach excluded populations and support long-term income stability. Key discussion points with the SCA

Scheme Implementation

- The SCA has been associated with NBCFDC, indicating over three decades of experience in social sector lending. It manages multiple schemes, Education Loan Scheme, and Term Loan Scheme—each targeting different segments, including women, students, micro-entrepreneurs, and traditional artisans. This diverse portfolio demonstrates a comprehensive developmental intent.
- Beneficiary selection is carried out through a combination of open applications and partner recommendations, integrating both outreach and community-based identification. Awareness generation is predominantly field-driven, leveraging grassroots functionaries such as sarpanches and councillors to engage target groups. This bottom-up approach enhances both coverage and credibility at the village level.

Loan Disbursement and Monitoring

- Loan disbursements are made via Direct Benefit Transfer (DBT) or RTGS, reinforcing transparency. Pre- loan counselling is actively conducted, covering financial literacy, business planning, and repayment orientation, reflecting a commitment to responsible financing.
- The application system is online through the website, yet still accommodates offline submission, ensuring inclusivity across digital literacy levels. However, the absence of a Distress Relief Fund points to a vulnerability in protecting borrowers during unforeseen crises. The SCA also extends its reach by implementing NMDFC (minorities) and NDFDC (disabilities) schemes, showcasing multi-dimensional inclusion.
- Loan recovery strategies are robust, combining home visits by officers with online repayment options, balancing personal accountability with technological convenience. Disbursement timelines typically range from 1 to 3 months, which, while reasonable, could be further improved through automation and process standardization.
- The average loan size lies between ₹50,000 and ₹3 lakh, appropriately serving the micro and small enterprise segment. Risk management is ensured through guarantees for loans up to ₹1.5 lakh and collaterals or multiple guarantors for higher amounts, aligning financial access with prudent underwriting.
- Recovery rates have consistently improved over the past three years—93.38% in 2020–21, 91.05% in 2021–22, and 85.86% in 2022–23—highlighting strengthened monitoring and borrower responsibility. Disaggregated data shows that term loans for traditional businesses saw peak demand, while education loans saw low uptake, perhaps due to stringent criteria or poor linkage with career support systems.

T.7 Impact Assessment of NBCFDC Lending Schemes in Telangana: A Parameter-Based Synthesis in a Nutshell

T.7.1 Economic Upliftment and Financial Stability

The NBCFDC-supported lending schemes have demonstrated a substantial role in fostering economic resilience among beneficiaries in Telangana. A dominant 91.9% of respondents are engaged in self-employment, with business activities cited as the primary income source by 97.3%, indicating deep alignment between the scheme's intent and actual economic practice.

The largest concentration of borrowers lies in the ₹20,000–₹40,000 income bracket (92.4%) suggesting the scheme's penetration among financially active but modest-income groups. Notably, household savings behaviour is robust, with Likert responses indicating that over 99% rated their savings capacity at level 4 and 5, signifying post-loan improvements in financial security. Asset acquisition has also improved, though unevenly—reflected in 130 out of 197 respondents assigning top-tier scores for this aspect.

T.7.1.1 Loan Utilization Efficiency and Repayment Behaviour

Loan utilization in Telangana has largely centred on productive activities, with 80% of respondents using funds for raw materials and 15% for tools and machinery. The loan disbursement effectiveness is reflected in a 92% average disbursement rate, and 95% of respondents reported receiving the full loan amount sanctioned.

T.7.1.2 Entrepreneurial Outcomes and Business Sustainability

The loans have catalysed micro-enterprise formation and expansion. Beneficiaries reported monthly profits ranging from ₹6,000 to ₹50,000, with some exceptions reaching ₹1,00,000. While mass employment creation remains limited, certain sectors—such as tailoring—generated secondary employment. Business sustainability is most evident in loans above ₹1 lakh, which beneficiaries deemed sufficient for enterprise viability. Conversely, smaller loans (<₹50,000) were frequently flagged as inadequate, indicating a need to re-evaluate sanction limits based on business category. Investment in durable goods and a few cases of re-investment signal early-stage enterprise strengthening.

T.7.1.3 Social Impact and Empowerment

Social impact indicators suggest upward mobility and quality-of-life improvements. Over 99% of respondents reported enhanced living standards, improved food and clothing standards, and greater ability to repay debts—all rated at the highest Likert level (4) and (5) by the majority. Even, women's participation is higher than men of total beneficiaries.

T.7.1.4 Institutional Accessibility and Implementation Efficiency

Institutional mechanisms in Telangana display mixed performance. The online-offline hybrid application model ensures wide accessibility, and pre-loan counselling is routinely conducted. Most beneficiaries (85%) were able to apply independently, reflecting basic procedural clarity. Loan disbursement through DBT/RTGS mechanisms and field-based awareness via sarpanches enhance transparency and outreach. However, gaps persist in insurance awareness, where deductions are made without informing beneficiaries, leading to zero renewals.

Likewise, lack of post-loan verification, inadequate follow-up for education loans, and absence of a Distress Relief Fund remain process bottlenecks. Monitoring is staffed by 33 district officers, indicating intent and capacity, but needs more structured utilization tracking and grievance redress mechanisms.

T.8 Success Stories

As part of the field survey conducted in Telangana, inspiring success stories emerged, highlighting the tangible impact of NBCFDC-supported schemes on the lives of beneficiaries. These narratives reflect how access to credit, skill development, and support mechanisms have enabled individuals from marginalized communities to enhance their livelihoods, establish sustainable enterprises, and

achieve socio-economic empowerment. The following case illustrations provide a glimpse into the transformative journeys of select beneficiaries, underscoring the relevance and effectiveness of the schemes at the grassroots level.

A. Kirana Shop:



Jalari Sri Latha, Female Beneficiary, Ranga Reddy District.

1.	Name of SCA	Stree Nidhi Credit Co-Coperative Finance Federation Ltd.
2.	Name of Scheme	General loan
3.	Name of Beneficiary	Jalari Sri Latha
4.	S/W/D of	
5.	Complete Address	Ranga Reddy
6.	Project Details	Kirana shop
7.	Loan Amount	Rs. 40,000
8.	Date of Disbursement	2022
9.	Income before & after taking Loan	Rs. 10,000/- & 20,000/-

Jalari Sri Latha, a determined woman entrepreneur from Ranga reddy district, availed a term loan of ₹40,000 under the scheme in the year 2022 to improve her small shop business. With a clear vision for growth, she utilized the financial assistance to purchase essential items needed for improving her enterprise. With the loan taken she was able to renovate her shop and buy more items which were in demand and is able to earn an increase profit of 10k to 20k a month.

In conclusion, the loan of ₹40,000 was successfully used to improve a Kirana shop. It improved the beneficiary's monthly income from ₹10,000 to ₹20,000. This shows that the scheme is effective in supporting small entrepreneurs and helping them achieve financial growth.

B. *Air and Puncture Shop*

D.Sattamma, Female Beneficiary, Ranga Reddy District



1.	Name of SCA	Stree Nidhi Credit Co-Cooperative Finance Federation Ltd.
2.	Name of Scheme	General Loan
3.	Name of Beneficiary	D. Sattamma
4.	S/W/D of	Pedda Yelkacherla
5.	Complete Address	Ranga Reddy
6.	Project Details	Air and puncture shop
7.	Loan Amount	Rs. 75,000/-
8.	Date of Disbursement	2022
9.	Income before & after taking Loan	Rs. 15,000/- & 30,000/-

D. Sattamma took a loan of ₹75,000 to set up an air puncture shop. Before the loan, her monthly income was ₹15,000, which increased to ₹30,000 after starting the business. This shows that the loan has doubled her income and improved her family's financial condition.

The scheme proved successful as it helped her become self-reliant, created a sustainable livelihood, and supported women's empowerment.

The scheme has helped the woman in not only increase the profits but also made her self-reliant. This case clearly shows the **success of the Stree Nidhi General Loan Scheme**, as it enabled the beneficiary to improve her income and achieve economic stability through self-employment

C. Weaving machine

Meena, Female Beneficiary, yadadri Bhongir District



1.	Name of SCA	Stree Nidhi Credit Co-Coperative Finance Federation Ltd.
2.	Name of Scheme	Small Business
3.	Name of Beneficiary	Meena
4.	Complete Address	Yadadri Bhongir
5.	Project Details	Pattu sarees
6.	Loan Amount	Rs. 1,00,000/-
7.	Date of Disbursement	2022
8.	Income before & after taking Loan	Rs. 10,000/- & 50,000/-

Meena a resident of yadadri district, has small business in her village and for while she was struggling to keep it Running. However, with the support of 1,00,000 loan under the scheme, Meena was able to significantly transform her livelihood. The loan became a turning point. It allowed her to invest in her business buy more machinery and employ more workers. This helped her to improve her product and earn profits. She is also providing employment for others in her saree business. Her story is the reason enough to believe the schemes are a success and improve people's life.

D. Clothes store Jala Annapurana, Female beneficiary, yadadiri Bhongir



1.	Name of SCA	Stree Nidhi Credit Co-operative Finance Federation Ltd.
2.	Name of Scheme	Clothes store
3.	Name of Beneficiary	Jala Annapurna
4.	Complete Address	Yadadri Bhongir
5.	Project Details	Sarees and clothes shop
6.	Loan Amount	Rs. 1,00,000/-
7.	Date of Disbursement	2022
8.	Income before & after taking Loan	Rs. 10,000/- & 40,000/-

Jala Annapurna is, availed a loan of ₹1,00,000 under the scheme and has started her own clothing store Before availing the loan Jala had small shop and she was able to earn a small income of 10,000 with which she was able to live a normal life.

However, with the help of the loan but after she renovated and hired more helpers to which improvised her small business of clothing store, and earn profit two times more than she was earning before availing the loan.

Today Jala is able to provide for her family and help in adding her income to her family income. Which can help us conclude that even with small loan a small business can grow to something bigger and help in building the families.

E. Boutique

Kalpana Karnati, Female beneficiary, yadadiri Bhonigir



1	Name of SCA	Stree Nidhi Credit Co-Operative Finance Federation Ltd.
2	Name of Scheme	Boutique
3	Name of Beneficiary	Karnati Kalpana
4	S/W/D of	—
5	Complete Address	Yadadri Bhongir
6	Project Details	Boutique – Clothes
7	Loan Amount	₹3,00,000/-
8	Year of Disbursement	2022
9	Income Before & After Taking Loan	₹10,000/- (Before) & ₹50,000/- (After)

Kalpana Karnati always dreamed of running her own boutique and supporting her family through self-employment. However, due to limited financial resources, her monthly income was only ₹10,000, which was not enough to meet household needs.

In 2022, with the support of the Stree Nidhi Credit Co-Operative Finance Federation Ltd., she received a loan of ₹3,00,000. With this financial help, she was able to set up her own boutique, purchase materials, and design clothes to attract customers.

Her hard work and determination soon started paying off. Today, her boutique business has grown successfully, and her monthly income has increased to **₹50,000**. This has not only improved her family's standard of living but also given her confidence and recognition as a successful entrepreneur in her community and provided employment to 4 members.

F. Kirana shop

Sita, Female beneficiary, Yadadri bhongiri



1.	Name of SCA	Stree Nidhi Credit Co-Coperative Finance Federation Ltd.
2.	Name of Scheme	General loan
3.	Name of Beneficiary	Sita
4.	S/W/D of	
5.	Complete Address	Yadadri Bhongir
6.	Project Details	Kirana Shop
7.	Loan Amount	Rs. 1,00,000/-
8.	Year of Disbursement	2022
9.	Income before & after taking Loan	Rs. 10,000/- & 40,000/-

Sita, a determined woman entrepreneur from Yadadri district, availed a term loan of ₹1,00,000 under the scheme in the year 2022 to improve her small shop business. received a General Loan of ₹1,00,000. She invested this amount into improving her kirana shop by purchasing more products and upgrading her business setup.

Her efforts quickly showed results. The shop started attracting more customers, sales increased, and her monthly income rose to ₹40,000. This fourfold growth not only improved her family's financial condition but also boosted her confidence as an entrepreneur.

G. Water plant

Andalu, Female beneficiary, Ranga reddy district



This is the riskiest business compared to other success stories we have seen. Yet Andalu was determined to not only start her own business but to make profit and be self-sufficient. In year 2022, She Availed a loan of 1,00,000 and invested in buying the required equipment and filters and tanks necessary.

1.	Name of SCA	Stree Nidhi Credit Co-Coperative Finance Federation Ltd.
2.	Name of Scheme	General loan
3.	Name of Beneficiary	Andalu
4.	S/W/D of	
5.	Complete Address	Ranga reddy district
6.	Project Details	Water plant
7.	Loan Amount	Rs. 1,00,000/-
8.	Year of Disbursement	2022
9.	Income before & after taking Loan	Rs. 10,000/- & 40,000/-

Her monthly income increased to ₹40,000, giving her family financial stability and a better standard of living. At the same time, her water plant became a valuable service for local people, ensuring access to clean drinking water.

Andalu’s story is a shining example of how the **Stree Nidhi General Loan Scheme** empowers individuals to create sustainable livelihoods. With determination and timely support, she transformed her income, uplifted her family, and contributed to the well-being of her community and created job for two members.

Sri valli Chinese fast-food centre

Ruknamma, Female Beneficiary, Ranga Reddy.



1.	Name of SCA	Stree Nidhi Credit Co-Coperative Finance Federation Ltd.
2.	Name of Scheme	General loan
3.	Name of Beneficiary	Ruknamma
4.	S/W/D of	
5.	Complete Address	Ranga reddy district
6.	Project Details	Srivalli Chinese fast-food centre
7.	Loan Amount	Rs. 1,00,000/-
8.	Year of Disbursement	2022
9.	Income before & after taking Loan	Rs. 10,000/- & 50,000/-

She used the loan to set up *Sri Valli Chinese Fast-Food Centre*, improving her cooking setup, buying necessary equipment, and offering a wider variety of dishes.

Her business quickly gained popularity among locals. With increased sales and better facilities, her monthly income rose to **₹50,000**, giving her family financial security and improving their standard of living and provided work for 3 members.

H. Weaving machine

Usha Chandrakala, Female beneficiary, Pochampalle, Yadadri bhongiri



1.	Name of SCA	Stree Nidhi Credit Co-Coperative Finance Federation Ltd.
2.	Name of Scheme	General loan
3.	Name of Beneficiary	Usha Chandrakala
4.	S/W/D of	
5.	Complete Address	Pochampalle, Yadadri bhongiri
6.	Project Details	Weaving machine- pattu sarees
7.	Loan Amount	Rs. 3,00,000
8.	Year of Disbursement	2022
9.	Income before & after taking Loan	Rs. 10,000/- & 50,000/-

Usha Chandrakala took a loan of ₹3,00,000 to set up weaving machine-pattu sarees. Weaving machines are costly and high maintenance, without the help of loan usha would have not been able to start her dream business.

With loan assistance of **Rs. 3,00,000/-**, she purchased a **weaving machine** and set up a small-scale unit specializing in **Pattu Saree weaving**—a traditional craft for which Pochampalle is well known.

Before receiving the loan, her monthly income was limited to **Rs. 10,000/-**, barely sufficient to meet household expenses. However, with the new weaving machine and improved production capacity, she was able to increase her output, cater to larger markets, and take customized saree orders.

Today, her monthly income has risen to **Rs. 50,000/-**, providing financial stability and a better standard of living for her family.

J. Kirana Shop

Alevela, Female beneficiary, Ranga Reddy district

1	Name of SCA	Stree Nidhi Credit Co-Operative Finance Federation Ltd.
2	Name of Scheme	General Loan
3	Name of Beneficiary	Alevela
4	S/W/D of	—
5	Complete Address	Pedda Yelkacherla, Ranga Reddy District
6	Project Details	Kirana Shop
7	Loan Amount	₹10,00,000/-
8	Year of Disbursement	2022
9	Income Before & After Taking Loan	₹10,000/- (Before) & ₹30,000/- (After)



For our final successes story, we have the most common use of the loan money, which is setting up the small shop. In year 2022 **Alevela** took a loan amount of 1,00,000. She was able to expand her kirana shop by adding a wider variety of goods, maintaining sufficient stock, and serving more customers in her locality. The improved scale of business enhanced her sales and profitability.

As a result, her monthly income has now risen to Rs. 30,000/-, with which she is able to pay her loan as well as bring stability to her and her family's life. Her journey is a true reflection of

how access to timely credit can transform lives and empower women to achieve sustainable income through small-scale enterprises.

Overall Observation

The success stories of beneficiaries under *Stree Nidhi Credit Co-Operative Finance Federation Ltd.* clearly highlight the transformative impact of timely financial assistance on women entrepreneurs. Through the Loan Scheme, women from diverse backgrounds have been able to start or expand their income-generating activities such as fast-food centres, weaving units, Kirana shops, and Agri tractors and livestock's.

A common trend observed across these cases is that most beneficiaries had limited income before availing the loan, often earning around Rs. 10,000/- per month, which barely met household needs. With access to loan and proper utilization of funds, their monthly incomes have significantly increased, in some cases reaching Rs. 30,000/- to Rs. 50,000/-. This improvement has not only enhanced their family's standard of living but also strengthened their confidence, independence, and role in the community.



State Report

Tripura



State Report - Tripura

T.1. Background of Tripura Gramin Bank (TGB)

Tripura Gramin Bank was established in 1976, under the sponsorship of the United Bank of India, with the sole objective of uplifting the socio-economic status of the underprivileged population in Tripura. It remains the only Regional Rural Bank operating in the state, with a widespread branch network that covers all eight districts.

Tripura, located in Northeast India, is the third-smallest state in the country, spanning an area of 10,491.69 sq. km. It shares borders with Bangladesh to the north, south, and west, and with the Indian states of Assam and Mizoram to the east. According to the 2011 Census, the state had a population of 3,671,032, accounting for 0.3% of India's total population.

The state's economy is predominantly agrarian, with development rooted in agriculture and supported by village and cottage industries. In this context, Tripura Gramin Bank has become an integral part of the state's economic framework through its commitment and contributions to financial inclusion and rural development.

Beyond its core banking functions, the bank plays a critical role in delivering a range of services that support state welfare initiatives. These include disbursing monthly salaries to State Government employees, TTAADC staff, and school teachers; providing student stipends; making wage payments under MGNREGA; distributing old-age pensions; and collecting payments for food grains from fair price shop dealers on behalf of the State Government.

Tripura Gramin Bank places strong emphasis on micro-credit programs, particularly through direct lending to Self Help Groups (SHGs) and Joint Liability Groups (JLGs), many of which are led by women entrepreneurs. The bank's extensive branch network and customer-friendly services have earned it the trust and confidence of people across the state. As part of the Pradhan Mantri Jan Dhan Yojana (PMJDY), the bank also offers hassle-free overdraft facilities of up to ₹5,000 to account holders, encouraging them to open zero-balance savings accounts.

For administrative efficiency and better governance, Tripura has been divided into 8 districts, 23 sub-divisions, and 58 development blocks. Additionally, the Tripura Tribal Areas Autonomous District Council (TTAADC), headquartered in Khumulwng under the West Tripura district, covers an area of 7,132.56 sq. km. The state's major towns include Agartala, Bishalgarh, Sonamura, Amarapur, Dharmanagar, Udaipur, Kailashahar, Teliamura, Khowai, Sabroom, Ambassa, Kamalpur, and Belonia.

With a consolidated strength of 150 branches and 12 Ultra Small Branches, Tripura Gramin Bank has remained steadfast in its mission over the past 47 years. It continues to play a pivotal role in the state's banking ecosystem and remains a key driver of Tripura's socio-economic progress.

T.2. Sample Design and Data Sources

T.2.1. Sample Population

A sample size of 14 beneficiaries and 14 non-beneficiaries was determined in consultation and as per terms of reference given by NBCFDC for the state of Tripura as per the sampling plan for the study. Beneficiaries were interviewed through random sampling from the list of beneficiaries given by the SCA. Beneficiaries were covered from districts of Agartala, Gomati and Sepahijala. The interviews were done through the Kobo tool and a structured closed ended questionnaire. 3 FGDs were conducted with women beneficiaries of the Micro- finance and Individual Term loan schemes re-financed by the bank.

T.2.2. Sample Design & Selection of Districts

The state of Tripura was selected for this evaluative study as per the proposed sampling plan. State Channelising Agency selected for this evaluation was Tripura Gramin Bank. Therefore, the districts for which consent was received became part of the present study. These districts were selected in consultation with Tripura Gramin Bank.

T.2.3. Sources of Data

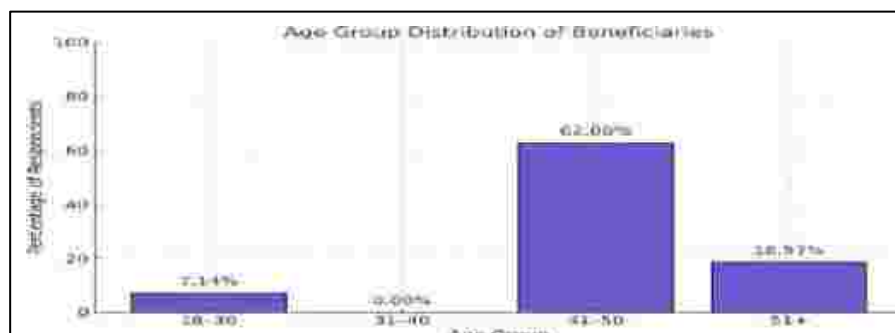
This was. an empirical study intending for an evaluation of the lending schemes already implemented. The list of the beneficiaries for the various re-financed loan schemes under Term Loan and Micro-Finance loans of NBCFDC for the period of study (2020-23) was shared by Tripura Gramin Bank which comprised the name and other details of the beneficiary of the loan schemes. All the willing beneficiaries were contacted through the State Channelising Agency and were verified from the available list of beneficiaries. The evaluation for various other parameters like the utilization ratio, loan recovery ratio/ mechanism, number of defaulters and the mechanism of monitoring done for these loans by the SCAs has been collected through the questionnaires canvassed to the State Channelizing Agency. Additionally, information has also been gathered from their website and annual reports.

T.3. Analysis of the Socio-Economic Parameters

The age distribution shows a concentration in the middle age population. About 7.14% of the surveyed beneficiaries belong to the 18-30 age group, none fall in the 31-40 age bracket, 62.86% belong to the 41-50 and 18.57% are above 51 years.

T.3.1. Age Group Distribution

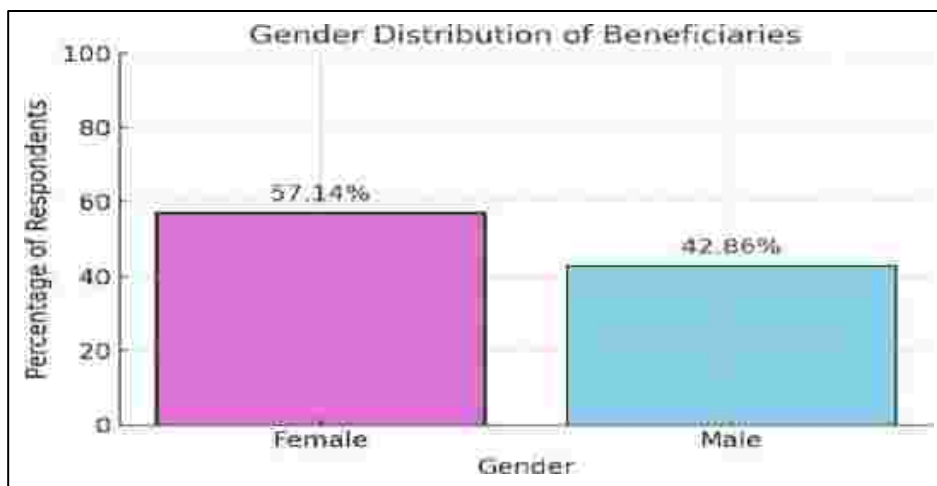
Fig: T.3.1. Age Group Distribution



T.3.2. Gender

The majority of beneficiaries in the survey are female (57.14%), indicating that women are the primary participants in this initiative. This trend is particularly encouraging for programs that aim to promote gender equity and women's empowerment, especially in the context of financial inclusion and livelihood development. The higher proportion of female beneficiaries may reflect the influence of community networks, self-help groups (SHGs), or targeted outreach efforts that resonate well with women in rural and semi-urban areas.

Fig: T.3.2 Gender Distribution of Beneficiaries



In comparison, male participation stands at 42.86%, showing a fairly balanced but female-skewed demographic. This suggests that while men are also actively engaging with the scheme, there is a meaningful lean towards women beneficiaries, reinforcing the scheme's role as a potentially transformative tool for enhancing women's economic agency and independence.

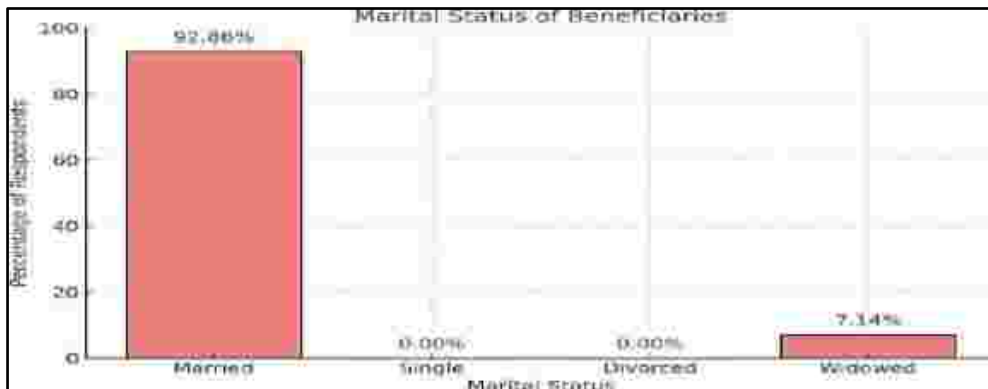
T.3.3. Aadhaar Card Ownership

Every single respondent (100%) has an Aadhaar card, confirming full coverage in terms of national identification. This is a crucial enabler for accessing benefits and indicates that identity-linked schemes can be efficiently administered within this group.

T.3.4. Marital Status

The majority of beneficiaries in the survey are **married (92.86%)**, highlighting that the scheme is predominantly accessed by individuals with established family responsibilities. This trend indicates that the financial needs associated with managing a household such as supporting children, elderly dependents, or joint family structures are likely a significant motivator for seeking institutional credit. Notably, there are no respondents identified as single or divorced, and only 7.14% are widowed.

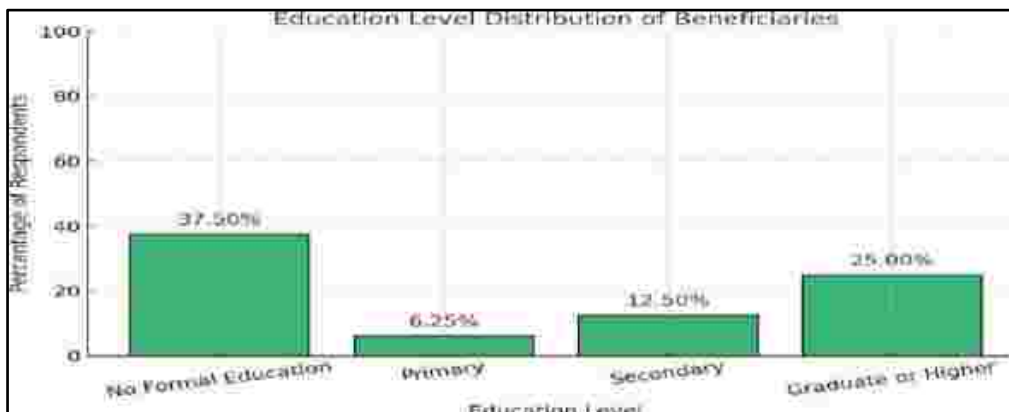
Fig: T.3.4 Marital Status of Beneficiaries



T.3.5. Educational Qualification

The educational profile of the respondents reflects a wide distribution across different levels. A significant proportion of beneficiaries (37.5%) have no formal education, while 6.25% have received primary schooling and 12.5% have completed secondary education. Notably, 25% of the respondents possess graduate – level or higher qualifications.

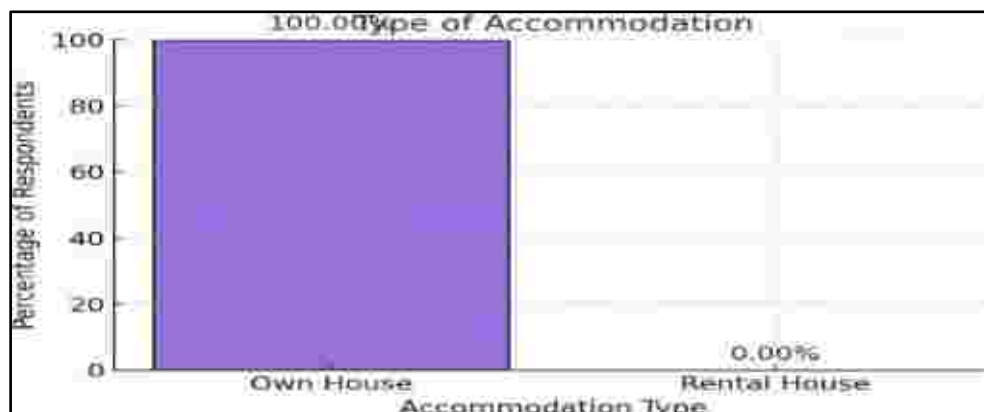
Fig: T.3.5 Educational Qualification



T.3.6. Types of Accommodation

All respondents in the survey reported residing in their own town houses, indicating complete home ownership among the beneficiaries, with none living in rental accommodations.

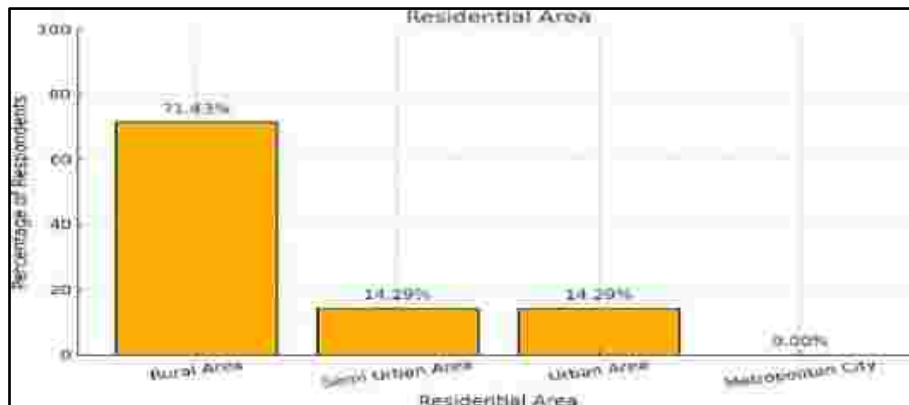
Fig: T.3.6. Types of Accommodation



T.3.7. Residential Area

The residential profile of the respondents reflects that 71.43% reside in rural areas, while 14.29% live in semi-urban locations. A small proportion of beneficiaries reported living in metropolitan cities, indicating limited representation from highly urbanized regions.

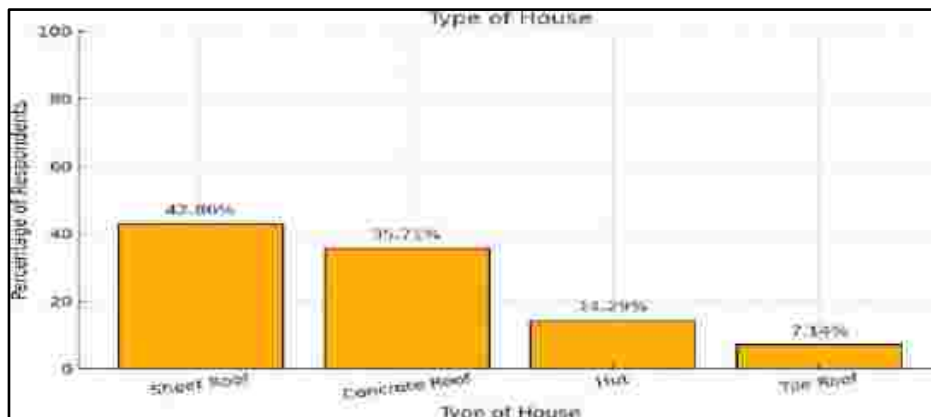
Fig: T.3.7. Residential Area



T.3.8. Type of House

The housing profile of the respondents shows that 42.86% live in sheet-roofed houses, 35.71% in concrete-roofed houses, and 14.29% live in hut-type dwellings and 7.14% in tile-roofed houses.

Fig: T.3.8. Type of House



T.3.9. Ownership of Residence

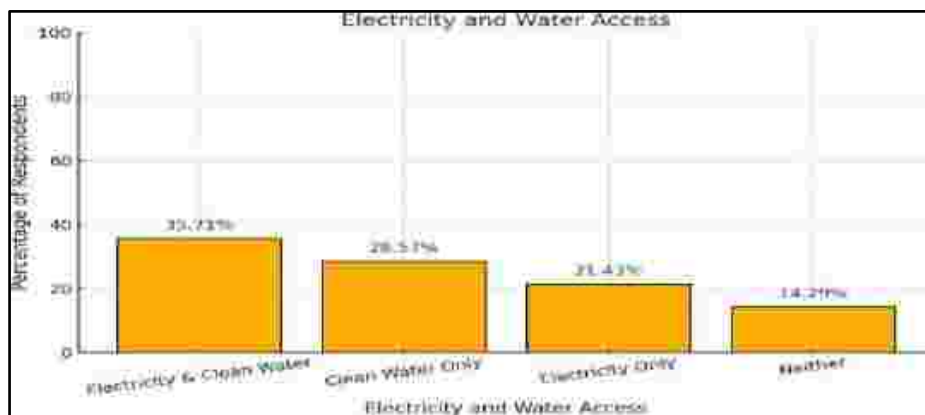
When asked about the type of residence, most respondents 85.7% reported living in their own house, while 14.3% reside in rented accommodations. This high rate of home ownership is encouraging, especially in rural and semi-urban contexts where generational landholding and family housing are more common.

Owning a house often corresponds to economic and social stability, and it may also impact creditworthiness when applying for loans. However, those living in rented homes may be more economically vulnerable or mobile, and thus may require different types of housing or rental support schemes, especially in urban centers.

T.3.10 Electricity and Water Availability

Access to Electricity and Water Supply Access to essential utilities presents a mixed picture among the respondents. While 35.71% of households benefit from both electricity and clean drinking water, 28.57% rely solely on clean water and 21.43% have access only to electricity. A concerning 14.29% of respondents reported lacking access to both utilities, reflecting acute deprivation of basic infrastructure. This finding is significant as it highlights that, although the scheme is successfully reaching resource-constrained households, supplementing it with linkages to infrastructure development initiatives could substantially improve living standards and enhance beneficiaries' overall productivity.

Fig: T.3.10 and Water Access



T.3.11 Nature of Family

A substantial 71.43% of the respondents belong to nuclear families, reflecting a trend toward smaller family units, which is typical in both rural and semi-urban India. The remaining 28.57% reside in joint family systems, possibly indicating shared economic responsibility and traditional family setups. The predominance of nuclear families might influence the type of loan products demanded leaning more towards small business support, individual income generation, and home-based enterprises.

T.3.12 Annual Family household Income Pre-Loan and Post-Loan

T.3.12.1: Pre Loan Analysis

Income Level	Response	Percentage
Below 1.5 Lakh	7	50%
1.5-2.25 Lakh	7	50%
2.25 Lakh -3 Lakh	0	0%
Total count	14	

The income profile shows that the respondents are concentrated entirely in the lower income brackets. Half of the sample (50%) falls below Rs. 1.5 lakh, and the remaining 50% are in the Rs.1.5–2.25 lakh range. Notably, no respondents fall within the Rs.2.25–3 lakh bracket, indicating an absence of middle-income households in the sample.

Table T.3.12.2: Post Loan Analysis

Income Level	Response	Percentage
Below 1.5 Lakh	7	50%
1.5-2.25 Lakh	5	36%
2.25 Lakh -3 Lakh	0	0%
Above 3 Lakh	2	14%
Total Count	14	

Table T.3.12.3 shows a visible upward shift in income levels following financial assistance from NBCFDC. only 50% of households report earning an annual household income below Rs. 1.5 lakh, 36% between Rs. 1.5–2.25 lakh, 14% reached above, Rs. 3 lakhs. This distribution indicates that only half of households still remain in the lowest bracket, a significant proportion has moved into higher income tiers.

Table T.3.12.3: Change in Income Levels: Pre vs Post Loan Uptake

Income Level	Before (%)	After (%)	Change (%)
Below 1.5 Lakh	50%	50%	0%
1.5–2.25 Lakh	50%	36%	-14%
2.25–3 Lakh	0%	0%	0%
Above 3 Lakh		14%	14%
Total	100%	100%	—

The income distribution shows a shift toward higher income levels after the intervention. While the Below 1.5 Lakh group remains unchanged at 50%, indicating no improvement for half of the respondents, there is a clear upward movement from Rs. 1.5–2.25 Lakh category, which declines from 50% to 36%. This reduction corresponds with the emergence of the above 3 Lakh category, which rises to 14%, a bracket that previously had no respondents. The 2.25–3 Lakh category remains constant at **0%** in both periods, showing that income improvements for those who progressed were significant enough to skip this middle bracket.

T.3.13. Average Monthly Income pre vs post loan uptake (in Rs)

The average monthly income shows a substantial improvement after the loan intervention. Before the loan, respondents earned ₹15,000 per month, which increased to ₹25,000 per month post-loan. This reflects an absolute increase of ₹10,000 and a 66.7% rise in monthly income.

T.3.14 Type of Bank Account

An overwhelming 92.86% of beneficiaries reported having normal savings bank accounts, which highlights strong integration with mainstream banking services. Only 7.14% use other account types, while none reported having a Jan Dhan Yojana account. This is noteworthy, as Jan Dhan accounts were specifically designed to foster financial inclusion among low-income households.

Fig: 3.14 Type of Bank Account

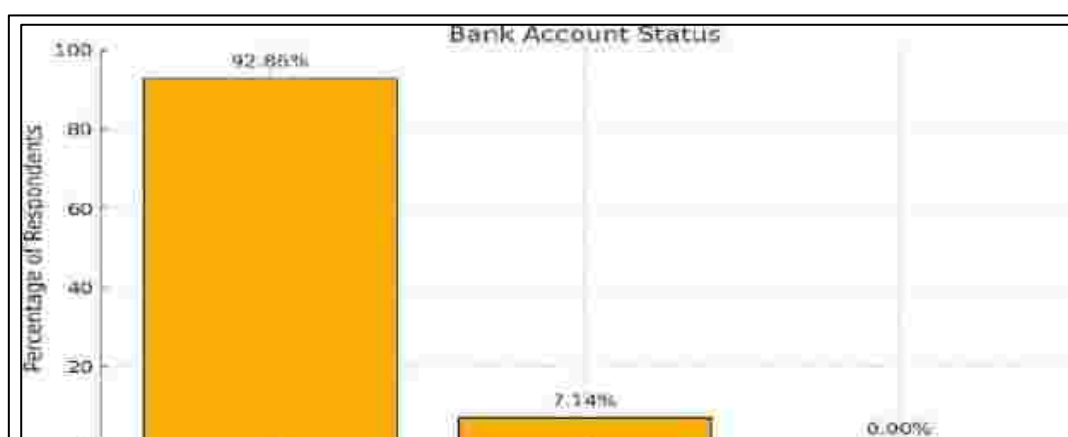


Table T.3.14.(a): Employment Status of beneficiaries

Employment Status	Response	Percentage
Salaried Employee due to business failure	2	14.29
Self employed	8	50
Unemployed due to business failure	4	35.71
Student	0	0
Total	14	100

T.3.15 Employment Status

The employment status of respondents shows a notable skew toward self-employment, with 50% identifying as self-employed. This indicates an entrepreneurial orientation among beneficiaries and underscores the scheme’s potential in supporting micro-enterprise development and livelihood generation. At the same time, 35.71% of the respondents were unemployed due to business failure, suggesting that the scheme also targets individuals without a regular source of income, possibly aiming to enable their economic participation through skill-based or enterprise support. Only 14.29% reported being in salaried employment due to business failure, and no respondents identified as students, reflecting limited participation from younger populations.

T.3.16 Healthcare Access

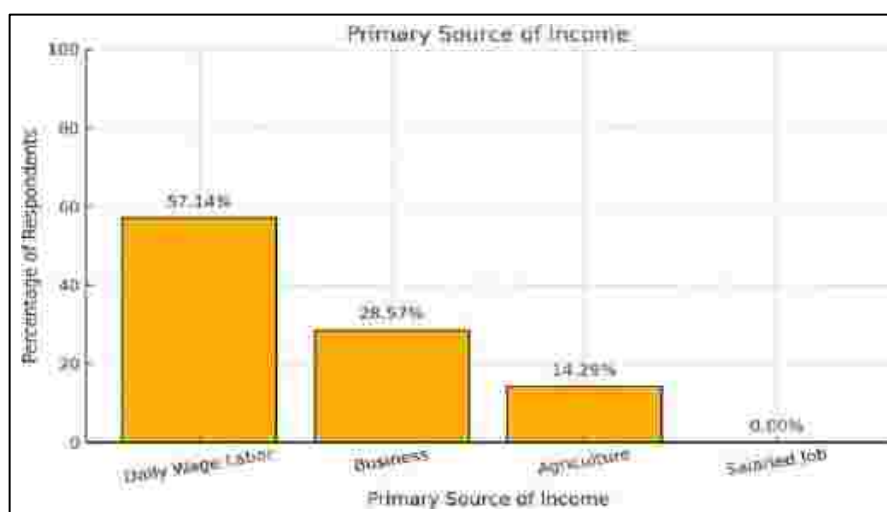
Access to healthcare appears robust, with 93% reporting easy access, while 7% face some difficulty. Although generally positive, the remaining gap could be addressed through improved last-mile delivery of medical services, particularly in rural and remote areas.

T.3.17 Nature of Work as Primary Source of Income

The most common source of income among beneficiaries is wage labor, accounting for 57.14% of respondents, followed by business activities (28.57%) and agriculture (14.29%). Notably, none of the respondents identified salaried employment as their primary source of income. This distribution indicates that the scheme largely caters to individuals engaged in informal or

subsistence- based economic activities, underscoring its relevance to economically vulnerable populations.

Fig: T.3.17



T.4. Analysis of the Loan Access, Utilization and Impact Assessment

T.4.1. Time taken by the beneficiaries in obtaining loans from the SCA

Table T.4.1. Time Taken by the beneficiaries in obtaining loans from the SCA

Month Range	Responses	Percentage
Upto 4 months	9	64%
4-6 months	0	0%
More than 6 months	2	14%
Can't recall	3	22%
Total Response	14	

The analysis of the time taken by beneficiaries in obtaining loans from the SCA indicates that a majority were able to access loans within a relatively short period. Out of the 14 recorded responses, 9 beneficiaries (64%) reported receiving their loans within up to 4 months, demonstrating an efficient loan distribution process for most cases small proportion of beneficiaries, 2 respondent (14%) reported waiting for more than 6 months.

T.4.2.Purpose of Uptake of loan

Table T.4.2.1: Purpose of Uptake of Loan

Question	Responses					
	Working Capital	% of beneficiaries	New Business	% of beneficiaries	Business expansion	% of beneficiaries
Purpose of uptake of loan	11	79%	2	14%	1	7%

As can be noted from the table above, a large majority of the respondents, accounting for 79 %, reported that they had taken loans primarily to meet their working capital requirements. This indicates that most beneficiaries rely on credit as a means to sustain their day-to-day operations, manage cash flows, and ensure business continuity rather than for long-term investment.

Meanwhile, 14% percent of the respondents stated that the loan was used for setting up a new business, reflecting that a section of beneficiaries is leveraging financial support for entrepreneurial ventures. Similarly, another 7% reported that they utilized the loan for business expansion, suggesting that loans are also playing a role in facilitating growth and diversification among some enterprises.

T.4.3. Utilization of loans for the intended purpose

100% beneficiaries had used the loan amount for the intended purpose. The activities for which utilization was done is given below:

Table: T.4.3.(a) Utilization of loans for the intended purpose

Activity	Responses
Agriculture and Allied	1
Small business	13
Transport sector	0
Service sector	0
Other	0
Total responses	14

T.5. Analysis of the Loan Access, Utilization and Impact Assessment

A high awareness of the NBCFDC loans were seen amongst the beneficiaries. 100% reported to know about the NBCFDC loans through word of mouth, friends or relative. A key strength in the loan application process was the high level of beneficiary autonomy. A remarkable 92.85% of respondents claimed to have handled the loan process independently, without relying on intermediaries or facilitators. Only 7.14% reported taking help from a third party. 100% of the beneficiaries stated to having filled the forms online through the SCA. The loans for all beneficiaries (100%) were given through bank transfer.

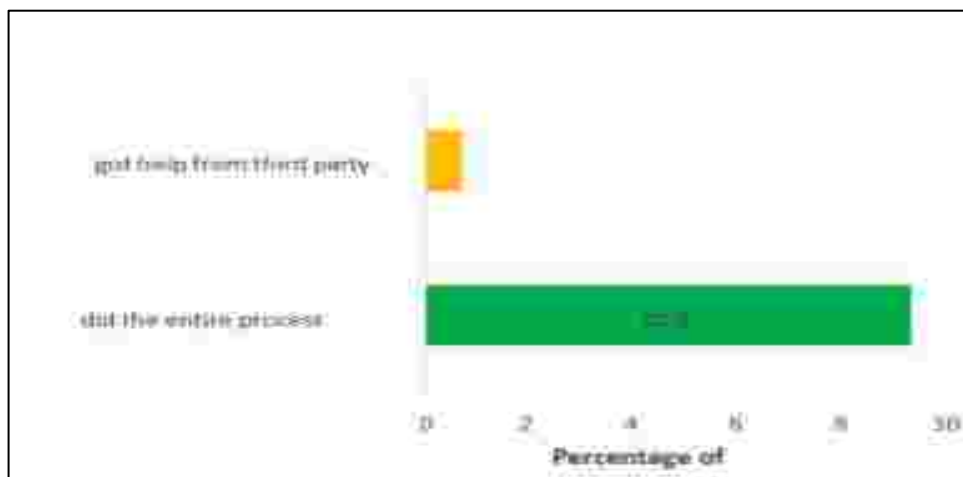
Table: T.5.1 Awareness of NBCFDC loan schemes, rates of interest & Facilitation of loans taken

Question	Response / Yes	Response /Yes in %	Response /No	Response/ No in %
Do you know the amount of interest rate on your loan	9	64%	5	36%
Whether assistance received directly in bank account	10	71%	4	29%
Have you missed any installments	7	50%	7	50%
Do you find the inte fair and affordable	8	57.15%	6	42.85%

Based on the responses presented in the above table, it is evident that the majority of beneficiaries display a fair level of financial awareness and discipline, though some gaps persist. About 64% of the respondents reported that they are aware of the interest rate on their loan, while 36% admitted not knowing it. Encouragingly, all beneficiaries (71 %) confirmed that they received assistance directly into their bank accounts, reflecting the effectiveness of the Direct Benefit Transfer (DBT) system in ensuring transparency, efficiency, and elimination of leakages in fund disbursement.

The survey findings indicate that while 64% of respondents are aware of the interest rate on their loans, a considerable 36% remain uninformed, pointing to gaps in financial literacy and communication. Assistance has largely been transferred directly into bank accounts, as confirmed by 71% of respondents, which reflects progress in ensuring transparency and efficiency in disbursement. However, repayment patterns show challenges, with half of the respondents admitting to missing installments, indicating issues with financial strain or irregular income. Perceptions of affordability are also divided, as 57.15% consider the interest rate fair and manageable, while 42.85% disagree, suggesting that for a significant portion, the cost of borrowing remains burdensome.

Fig: T.6 Respondents who applied independently for the Scheme



This independence reflects well on the accessibility and simplicity of the loan process, particularly in rural and semi-urban areas. However, it may also point to a lack of structured support systems or facilitation desks that could further streamline or optimize the application journey, especially for less literate or first-time borrowers.

When asked about awareness of other NBCFDC schemes, responses were limited, indicating that despite availing a loan, most beneficiaries were not familiar with the broader bouquet of loan products. This reveals a critical gap in outreach and awareness-generation efforts by implementing agencies.

T.5.1 Creation of Assets out of loan assistance provided

Table T.5.2 Creation of Assets from Uptake of Loan

Activity	Responses	Percentage
Agriculture and Allied	1	7%
Small business	13	93%
Transport sector	0	0%
Service sector	0	0%
Other	0	0%

The analysis of loan utilization for asset creation shows that the majority of beneficiaries (13 out of 14 respondents) directed their loan assistance toward small business activities, highlighting the central role of microenterprise development in improving livelihoods. Only one respondent reported using the funds for agriculture and allied activities, while no responses were recorded for the transport sector, service sector, or other purposes. This indicates that loan support under the scheme has been predominantly channeled into small business ventures, suggesting a preference for trade and entrepreneurial activities over

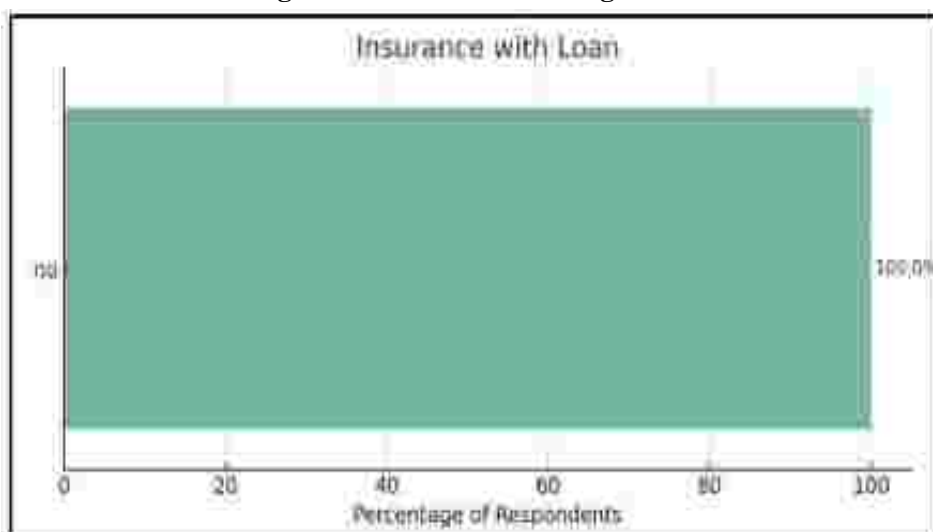
traditional agriculture or service-based enterprises. The concentration of utilization in one sector also points to limited diversification in asset creation, which could present both opportunities for focused growth and risks of over-dependence on a single income stream.

T.5.2. Insurance and Risk Coverage

Only a small number of beneficiaries reported taking insurance along with the loan. The majority either did not opt for or were not aware/offered insurance as part of the loan package.

This is a missed opportunity in terms of promoting financial protection. In populations that are economically fragile, insurance (especially health and life cover linked to the loan) can prevent households from falling back into poverty due to unforeseen crises. The low penetration of insurance points to an area that requires immediate attention both from the lending institutions and financial literacy programs.

Fig: T.5.2 Insurance Coverage with Loan



T.6. Analysis of the Perception-Based Assessment of Loan Experience and Impact through Likert Scale

To assess beneficiaries' perceptions and experiences, a set of Likert scale questions was included in the survey. Respondents were asked to rate their satisfaction with loan services, the impact of the loan on their social and economic well-being, and changes related to women's empowerment. Each set of statements was rated on a standard 5-point scale, tailored to the theme.

The findings from the Likert scale analysis have been shown through visualizations in their respective sections given below:

Table T.6.1 Likert responses on questions relation to Satisfaction with Loan Services

Questions	Number of respondents for each rating					% of Beneficiaries per response				
	1	2	3	4	5	1	2	3	4	5
Satisfaction of the loan scheme availed	0	1	2	6	5	0%	7%	14%	43%	36%
Assistance and guidance provided by Agency	0	2	2	6	4	0%	14%	14%	43%	29%
Time taken for Loan approval	0	1	2	4	7	0%	7%	14%	29%	50%
Interest rates	0	1	3	4	6	0%	7%	21%	29%	43%
Fund Disbursement process	0	1	3	4	6	0%	7%	21%	29%	43%
Amount of loan disbursed	1	1	3	4	5	7%	7%	21%	29%	36%
Loan Repayment Terms	1	2	3	4	4	7%	14%	21%	29%	29%
Transparency of Loan Terms	1	2	4	3	4	7%	14%	29%	21%	29%
Employee behaviour during lending process	0	1	2	4	7	0%	7%	14%	29%	50%
Guarantee Requirements	1	2	4	3	4	7%	14%	29%	21%	29%

- **Satisfaction with the Loan Scheme Availed**

43% of beneficiaries are satisfied with the loan scheme, while 36% are very satisfied. Another 14% are neutral, and only 7% are dissatisfied. This shows that most beneficiaries are happy with the scheme.

- **Assistance and Guidance Provided by the Agency**

43% of beneficiaries are satisfied with the assistance provided, and 29% are very satisfied. Around 14% are neutral, and 14% are dissatisfied. The feedback shows good support with some areas for improvement.

- **Time Taken for Loan Approval**

50% of beneficiaries are very satisfied with the loan approval time, while 29% are satisfied. Another 14% are neutral, and 7% are dissatisfied. This indicates that the approval process works well for most.

- **Interest Rates**

43% of beneficiaries are very satisfied with the interest rates, and 29% are satisfied. Another

21% are neutral, and 14% are dissatisfied. This suggests that interest rates are acceptable for many, but not all

- **Fund Disbursement Process**

43% of beneficiaries are very satisfied with the disbursement process, and 29% are satisfied. Another 21% are neutral, and 7% are dissatisfied. The process is viewed positively overall.

- **Amount of Loan Disburse**

36% of beneficiaries are very satisfied with the loan amount, while 29% are satisfied. Another 21% are neutral, and 7% are dissatisfied. Most beneficiaries are content with the funds they received

- **Loan Repayment Term**

29% of beneficiaries are very satisfied with repayment terms, and another 29% are satisfied. 21% are neutral, and 14% are dissatisfied. This shows that while many find the terms fair, some still face challenges.

- **Transparency of Loan Terms**

29% of beneficiaries are very satisfied with the transparency of loan terms, and 21% are satisfied. Another 29% are neutral, and 21% are dissatisfied. This suggests that more clarity would benefit some users.

- **Employee Behavior during Lending Process**

50% of beneficiaries are very satisfied with employee behavior, and 29% are satisfied. 14% are neutral, and 7% are dissatisfied. Most interactions are positive, though occasional issues remain

- **Guarantee Requirements**

29% of beneficiaries are very satisfied with guarantee requirements, and 21% are satisfied. Another 29% are neutral, and 21% are dissatisfied. Many find the requirements reasonable, but improvements could help others.

T.6.2. Socio-Economic Impact on Living Standards

The responses on the questions in the Likert scale for this category have been tabled and the observations are given below.

Table: T.6.2.(a) Likert responses on questions relating to Socio-Economic Standard of Living

Question	Number of Responses according to scale					% of Beneficiaries per response				
	1	2	3	4	5	1	2	3	4	5
Ability to repay debts	1	4	2	2	5	7%	29%	14%	14%	36%
Access to healthcare facilities	0	0	0	0	14	0%	0%	0%	0%	100%
Asset ownership	1	2	6	2	3	7%	14%	43%	14%	21%
Clothing standards	0	3	6	3	2	0%	21%	43%	21%	14%
Equal participation in decision	8	0	0	6	0	57%	0%	0%	43%	0%

Question	Number of Responses according to scale					% of Beneficiaries per response				
	1	2	3	4	5	1	2	3	4	5
making										
Food and Nutritional Standards	0	1	8	2	3	7%	0%	57%	14%	21%
Household Savings	1	2	7	1	3	7%	14%	50%	7%	21%
Overall living standards	2	4	3	3	2	14%	29%	21%	21%	14%

T.6.3. Ability to Repay Debts

- **Ability to Repay Debts**

36% of beneficiaries are very satisfied with their ability to repay debts, while 29% are satisfied. Another 14% are neutral, and 7% are dissatisfied. This shows that most beneficiaries feel capable of handling their debt obligations

- **Food and Nutritional Standards**

57% of beneficiaries are satisfied with food and nutritional standards, while 14% are very satisfied. Another 21% are neutral, and 0% are dissatisfied. This shows that the majority are content with the food and nutrition support they receive.

- **Household Savings**

50% of beneficiaries are satisfied with household savings, while 21% are very satisfied. Another 14% are neutral, and 7% are dissatisfied. This indicates that most are managing to save effectively, though some may need further assistance.

- **Asset Ownership**

43% of beneficiaries are satisfied with asset ownership, while 21% are very satisfied. Another 14% are neutral, and 14% are dissatisfied. This reflects that many beneficiaries feel secure about asset ownership, but some still face challenges.

- **Clothing Standards**

43% of beneficiaries are satisfied with their clothing standards, while 14% are very satisfied. Another 21% are neutral, and 14% are dissatisfied. This suggests that clothing provisions meet the needs of most, though improvements are possible.

- **Overall Living Standards**

29% of beneficiaries are satisfied with their living standards, while 14% are very satisfied. Another 21% are neutral, and 7% are dissatisfied. This suggests moderate satisfaction with overall living conditions.

- **Food and Nutritional Standards**

57% of beneficiaries are satisfied with food and nutritional standards, while 14% are very satisfied. Another 21% are neutral, and 0% are dissatisfied. This shows that the majority are content with the food and nutrition support they receive.

T.7. Profile of Non-Beneficiaries under NBCFDC Scheme in Tripura

The NBCFDC scheme has been implemented in Tripura to improve access to concessional loans for economically weaker groups. While the program has supported a number of beneficiaries, the survey results also reflect the presence of eligible individuals who could not avail the loan facility and therefore remained non-beneficiaries. The sample size of non-beneficiaries covered from the state I 14. The analysis is given below.

Table: T.7.1 Non-Beneficiary Analysis

Parameter	Analysis (Percentages Only)
What is your gender?	Male: 53%; Female: 47%
What is your highest level of education?	Secondary: 47%; Graduate or higher: 37%; Primary: 16%
Where do you currently reside?	Urban: 47%; Rural: 32%; Semi-urban: 21%
Nature of house occupied	Concrete roof: 68%; Sheet roof: 32%
Amenities available at home	Electricity + Piped Water + Sanitation: 74%; Electricity + Piped Water + Sanitation + Internet: 26%
Marital status	Married: 53%; Single: 42%; Widowed: 5%
Nature of family	Nuclear: 74%; Joint: 26%
Number of dependents	No data
Annual household income (2020–23)	Below 1.5 Lakh: 79%; Above 3;Lakh: 11%; 1.5–2.25 Lakh: 5%; 2.25–3 Lakh: 5%
Annual household income now	Below 1.5 Lakh: 58%; 1.5–2.25; Lakh: 21%; Above 3 Lakh: 16%; 2.25–3 Lakh: 5%
Current employment status	Unemployed: 47%; Self-employed: 37%; Salaried: 16%
Current economic status	Above BPL: 58%; BPL: 42%
Primary source of income	Business: 63%; Salaried job: 16%; Agriculture: 11%; Daily wage labour: 11%

The non-beneficiary group shows a mixed demographic profile with balanced gender representation (53% male, 47% female) and moderate educational attainment, where 47% have secondary education and 37% are graduates. Urban residence is highest at 47%, followed by rural (32%) and semi-urban (21%) areas. Most live in concrete-roof houses (68%) and have access to essential amenities (74%), though only 26% have internet connectivity.

Income levels indicate financial vulnerability: during 2020–2023, 79% were below ₹1.5 lakh, which has now reduced to 58%, showing slight upward movement. Current employment is weak, with 47% unemployed and only 16% in salaried jobs, while 63% rely on business as their primary income source. Economic status remains split, with 42% under BPL.

T.7.1 Average Monthly Income

Based on the income brackets, the non-beneficiary group reflects low average monthly earnings, largely concentrated in the below ₹1.5 lakh annual category, which translates to under ₹12,500 per month for the majority. The shift in current income distribution—where 16% have moved above ₹3 lakh suggests marginal improvement, but overall, the average monthly income remains low and uneven, indicating persistent economic instability despite slight upward

mobility for a small segment.

T.7.2 Reasons for Non-Beneficiary Status

The inability of some eligible applicants to benefit from the scheme can be attributed to several factors:

1. **Limited awareness campaigns** restricted outreach, leaving a sizeable share of potential applicants uninformed.
2. **Cumbersome loan application procedures** created hurdles for those who were aware but could not navigate the process effectively.
3. **Lack of adequate guidance and support** at the application stage discouraged applicants and led to dropouts.
4. In certain cases, **applicants did not receive the loan amount they expected**, resulting in withdrawal from the scheme despite eligibility.

T.8. Success Stories



Name of SCA	Tripura Gramin Bank (TGB)
Name of Scheme	Term Loan (Small Buisness)
Name of Beneficiary	Shankar Debnath
Loan Amount Requested	100000
Loan Amount Received	100000
Date of Disbursement	2022
Monthly Income before & after taking Loan	13000/- (before) To 20,000 – 25,000/- (after)
Purpose of Loan	Working Capital for Grocery Store



Shankar Debnath, a determined entrepreneur from Tripura began his journey with a loan of ₹1,00,000 under the NBCFDC scheme, which he used as working capital to strengthen his grocery store. Through consistent effort and prudent management, Shankar was able to generate steady profits from his store, which helped him achieve financial stability and support his household.

However, Shankar didn't stop there. With an eye on sustainability and future growth, he reinvested the profits from his grocery business into a new venture—cloth bag manufacturing, specifically for packaging medicines and other related supplies.

This shift was driven by the growing demand for eco-friendly alternatives and the desire to create employment opportunities within his community.

Today, Shankar employs four to five women in his bag-making unit, each earning a monthly wage of ₹5,000 to ₹7,000. While his grocery store is still operational, it has taken a backseat as he focuses increasingly on his new business, which shows greater promise for expansion and long-term viability.

Shankar's journey reflects the power of microfinance in fostering entrepreneurship, enabling not only business growth but also social impact. His story stands out for how he has not only expanded his existing enterprise but also built a new source of livelihood for others. Looking ahead, Shankar hopes to further scale his bag-making unit and believes that additional financial assistance would greatly help him enhance production and generate more employment for local women.

2. Deepali Chowdhury



1.	Name of SCA	Tripura Gramin Bank (TGB)
2.	Name of Scheme	Micro-Finance under Joint Liability Group
3.	Name of Beneficiary	Deepali Chowdhury
4.	Loan Amount Requested	100000
5.	Loan Amount Received	100000
6.	Date of Disbursement	2022
7.	Monthly Income before & after taking Loan	10,000/- (before) To 20,000 – 25,000/- (after)
8.	Purpose of Loan	Pond Creation and Working Capital for fish rearing business



Deepali Chowdhury, a woman from Tripura, has been transforming her family's through fish rearing. Her traditionally engaged in pisciculture, managed a single sustain the family. To support this livelihood, Deepali loan of ₹1,00,000 under the Liability Group (JLG) model, her third successful loan cycle NBCFDC scheme.



With the sanctioned loan, Deepali and her husband were able to develop an additional pond and procure new fish stock for rearing. This expansion not only strengthened their aquaculture operations but also ensured a more stable income source for the household. As a result, their monthly household income has now grown to approximately ₹20,000.

While seasonal rains and climatic disruptions often challenge agriculture and allied activities in Tripura, Deepali's story.

Highlights how targeted microfinance interventions, even in small amounts, can significantly uplift the livelihoods of marginalized communities. Her dedication and prudent use of credit have enabled her family to achieve economic stability and resilience.



State Report

Uttar Pradesh



State Report- Uttar Pradesh

U.1. SCA in Uttar Pradesh

U.1.1 Background of Sahkari Gram Vikas Bank Ltd.

The Uttar Pradesh Sahkari Gram Vikas Bank (UPLDB), established on March 12, 1959, is a state-level apex cooperative society in Uttar Pradesh designed to provide long-term credit and promote the development of agriculture and rural industries. The bank helps farmers by offering financial assistance for agricultural activities, farm mechanization, and non-farm sectors like small industries, housing, and transportation, thereby reducing dependence on moneylenders and strengthening the rural economy.

The SCA disburses small Loan for agriculture and allied purpose since the year 2014 under NBCFDC scheme by Uttar Pradesh (UP) Sahkari Gram Vikas Bank Ltd. Beneficiaries are selected through open application and the amount has been directly transferring to the account of the beneficiaries. Before giving the loan SCA generally provides counseling to the beneficiaries on Finance literacy, Business planning and Repayment awareness. As reported, major of the collateral guarantee required from the beneficiaries like land mortgage. An average loan size provided to the individual beneficiaries is estimated at Rs. 1,50,000/-. A significant portion of population especially in rural areas may not fully understand the scheme and its benefit due to low literacy rate. For creating awareness among them, the bank organizes various financial literacy camps.

During the last three reference year of this study i.e. 2020-21, 2021-22 and 2022-23, 172 beneficiaries were provided loans under the scheme of NBCFDC in UP. The SCA track School/College completion for education loans and income improvement for women-led enterprises. The responses of various beneficiaries recorded in the excel sheet have been briefly analysed for preparing an interim report of the study.

Further, similar number of non-beneficiaries as a control group were also contacted to know the reason behind not availing the benefit under NBCFDC despite having the eligibility and also gathered other related information through the structured questionnaire.

U.1.2 Disbursement Patterns of NBCFDC Loans in the State for FY 2020-23

As per the data provided by the SCA, 172 beneficiaries have been given loans under NBCFDC loan categories during the period of 2020-23.

Out of the 172 beneficiaries in the state, 107 beneficiaries have been surveyed. Out of these 99% of the loans has been given under small loan in the individual loan category and 1% is under NBC-MFI Loan Category.

The distribution of beneficiaries across the districts of Uttar Pradesh for the years 2020-23 is given below:

Table: U.1.2.1 Distribution of beneficiaries across the districts of UP for the years 2020-23

Districts	Number of Beneficiaries
Jaunpur	28
Varanasi	20
Maharajganj	59

Out of the total beneficiaries who have benefitted from the loan 15 are females, 92 Males. The maximum amount of loan disbursed is 5,00,000 Lakhs and the minimum amount is 1,00,000 Lakh.

Table: U.1.2.2 Activities in which beneficiaries have been given the loans for the year 2020-23

Type of Utilization of Loan	Number of Beneficiaries
Purchase of raw materials	56
Purchase of tools/machinery	07
Business expansion	03
Working capital	03
Marketing and promotion	36
Training or skill development	01
Repayment of old debts	01
Others	-
None	-

U.1.3 Sample Population

A sample size of 107 beneficiaries and 107 non-beneficiaries was determined in consultation and as per terms of reference given by NBCFDC for the state of Uttar Pradesh as per the sampling plan for the study. All beneficiaries were interviewed based on the list of beneficiaries given by the SCA. The interviews were done through the Kobo tool and a structured closed ended questionnaire.

U.1.4 U.1.4 Sample Design Selection of Districts

The state of UP was selected for this evaluative study as per the proposed sampling plan. State Channelising Agency selected for this evaluation was Uttar Pradesh Sahkari Gram Vikas Bank (UPLDB). Therefore, the districts for which consent was received became part of the present study. These districts were selected in consultation with UPLDB.

U.1.5 Sources of Data

This was an empirical study intending for an evaluation of the lending schemes already

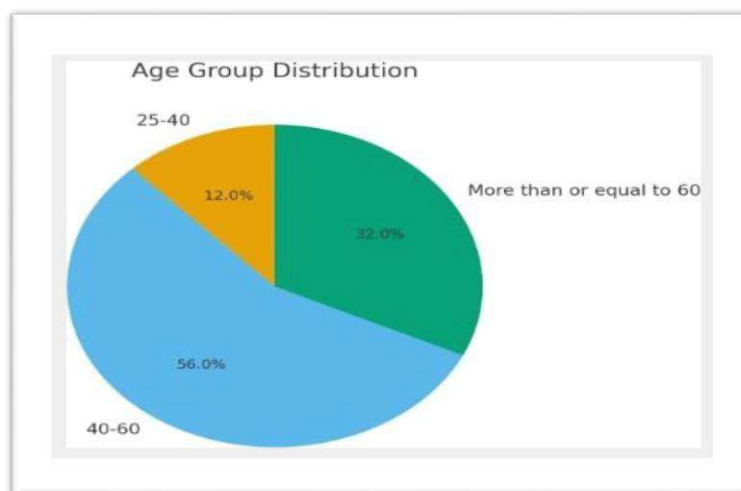
implemented. The list of the beneficiaries for Term Loan and Micro-finance schemes of NBCFDC for the period of study (2020-23) was shared by UPLDB which comprised the name and other details of the beneficiary of the loan schemes. All the willing beneficiaries were contacted through the UPLDB (State Channelising Agency) and were verified from the available list of beneficiaries.

The evaluation for various other parameters like the utilization ratio, loan recovery ratio/mechanism, number of defaulters and the mechanism of monitoring done for these loans by the SCAs has been collected through the questionnaires in Kobo toolbox. Additionally, information has also been gathered from their websites and annual reports.

U.2 Analysis of the Socio-Economic Parameters

U. 2.1 Age Group Distribution

U.2.1.1 Age Group Distribution

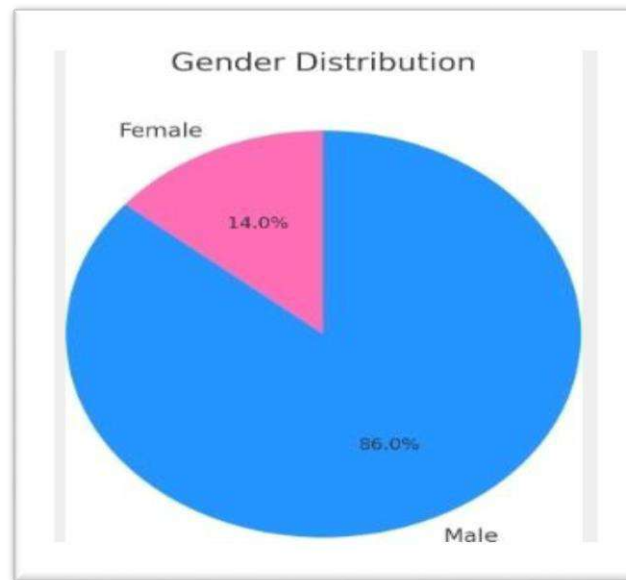


The age distribution highlights a significant concentration in the middle-aged and elderly population. 12% of the surveyed beneficiaries fall in the 25–40 years category, 56% belong to the 40–60 years age group, while 32% are aged 60 years and above.

U.2.2 Gender

Among the respondents, 14% are female and 86% are male. This shows that participation is overwhelmingly male-dominated, with relatively limited representation of women. The skewed distribution highlights the need for greater gender balance, encouraging policies and outreach efforts that can increase women's participation and ensure more inclusive engagement.

Figure: U.2.21 Gender Distribution



U.2.3 Aadhaar Card Ownership

Every single respondent (**100%**) has an **Aadhaar card**, confirming full coverage in terms of national identification. This is a crucial enabler for accessing benefits and indicates that identity-linked schemes can be efficiently administered within this group.

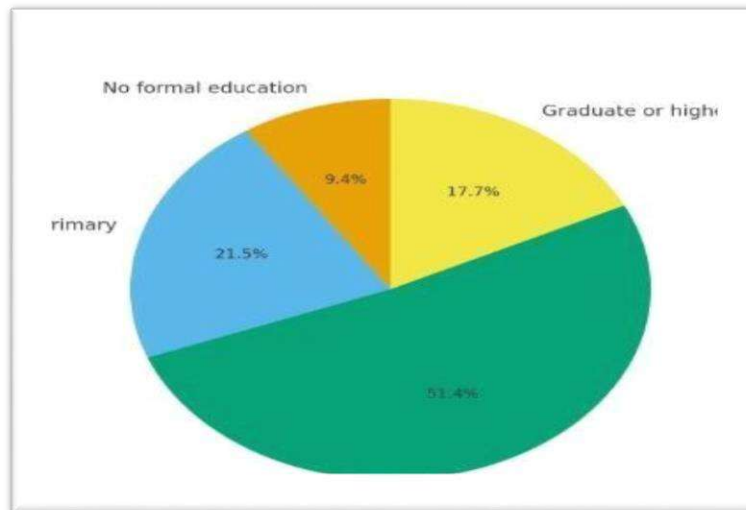
U.2.4 Type of Bank Account

All respondents (**100%**) reported having a **normal savings bank account**. This is notable, as it shows deep financial inclusion, with no dependence on Jan Dhan or basic accounts. These individuals may already be participating in digital banking or formal lending systems.

U.2.5 Education Level

Education among the group shows a clear concentration at the secondary level, with 51.4% having completed secondary education. Around 21.5% have attained primary education, while 17.8% are graduates or higher. A smaller segment, 9.4%, reported having no formal education. This distribution suggests that while a substantial portion has basic schooling, there is a need for further educational and skill development initiatives, especially to uplift those with little or no formal education, while also leveraging the potential of those with higher qualifications for advanced skilling and entrepreneurship.

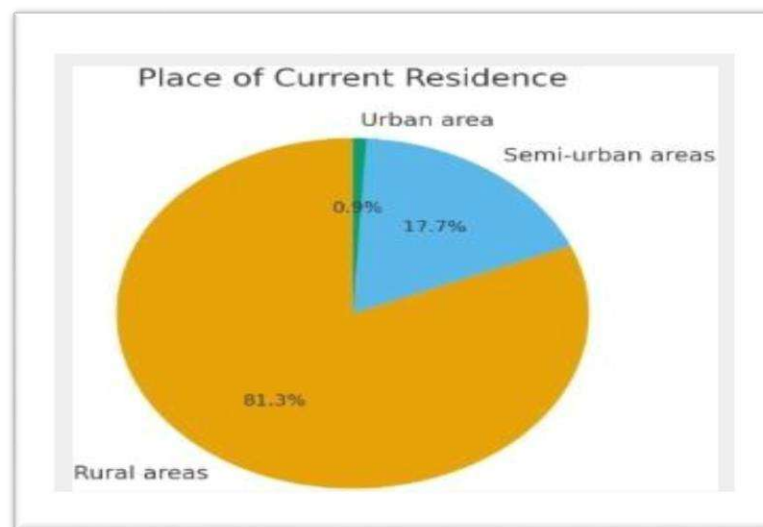
Figure: U.2.5.1 Education Level



U.2.6 Residential Area

The majority of beneficiaries (81.3%) live in rural areas, with 17.8% in semi-urban areas and less than 1% in urban areas. This distribution highlights the predominantly rural orientation of the scheme, suggesting that interventions should continue to be tailored toward rural needs while also supporting semi-urban outreach.

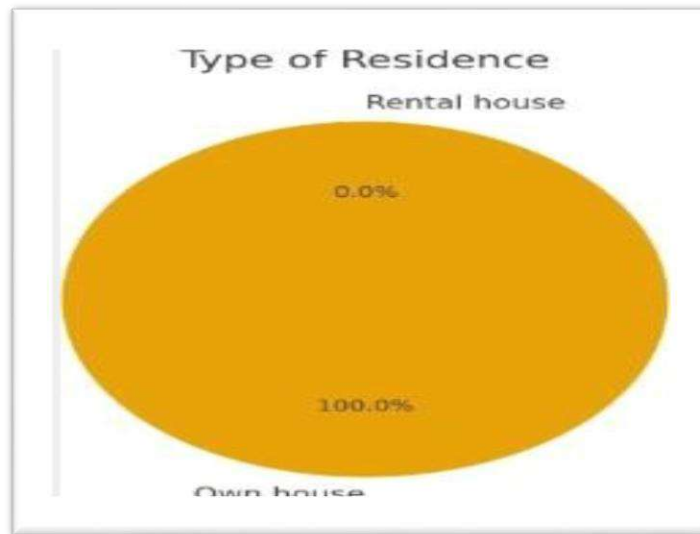
Figure: U.2.6.1 Residential Area



U.2.7 Type of House

All respondents (100%) reported living in their own houses, with no cases of rental accommodation. This high level of home ownership reflects a strong foundation of housing stability, particularly in rural and semi-urban settings where inherited or family-based housing is common.

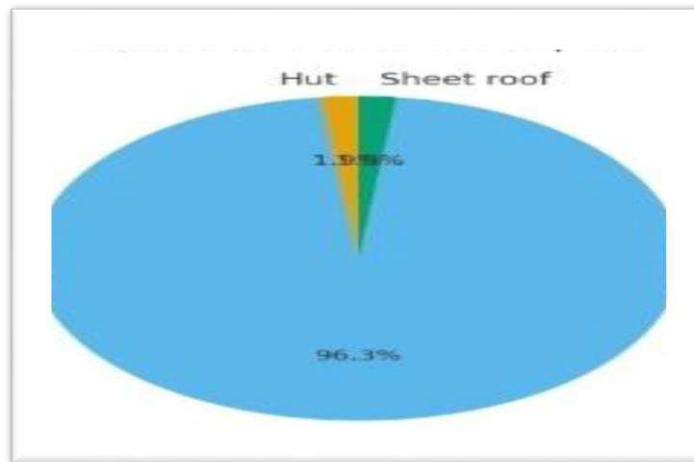
Figure: U.2.7.1 Type of House



U.2.8 Ownership of Residence

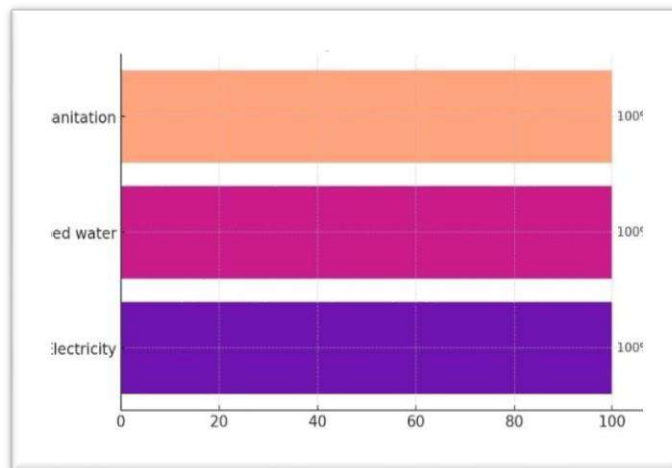
Nearly all beneficiaries (96.3%) live in concrete-roofed houses, while 1.9% each reside in huts or under sheet-roofed structures. This suggests that the vast majority enjoy structurally durable housing, though the small fraction in non-permanent structures still indicates a need for targeted housing improvement for the most vulnerable households.

Figure: U.2.8.1 Ownership of Residence



U.2.9 Electricity and Water Availability at Home

Figure: U.2.9.1 Electricity and Water Availability at Home



The data highlights that all respondents have access to electricity, piped water, and sanitation facilities at home, with each amenity reaching 100% coverage. This uniform availability is a very positive indicator, showing that essential infrastructure has been successfully extended to every household in the surveyed group.

Unlike many regions where gaps in basic amenities create disparities, this dataset suggests an equitable distribution of critical services. With universal access to electricity, water, and sanitation, households are better positioned for improved health outcomes, educational opportunities, and economic productivity.

However, it is noteworthy that data for internet access and households without any amenities was not captured or is unavailable. Including these aspects in future surveys could provide a more holistic picture of digital and infrastructural inclusivity.

U2.10 Marital Status

Figure: U.2.10.1

Marital Status



An overwhelming majority of respondents (98.1%) are married, while only 1.9% are widowed. The absence of single or divorced individuals in the dataset suggests a highly uniform marital profile among the surveyed group.

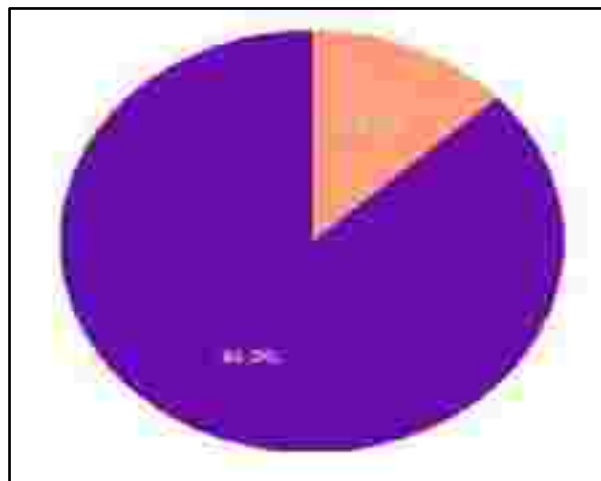
This dominance of married respondents indicates that most households are family-based, which may have implications for social and economic dynamics, such as higher dependency ratios, greater emphasis on household stability, and the need for family-oriented welfare schemes. The very small proportion of widowed individuals reflects minimal variation in marital status within the sample.

U.2.11 Nature of Family

A large majority of respondents (86.9%) live in joint families, while only 13.1% belong to nuclear families. The dominance of joint households suggests a strong presence of traditional family structures where resources, responsibilities, and incomes are often shared.

This arrangement can provide greater social and financial security to members, reducing individual vulnerability. On the other hand, the smaller share of nuclear families may indicate limited autonomy but potentially higher dependency on the extended household system for support.

Figure: U.2.11.1 Type of Family



U.2.12 Annual Family household Income Pre-loan and Post-loan

Table: U.2.12.1 Annual Family Household Income before uptake of loan

Income Levels	Response	Percentage
Below Rs.1.5 Lakh	30	28
Rs.1.5 – Rs. 2.25 Lakh	40	37
Rs.2.25- Rs.3 lakh	37	35
Total count	107	100

The income distribution of respondents shows that a majority fall within the lower-middle income brackets, indicating modest but relatively stable household earnings. About **37%** of respondents have an annual income between **₹1.5 lakh and ₹2.25 lakh**, making it the largest group. This is followed closely by the **₹2.25 lakh to ₹3 lakh** category, which accounts for **35%**, reflecting a significant portion of households positioned in the mid-income range. Meanwhile, **28%** of respondents earn **below ₹1.5 lakh annually**, indicating a sizable segment still experiencing financial vulnerability.

Table: U.2.12.2 Annual Family household Income Post loan uptake

Income post loan	Approx. Count	Percentage
Below 1.5 Lakh	0	0
1.5 – 2.25 Lakh	0	0
2.25 – 3 Lakh	17	16
Above 3 Lakh	90	84
Total	107	100

The approximated income distribution shows that **none of the respondents fall below the 2.25 lakh mark**, indicating comparatively higher income profiles among the surveyed group. About **16%** of respondents are estimated to fall within the **2.25–3 lakh** annual income range, while a substantial **84%** fall in the **above 3 lakh** category. This suggests that the majority of respondents belong to higher income brackets, with significant representation from individuals earning above 5 lakh annually. The absence of respondents in the lower slabs (below 1.5 lakh and 1.5–2.25 lakh) highlights that the surveyed population is predominantly from relatively better-off households.

Table: U.2.12.3 Change in Income Levels: Pre vs. Post Loan Uptake

Income Category	Pre-Loan (%)	Post-Loan (%)	Change (Percentage Points)
Below 1.5 Lakh	28%	0%	–28
1.5 – 2.25 Lakh	37%	0%	–37
2.25 – 3 Lakh	35%	16%	–19
Above 3 Lakh	0%	84%	84
Total	100%	100%	—

The income distribution shows a significant upward shift following the loan uptake. Before receiving the loan, all beneficiaries fell below the 3-lakh income category, with the largest share (37%) earning between 1.5–2.25 lakh annually. After the loan, there was a complete elimination of respondents in the lower two brackets (Below 1.5 lakh and 1.5–2.25 lakh), reflecting substantial income enhancement. The share of beneficiaries in the 2.25–3 lakh range declined by 19 percentage points, while the most notable change was the emergence of 84% of beneficiaries in the above 3 lakh income category—previously at 0%.

Average Household Monthly Income Pre vs Post Loan Uptake (in Rs)

The average household monthly income shows a substantial improvement, rising from Rs. 20,908 before availing the loan to Rs. 42,280 after the loan uptake. This reflects an impressive increase of approximately 102%, more than doubling the previous income level. The sharp rise indicates that the loan played a pivotal role in enabling households to significantly scale up their economic activities, improve productivity, and strengthen overall financial stability, resulting in a transformative impact on their livelihoods.

U.2.13 Employment Status

Table: U.2.13.1 Employment Status Current employment status

Self-employed	106	99.06
Unemployed due to business failure	01	0.94
Student	-	-

The employment profile of the beneficiaries highlights a dominant reliance on self-employment. An overwhelming 99% of respondents fall into this category, pointing toward a livelihood base rooted in entrepreneurial and independent activities such as running small shops, engaging in trades, or managing micro-enterprises. This reflects a grassroots economic fabric where individuals carve out opportunities in the absence of large-scale industries or structured job markets. While this self-reliant model fosters adaptability, it also exposes households to income volatility, limited access to formal credit, and a lack of scalability, which may restrict long-term economic security. Targeted interventions like microfinance access, entrepreneurship training, and market linkage programs could strengthen this segment.

Notably, unemployment is reported by less than 1% (0.9%) of respondents, a figure that appears negligible. While encouraging at face value, this low rate may also mask underemployment or disguised unemployment within the self-employed group, where income levels and business sustainability may not meet household needs.

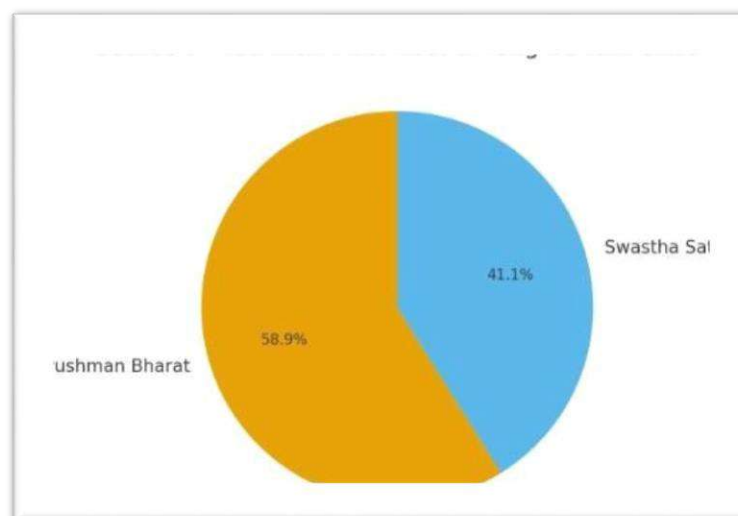
Overall, the data reveals a strong informal economic base, with self-employment as the dominant livelihood pathway. While the small salaried group enjoys stability, the findings highlight the importance of integrating self-employment with structured livelihood planning, capacity building, and financial inclusion to enhance resilience and reduce vulnerability.

U.2.14 Healthcare Access

The data highlights that health coverage among beneficiaries is primarily supported through public insurance schemes. A majority, 58.9%, access healthcare through Ayushman Bharat, reflecting its central role in extending medical security. Another 41.1% rely on Swastha Sathi, a state-level scheme, underlining the complementary role of local initiatives in strengthening healthcare access. The absence of respondents reporting “government cards” or “other” schemes suggests that coverage is consolidated around these two flagship programs.

This distribution indicates a strong penetration of institutional health coverage, reducing the financial burden of medical care for most households. However, the lack of diversity in coverage sources also points to dependency on a few schemes, which could make vulnerable populations exposed if services under these programs face delays or limitations. Strengthening last-mile service delivery, expanding awareness about available schemes, and integrating private/NGO health support could further bridge the remaining gaps.

Figure: U.2.14.1 Healthcare Access



U.2.15. Nature of Work before uptake of loans

The primary source of income data underscores the strong role of small-scale business activity in shaping household livelihoods. A majority of **56.1%** of respondents report **business** as their main source of income. These are likely to be micro-enterprises such as local retail shops, tailoring, food stalls, or repair services rather than large establishments. This entrepreneurial base reflects resilience and adaptability in contexts where salaried jobs are scarce. However, such businesses often face structural challenges—lack of working capital, limited exposure to larger markets, and absence of financial management skills—that restrict their growth potential. Policy interventions aimed at strengthening financial literacy, improving access to micro-credit, and creating market linkages could enhance the sustainability of this segment.

Agriculture remains the second most important income source, with **43%** of households engaged in farming activities. This aligns with the rural character of the surveyed areas, but it also suggests a continuing dependence on traditional livelihoods. Given challenges like fragmented landholdings, low productivity, and limited irrigation infrastructure, farm households could benefit from agricultural extension services, improved technology adoption, and access to cooperative platforms for collective marketing. Strengthening agro-based value chains may also create new income opportunities.

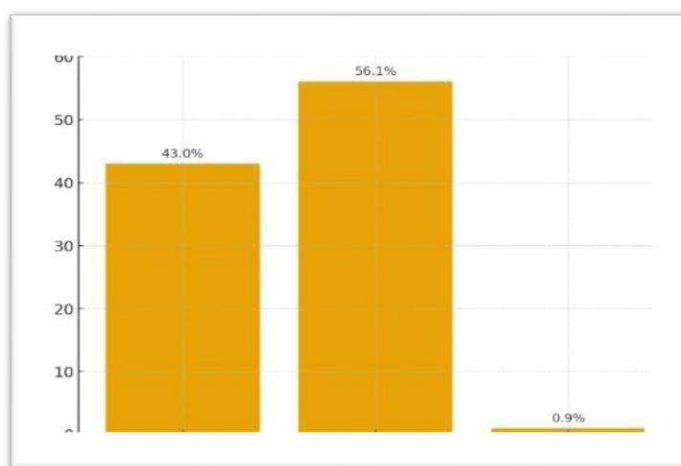
Interestingly, the data shows **no respondents reporting salaried jobs** as their main source of

income. This absence indicates a sharp contrast with regions where formal employment—through government services, NGOs, or private institutions—plays a more significant role. It highlights the limited penetration of structured labor markets in the surveyed context and the reliance on informal and self-driven livelihoods.

A very small fraction, **0.9%**, depend on **daily wage labor**, such as seasonal agricultural work, construction, or other casual jobs. While their proportion is small, this group is highly vulnerable due to irregular earnings, lack of job security, and minimal access to social protection. Special focus on wage insurance, skill enhancement, and livelihood diversification would be critical for their economic upliftment.

Overall, the income profile presents a dual picture: a strong entrepreneurial base complemented by agricultural dependence, with very limited scope for formal employment. This points to the need for integrated livelihood planning that simultaneously promotes micro-enterprise growth, agricultural productivity, and social protection for the most vulnerable.

Figure: U.2.15.1 Primary Sources of Income



U.3 Analysis of the Loan Access, Utilization, and Impact Assessment

Table: U.3.1 Time taken by the beneficiaries in obtaining loans from the SCA

Month Range	Responses	Percentage
Upto 4 months	71	66.4%
4-6 months	1	0.9%
More than 6 months	16	15%
Can't Recall	19	17.8%
Total Response	107	

The analysis of loan application and disbursement timelines highlights that the majority of beneficiaries accessed their loans within a short waiting period. Out of the recorded cases, **71 beneficiaries (66.4%)** received their loans within **up to 4 months** of application. This reflects a

relatively efficient loan processing mechanism, enabling timely access to financial support for most households.

A negligible share, only **1 respondent (0.9%)**, reported a delay of **4–6 months**, suggesting that such cases are rare. On the other hand, **16 beneficiaries (15.0%)** experienced a waiting time of **more than 6 months**, pointing to certain administrative or procedural bottlenecks that prolonged their access to funds.

Additionally, **19 respondents (17.8%)** were unable to recall the exact duration, which may reflect challenges in record-keeping or recall among beneficiaries.

Overall, the findings suggest that the loan scheme has been largely successful in ensuring timely disbursement, with more than **two-thirds of the beneficiaries** accessing funds within four months. However, addressing the small proportion of cases with prolonged delays could further strengthen efficiency and beneficiary confidence in the system.

U.3.2 Purpose of Uptake of loan

U.3.2.1 Utilization of loan for Intended Purpose

The loan from NBCFDC in the state of Uttar Pradesh was taken for the agriculture and allied activities. A 100 % utilization for the intended purpose of the loan was observed.

U.4 Awareness of NBCFDC loan schemes, rates of interest & Facilitation of loans taken

A high awareness of the NBCFDC loans were seen amongst the beneficiaries. 100% reported to know about the NBCFDC loans through word of mouth, friends or relative.

A key strength in the loan application process was the high level of beneficiary autonomy. A remarkable 92% of respondents claimed to have handled the loan process independently, without relying on intermediaries or facilitators. Only 8% reported taking help from a third party.

100% of the beneficiaries stated to having filled the forms online through the SCA. The loans for all beneficiaries (100%) were given through bank transfer.

Table: U.4.1

Question	Response/ Yes	Response/ Yes in %	Response/No	Response/ No in %
Do you know the amount of interest rate on your loan	95	89%	12	11%
Whether assistance received directly in bank account	107	100%	0	0%
Have you missed any installments	50	47%	57	53%
Do you find the inte fair and affordable	107	100%	-	0%

The responses indicate that a significant proportion of beneficiaries are fairly informed and financially aware, though some areas of concern remain. About **89% of respondents reported**

knowing the interest rate on their loan, demonstrating strong awareness of their borrowing terms, while **11% admitted to not knowing it**, indicating a small knowledge gap among some beneficiaries.

Encouragingly, all respondents (**100%**) confirmed that they received assistance directly into their bank accounts. This underscores the effectiveness of the Direct Benefit Transfer (DBT) mechanism in promoting transparency, efficiency, and reducing leakages in fund disbursement.

Regarding repayment behaviour, nearly **47% of beneficiaries reported missing installments**, while **53% stated that they had not missed any**. This suggests that while a slight majority maintain regular repayment discipline, a considerable proportion of beneficiaries face challenges in meeting repayment schedules, which could be due to irregular income flows or financial stress.

The data for perceptions about the fairness and affordability of the interest rate is missing in the table, but given the high awareness of interest rates and repayment challenges, it is likely that perceptions about affordability may vary, with some beneficiaries potentially finding the terms burdensome.

Summary: Overall, beneficiaries demonstrate high financial awareness and effective utilization of the DBT system, but repayment irregularities for nearly half of the respondents point to persistent financial vulnerabilities among some households.

U.4.1 Insurance and Risk Coverage

Only a small number of beneficiaries reported taking insurance along with the loan. The majority either did not opt for or were not aware/offered insurance as part of the loan package.

This is a missed opportunity in terms of promoting financial protection. In populations that are economically fragile, insurance (especially health and life cover linked to the loan) can prevent households from falling back into poverty due to unforeseen crises. The low penetration of insurance points to an area that requires immediate attention—both from the lending institutions and financial literacy programs.

Table: U.4.1.1 Creation of Assets out of loan assistance provided

Out of the 107 beneficiaries interviewed the following assets have been created:

Assets Creation	Responses	Percentage
Purchase of raw materials	56	52%
Purchase of tools/machinery	7	7%
Business expansion	3	3%
Working capital	3	3%
Marketing and promotion	38	36%
Total	107	100%

The data shows that the loan was primarily used for strengthening core business operations. A majority of beneficiaries (52%) utilized the funds to purchase raw materials, indicating an immediate need to support day-to-day production and sales activities. Marketing and promotion accounted for 36% of responses, reflecting a strong focus on expanding market reach and increasing customer demand. Only a small share of beneficiaries used the loan for tools or machinery (7%), business expansion (3%), or working capital (3%), suggesting that most investments were directed toward essential inputs rather than long-term capacity building.

U.5 Analysis of the Perception-Based Assessment of Loan Experience and Impact through Likert Scale

To assess beneficiaries’ perceptions and experiences, a set of Likert scale questions was included in the survey. Respondents were asked to rate their satisfaction with loan services, the impact of the loan on their social and economic well-being, and changes related to women’s empowerment. Each set of statements was rated on a standard 5-point scale, tailored to the theme.

The findings from the Likert scale analysis have been shown through visualizations in their respective sections given below:

U.5.1 Satisfaction with Loan Services

The responses on the questions in the Likert scale for this category has been tabled and the observations are given below.

Table: U.5.1.1 Satisfaction level with the SCAs and Bank among beneficiaries in UP

Statement	Satisfaction level* with the SCAs and Bank (percentage of beneficiaries)				
	1	2	3	4	5
Satisfaction of the loan scheme availed	-	-	-	45.79	54.21
Assistance and guidance provided by agency	-	-	0.93	53.28	45.79
Time taken approval for loan	-	-	2.8	53.27	43.93
Interest rates	-	-	4.67	51.4	43.93
Fund disbursement process	-	-	3.74	52.33	43.93
Amount disbursed of loan	-	-	1.87	54.2	43.93
Loan repayment terms	-	0.93	4.67	50.47	43.93
Transparency of loan terms	-	0.93	2.8	52.34	43.93
Employee behavior during lending process	0.93	0.93	3.74	50.47	43.93
Guarantee requirements	4.67	-	0.93	50.47	43.93
1= highly dissatisfied, 2= Dissatisfied, 3= Neutral, 4= Satisfied, 5= Highly satisfied.					

Table: U.5.1.2 Average satisfaction scores with SCAs & Banks in UP

Variable	Average Satisfaction
Satisfaction of the loan scheme availed	4.54
Assistance and guidance provided by agency	4.45
Time taken for loan approval	4.41
Interest rates	4.39
Fund disbursement process	4.40
Amount of loan disbursed	4.42
Loan repayment terms	4.37
Transparency of loan terms	4.39
Employee behaviour during lending process	4.36
Guarantee requirements	4.29

The analysis of satisfaction levels among beneficiaries regarding the NBCFDC loan scheme and related services in UP, based on a 5-point scale (1=highly dissatisfied to 5=highly satisfied), reveals generally high satisfaction with several aspects but also highlights some areas for improvement.

- **Loan Scheme Satisfaction:**

A majority of beneficiaries (54.21%) are highly satisfied (rated 5) with the loan scheme availed, while 45.79% are satisfied (rated 4), indicating overall positive reception of the scheme itself.

- **Assistance and Guidance from Agency:**

Most beneficiaries are satisfied (53.28% rated 4) or highly satisfied (45.79% rated 5) with the assistance and guidance, with a negligible 0.93% neutral (rated 3), reflecting strong support from the agency.

- **Time Taken for Loan Approval:**

A large proportion (53.27% rated 4 and 43.93% rated 5) are satisfied or highly satisfied with the time taken for loan approval, while only 2.8% are neutral (rated 3), suggesting timely processing.

- **Interest Rates:**

Over half of beneficiaries (51.4% rated 4 and 43.93% rated 5) are satisfied or highly satisfied with the interest rates, with only 4.67% neutral (rated 3), indicating acceptance of the rates.

- **Fund Disbursement Process:**

Most beneficiaries (52.33% rated 4 and 43.93% rated 5) are satisfied or highly satisfied with the disbursement process, and only 3.74% are neutral (rated 3), pointing to smooth fund release.

- **Amount of Loan Disbursed:**

A majority (54.2% rated 4 and 43.93% rated 5) are satisfied or highly satisfied with the loan amount, with a negligible 1.87% neutral (rated 3), showing that the disbursed amount meets expectations.

- **Loan Repayment Terms:**

Half of the beneficiaries (50.47% rated 4) and a significant number (43.93% rated 5) are satisfied or highly satisfied with repayment terms, with only a small group (4.67% rated 3 and 0.93% rated 2) neutral or dissatisfied.

- **Transparency of Loan Terms:**

Over half (52.34% rated 4 and 43.93% rated 5) are satisfied or highly satisfied with transparency, with only a few (2.8% rated 3 and 0.93% rated 2) neutral or dissatisfied, suggesting clear communication.

- **Employee Behavior during Lending Process:**

A large proportion (50.47% rated 4 and 43.93% rated 5) are satisfied or highly satisfied with employee behavior, while a small minority (3.74% rated 3 and 0.93% each rated 2 and 1) are neutral or dissatisfied, reflecting good staff conduct.

- **Guarantee Requirements:**

A significant number (50.47% rated 4 and 43.93% rated 5) are satisfied or highly satisfied with collateral requirements, while a small group (4.67% rated 1 and 0.93% rated 3) are highly dissatisfied or neutral, indicating mostly positive views with a few exceptions.

U. 5.2 Socio-Economic Standard of Living

The responses on the questions in the Likert scale for this category has been tabled and the observations are given below.

Table: U.5.2.1 Likert responses on questions relating to Socio-Economic Standard of Living

Social and Economic Impact	Social and Economic Impact* among the beneficiaries (percentage of beneficiaries)					No. of beneficiaries
	1	2	3	4	5	
Food and nutritional standards	-	-	-	96.26	3.74	107
Clothing standards	-	-	4.67	92.53	2.80	107
Asset ownership	-	1.87	28.04	67.29	2.80	107
Household savings	-	0.93	2.8	94.39	1.88	107
Overall living standards	-	-	10.28	87.85	1.87	107
Ability to repay debts	7.48	0.93	2.8	86.92	1.87	107

1= highly dissatisfied, 2= Dissatisfied, 3= Neutral, 4= Satisfied, 5= Highly satisfied.

For more descriptive analysis, the average (mean) and standard deviation are calculated based on the percentage distribution of responses across the rating scale (1–5) for each of the category. The result is presented in Table U.5.2.2.

Table: U.5.2.2 Average (mean) and Standard Deviation of Social and Economic impact in U.P

Variable	Average (mean)
Food and nutritional standards	4.03
Clothing standards	3.98
Asset ownership	3.71
Household savings	3.97
Overall living standards	3.91
Ability to repay debts	3.74

- **Food and Nutritional Standards**

A significant majority of beneficiaries (96% rated 4 – satisfied) reported improvements in food and nutritional standards, while only a small proportion (4% rated 5 – highly satisfied) expressed strong satisfaction. This suggests that the loan assistance has positively impacted household nutrition, though very few feel it has fully transformed their dietary standards.

- **Clothing Standards**

Most respondents (93% rated 4 or 3 – satisfied/neutral) indicated moderate improvements in clothing standards, with 4.67% rating 3 (neutral) and 2.8% rating 5 (highly satisfied). This implies that while clothing needs are being better met, the change is incremental rather than transformative.

- **Asset Ownership**

Responses show that 67% rated 4 (satisfied) and 28% rated 3 (neutral), with only 2.8% rating 5 (highly satisfied). A small proportion (1.87% rated 2 – dissatisfied) did not perceive any improvement. This indicates that most beneficiaries are able to acquire assets with the loan, though a minority still faces challenges in asset accumulation.

- **Household Savings**

A vast majority (94% rated 4 – satisfied) reported increased savings, while 2.8% rated 3 (neutral) and 1.88% rated 5 (highly satisfied). Only 0.93% rated 2. This suggests that the loan scheme has effectively contributed to improving household savings capacity, with limited dissatisfaction.

- **Overall Living Standards**

Most respondents (88% rated 4 – satisfied) acknowledged an improvement in overall living standards, while 10% were neutral and only 1.87% rated 5 (highly satisfied). This shows that the scheme has positively influenced beneficiaries’ living conditions, though perceptions of dramatic

improvement remain limited.

- **Ability to Repay Debts**

A majority (87% rated 4 – satisfied) felt confident about their ability to repay debts, while 2.8% were neutral and 1.87% highly satisfied. Notably, 7.48% rated 1 (highly dissatisfied), indicating that a small segment struggles with repayment. Overall, the responses reflect good repayment capacity among most beneficiaries, with challenges concentrated in a small minority.

U.6 Non-Beneficiary Analysis

Here, some information about the non-beneficiaries age, gender, marital status, type of family and number of dependents in the family is presented in Table U.6.1. The descriptive analysis of non-beneficiaries in Uttar Pradesh, based on socio-demographic data, provides insight into the composition and characteristics of this group.

The sample of non-beneficiaries in Uttar Pradesh is characterized by a notable age distribution, with the largest proportions found in the 40-45 and 35-39 age groups, each exceeding 20% of the total. The average age of this group is 36.10 years, indicating a relatively mature cohort. The majority of non-beneficiaries are male, making up over 83% of the sample, while females account for less than 17%. Marital status reveals that most non-beneficiaries are married, with over 82% in this category, while only about 14% are single and a small fraction are divorced. Widowed individuals are entirely absent from the sample. The family structure is predominantly joint, as nearly 77% reside in joint families, compared to around 23% in nuclear families. Regarding dependents, the data is striking, with over 85% reporting five or more dependents in their family. Only a small percentage have one or four dependents, and none have zero or two dependents in the data shown. The high number of dependents suggests significant family responsibilities among non-beneficiaries. The data also highlights a gender imbalance, with males vastly outnumbering females in the sample. The predominance of joint families and large numbers of dependents may reflect traditional household structures in the region. Overall, the socio-demographic profile points to a group facing considerable economic and familial pressures. This information is crucial for understanding the challenges faced by non-beneficiaries in Uttar Pradesh and for targeting interventions accordingly.

Table: U.6.1 Some socio-demographic information of non-beneficiaries in UP

Socio-Economic Indicators	No. of Non-Beneficiaries	Percentage (%)
Age (in years)		
<14	–	–
15–19	–	–
20–24	08	7.48
25–29	20	18.69
30–34	19	17.75
35–39	22	20.56

Socio-Economic Indicators	No. of Non-Beneficiaries	Percentage (%)
40–45	23	21.50
46–50	06	5.60
50+	09	8.42
Average Age (Years)	36.10	–
Gender		
Male	89	83.18
Female	18	16.82
Marital Status		
Single	15	14.02
Married	88	82.24
Divorced	04	3.74
Widowed	–	–
Type of Family		
Joint	82	76.64
Nuclear	25	23.36
No. of Dependents in the Family		
0	–	–
1	01	0.93
2	–	–
3	03	2.80
4	12	11.22
5+	91	85.05

Table U.6.2 shows the non-beneficiary's current residence, the type of amenities available, their educational level, employment status and other information. The majority of non-beneficiaries currently reside in rural areas, with nearly 65% living in such settings, while about 32% are in semi-urban areas and only a small fraction in urban localities; metropolitan city dwellers are absent in this sample.



Table: U.6.2 Some socio-economic information of non-beneficiaries in UP

Socio-Economic Indicators	No. of Non-Beneficiaries	Percentage (%)
Place of Current Residence		
Rural areas	69	64.48
Semi-urban areas	34	31.78

Socio-Economic Indicators	No. of Non-Beneficiaries	Percentage (%)
Urban area	04	3.74
Metropolitan city	–	–
Type of Residence		
Own house	94	87.85
Rental house	13	12.15
Nature of House Occupied		
Hut	01	0.94
Concrete roof	84	78.50
Sheet roof	21	19.62
Tile roof	01	0.94
Type of Amenities Available in the House		
Electricity	107	100.0
Piped water	107	100.0
Electricity only	107	100.0
Clean water only	–	–
Neither	–	–
Highest Level of Education		
No formal education	12	11.22
Primary	25	23.36
Secondary	49	45.80
Graduate or higher	21	19.62
Current Employment Status		
Employed (salaried)	–	–
Self-employed	85	79.44
Unemployed	16	14.95
Student	06	5.61
Current Economic Status		
BPL	83	77.58
Above BPL	24	22.42
DPL	–	–
Above DPL	–	–
Primary Source of Income		
Agriculture	30	28.03
Business	31	28.98
Salaried job	–	–
Daily wage labour	46	42.99
Average Annual Household Income (2020–2023) (Rs.)	2,28,150	–
Average Annual Household Income (Current) (Rs.)	2,45,477	–
Whether Access to Health Care Services		
Yes, easily	42	39.25
Yes, but difficult	41	38.32
No access	23	21.50
Not applicable	01	0.93
Other	–	–
Type of Bank Account		

Socio-Economic Indicators	No. of Non-Beneficiaries	Percentage (%)
Jan Dhan Yojana	21	19.62
Normal Savings Bank Account	86	80.38
Others	–	–

Most respondents own their houses, constituting almost 88% of the sample, while a modest 12% live in rented accommodations. The nature of houses reveals that the vast majority—nearly 79%—have concrete roofs, followed by about 20% with sheet roofs; huts and tile roofs are rare. All respondents report having electricity and piped water in their homes, indicating universal access to these basic amenities. In terms of education, close to 46% have completed secondary education, while about 23% have primary education and almost 20% have graduated or higher; a significant 11% have no formal education.

The employment status is dominated by self-employed individuals, making up nearly 80% of the sample, with about 15% unemployed and a small percentage as students. The economic status of most is below the poverty line (BPL), with almost 78% falling into this category, while about 22% are above BPL. The primary sources of income are diversified, with daily wage labour as the largest group at about 43%, followed by agriculture and business, each accounting for around 28%. There is no representation of salaried jobs as a primary income source in this data. The average annual household income has increased from approximately Rs. 2,28,150 during 2020–2023 to Rs. 2,45,477 currently, indicating a modest improvement.

Access to healthcare services is mixed: about 39% report easy access, 38% find it difficult, and over 21% have no access at all. Most non-beneficiaries have normal savings bank accounts, accounting for over 80%, while about 20% have accounts under Jan Dhan Yojana. The absence of metropolitan city residents and salaried jobholders suggests limited exposure to urban employment opportunities. The overall picture is of a predominantly rural, self-employed, and economically vulnerable population with basic amenities but limited access to healthcare and formal employment. This profile is essential for designing targeted welfare interventions for non-beneficiaries in Uttar Pradesh.



U.6.1 Awareness of the NBCFDC loan scheme among non-beneficiaries:

Awareness of the NBCFDC loan scheme plays a crucial role in ensuring financial inclusion and empowerment for backward classes in Uttar Pradesh. The scheme, designed to provide concessional financial assistance for self-employment and income-generating activities, targets those facing economic challenges. Understanding the level and nature of awareness among non-beneficiaries helps identify gaps and opportunities for enhancing outreach and participation. Keeping such point in view, awareness of NBCFDC loan scheme among non-beneficiaries in Uttar Pradesh have been studied and presented in Table U.6.3.1.

Table: U.6.1.1 Awareness of NBCFDC loan scheme among non-beneficiaries in UP

Awareness of NBCFDC Loan Scheme	No. of Non-Beneficiaries	Percentage (%)
Whether know about the NBCFDC loan scheme		
Yes	81	75.70
No	26	24.30
Type of NBCFDC Loan Scheme Availed		
General loan scheme	03	2.80
New Swamima scheme	–	–
Education loan	–	–
Microfinance scheme	10	9.35
Mahila Samriddhi scheme	07	6.55
Small loan	64	59.81
NBFC-MFL loan	01	0.93
Refinance scheme	–	–
Other	22	20.56
Type of Activity for which Assistance is Needed/Requested		
Agriculture and allied	44	41.12
Small business	28	26.16
Transport sector	01	0.94
Service sector	34	31.78
Type of Interferences for Education/Business		
No awareness	14	13.08
Collateral requirement	84	78.50
Gender bias	09	8.42
Lack of group formation (for micro finance)	–	–
Whether Planning to Apply Again for Loan in Future		
Yes	107	100.0
No	–	–
Whether Willing to Join a Group (SHG), if Required		
Yes	47	43.92
No	60	56.08

A significant majority of non-beneficiaries in Uttar Pradesh, nearly 76%, are aware of the NBCFDC loan scheme, indicating relatively high awareness levels among this group. However, a notable 24% remain unaware, suggesting a need for improved outreach and information dissemination. Among those who have availed or considered NBCFDC schemes, the most

frequently utilized is the small loan category, accounting for almost 60% of responses, followed by the microfinance scheme at just over 9% and the Mahila Samridhhi scheme at nearly 7%. The general loan scheme is selected by a small minority, at less than 3%. A substantial proportion over 20% indicated —other as their scheme, which could reflect a lack of clarity or more diverse needs not fully captured by the listed options.

The primary activities for which assistance is sought include small business, at over 41%, agriculture and allied sectors at nearly 32%, and the transport sector at about 26%, with the service sector being almost negligible. This distribution highlights a focus on traditional and self-employment avenues among non-beneficiaries. When examining barriers to accessing loans, the most cited issue is the collateral requirement, affecting nearly 79% of respondents, which is a major obstacle for many from economically vulnerable backgrounds. Lack of awareness is a concern for about 13%, while gender bias is noted by just over 8% of non-beneficiaries. There is no mention of lack of group formation as a barrier in this sample. Notably, all surveyed non-beneficiaries (100.0%) expressed a willingness to apply for a loan in the future, reflecting strong demand for financial support. However, willingness to join a self-help group (SHG) is divided: about 44% are willing, while over 56% are not, possibly indicating reservations about group-based lending models or a preference for individual support.

The data suggests that while awareness of NBCFDC schemes is relatively high, there are persistent challenges related to collateral requirements and group participation. The high interest in future loan applications underscores the ongoing need for accessible credit. Efforts to reduce collateral requirements and improve awareness of group benefits could further enhance scheme uptake. The findings are consistent with broader research indicating that NBCFDC schemes can have a positive socio-economic impact when barriers are addressed. The analysis points to the importance of targeted interventions to overcome financial and informational barriers for non-beneficiaries in Uttar Pradesh. Understanding these dynamics is crucial for designing effective financial inclusion strategies. The willingness to engage with loan schemes, despite existing obstacles, highlights the potential for further economic empowerment among this group.

U.6.2 Type of barriers to get loan among the non-beneficiaries:

The barriers to accessing the NBCFDC loan scheme among non-beneficiaries are significant issues. The multiple barriers—such as bureaucratic hurdles, low financial literacy, limited geographical reach, and insufficient publicity—prevent many eligible non-beneficiaries from accessing NBCFDC loan schemes. Addressing such type of issues through broader outreach and simplified processes to target 107 non-beneficiaries for study purposes.

The result is presented in Table U.6.4.1.

Table: U.6.2.1 Type of barriers to get loan among non-beneficiaries in UP

Statement	Social and Economic Impact* among the beneficiaries (percentage of beneficiaries)					No. of Non-Beneficiaries
	1	2	3	4	5	
Complicated application	28.97	19.63	17.76	20.56	13.08	107
Need for collateral	2.80	–	1.88	16.82	78.50	107
Lack of digital literacy	34.58	28.97	31.78	2.80	1.87	107
No one to guide/help	20.56	26.17	2.80	26.17	24.30	107
Gender-based discrimination	100.0	–	–	–	–	107

Note: 1 = Not at all, 2 = Slightly, 3 = Moderately, 4 = Much, 5 = Very much

The provided data describe the perceived barriers to obtaining loans among non-beneficiaries, as reported by 107 respondents. The barriers are rated on a scale from 1 (not at all) to 5 (very much), with each percentage indicating the proportion of respondents who selected each level of agreement.

The analysis reveals that gender-based discrimination is a universal concern, with all non-beneficiaries reporting it as a barrier, indicating a widespread perception of bias in the lending process. However, the intensity of other barriers varies significantly. The need for collateral is perceived as a substantial obstacle, with nearly 79% of respondents rating it as a "very much" barrier, highlighting that most non-beneficiaries struggle to meet this requirement. Complicated application procedures are also a concern, with about 21% finding it a "much" barrier and another 13% rating it "very much," suggesting that application complexity deters a significant number of potential borrowers. Lack of digital literacy is another prominent issue, with over 34% reporting it as a "not at all" barrier, but a combined 63% rating it as "slightly" or "moderately," indicating that while digital skills are a challenge for many, not all are severely affected. The absence of guidance or help is felt across the spectrum, with about 26% each finding it a "slightly" or "much" barrier, and 24% reporting it as a "very much" barrier, pointing to a need for better support systems. The data suggests that barriers are not uniformly experienced but cluster around collateral requirements, application complexity, and lack of guidance. Digital literacy, while a concern, is less of an absolute barrier compared to collateral and procedural issues. The universal perception of gender-based discrimination is striking and calls for urgent attention to ensure equitable access to credit. Collateral requirements remain the most significant practical hurdle, limiting access for those without assets. Application complexity and lack of support further compound the difficulties faced by non-beneficiaries. The findings align with broader research on barriers to secured loans, such as institutional limitations, documentation complexities, and risk perceptions. Addressing these barriers requires targeted interventions, including simplifying application processes, providing guidance, and reducing reliance on collateral. Enhanced digital literacy programs and gender-sensitive lending practices could also improve access to credit for non-beneficiaries. The analysis underscores the multifaceted nature of barriers and the need for a comprehensive approach to financial inclusion.

U.7 Conclusion & Recommendations:

U.7.1 Conclusion of the Study:

The NBCFDC loan scheme in Uttar Pradesh has evidently improved the socio-economic status of backward classes, especially through self-employment in agriculture and allied sectors, as seen in high beneficiary satisfaction and better living standards. Beneficiaries are mainly older, married males (86%) in large joint families (87%) with five or more dependents (89%), reflecting traditional households with significant caregiving responsibilities. Over 8% live in rural areas, nearly all own homes with basic amenities, but digital connectivity remains limited. Secondary education is most common, and self-employment in business or agriculture is the main income source, with average monthly household income and expenditures at Rs. 42,280 and Rs. 29,084, respectively, indicating moderate savings. Loans are mostly used for raw materials (52.33%) and marketing (33.65%), supporting existing operations rather than expansion or asset acquisition. Beneficiaries report an average profit of Rs. 45,262 post-loans, and 37.38% have created new employment, highlighting economic benefits and job creation. Repayment behavior is robust, with nearly 90% making regular payments and none defaulting, while over 99% understand interest calculation, reflecting strong financial discipline. Non-beneficiaries, though younger and also from joint families, face greater economic pressures, with collateral requirements as the main barrier (79%), but all are willing to apply for future loans, pointing to the need for targeted interventions to further enhance financial inclusion.

U.7.2 Policy Recommendations:

Here is key policy recommendations based on the analysis of NBCFDC and SCA lending schemes in Uttar Pradesh, focusing on both beneficiaries and non-beneficiaries:

- **Enhance Outreach and Awareness:** Strengthen campaigns to increase awareness of NBCFDC schemes, especially among women, youth, and those in remote rural areas, to bridge the information gap and improve participation.
- **Reduce Collateral Requirements:** Re-examine and relax collateral requirements for small loans, as this is the primary barrier for economically vulnerable applicants, to make credit more accessible.
- **Expand Digital Connectivity:** Invest in digital infrastructure and provide digital literacy training to enable online loan applications and improve access to digital financial services.
- **Promote Gender Inclusion:** Implement targeted measures to encourage female participation, such as reserved quotas, female-friendly banking channels, and gender-sensitive outreach programs.
- **Increase Financial Literacy Training:** Provide regular financial literacy and business planning workshops before and after loan disbursement to strengthen financial discipline and repayment capacity.
- **Support Group-Based Lending:** Encourage and facilitate the formation of self-help

groups (SHGs) by offering incentives, training, and revolving funds, as group-based models can enhance credit access and social capital.

- **Streamline Loan Application and Disbursement:** Simplify documentation and expedite loan processing to reduce delays, ensuring timely access to funds for beneficiaries.
- **Monitor and Evaluate Impact:** Establish robust monitoring and evaluation mechanisms to track socio- economic outcomes, identify bottlenecks, and ensure continuous improvement of the scheme.
- **Improve Healthcare Access:** Collaborate with health authorities to increase access to healthcare services, especially in rural areas, as limited access remains a challenge for many non-beneficiaries.
- **Encourage Diversified Livelihoods:** Promote diversification of income sources by supporting a wider range of income-generating activities, including non-farm and skill based enterprises, to reduce dependency on traditional sectors.

These recommendations aim to improve accessibility, inclusivity, and the overall impact of NBCFDC and SCA initiatives for backward classes in Uttar Pradesh.

U.8. Success Story

Ravindra Kumar- A Cyber Café Owner



Name of SCA	Uttar Pradesh Sahkari Gram Vikas Bank (UPLDB)
Name of Scheme	Term Loan (Small Business Category)
Name of Beneficiary	Ravindra Kumar
Loan Amount Requested	₹3,00,000/-
Loan Amount Received	₹2,50,000/-

Annual Income before & after taking Loan	₹2.50,000 (before) → ₹4,50,000/- (after)
Purpose of Loan	Cyber Cafe Expansion

Mr. Ravindra Kumar, an aspiring entrepreneur from Uttar Pradesh, wanted to establish a cybercafé in his town to provide affordable digital access and services to students and local businesses. Prior to the loan, his annual household income was below ₹3,00,000, which limited his ability to invest in computers, printers, and other essential infrastructure.

After learning about the NBCFDC loan scheme through a government office, Mr. Kumar applied under the Small Business category and received a loan of ₹2,50,000. This support enabled him to set up a functional cybercafé with the necessary equipment and a customer-friendly environment.

With dedication and careful financial management, Ravindra successfully launched his cybercafé and steadily built a loyal customer base. Today, he earns a monthly profit of ₹12,000, and his annual income has increased to between ₹4 lakhs to ₹4.5 lakhs, marking a significant improvement in his household's financial condition.

Mr. Kumar's journey highlights how access to affordable finance through NBCFDC can empower entrepreneurs from underserved regions to create sustainable businesses, improve livelihoods, and contribute meaningfully to local economic development.



State Report

Uttarakhand



State Report- Uttarakhand

UK. 1.1 Introduction

The study undertakes a focused and comprehensive analysis of the NBCFDC loan scheme in Uttarakhand by closely examining the experiences of beneficiaries and non-beneficiaries. The objective is to assess the scheme's outreach, implementation effectiveness, and socio-economic impact at the grassroots level. For the selected beneficiaries, the research documents in detail their socio-economic profiles—capturing variables such as age, gender, educational background, caste category, occupation, family size, and dependency ratio. These indicators help contextualize the economic vulnerabilities and livelihood challenges that motivated their need for institutional financial support. The study further probes their initial level of awareness about the NBCFDC scheme, the source and nature of information received, and the role played by the State Channelizing Agencies (SCAs), NGOs, or local networks in facilitating access to the loan.

Beyond the procedural aspects, the study evaluates the actual utilization of the loan amount—whether directed toward business set-up, expansion of existing economic activities, acquisition of tools or equipment, or other income-generating purposes. It further captures the subsequent impact on employment status (self-employment vs wage employment), enhancement of monthly income, diversification of livelihood sources, and increased economic independence. Importantly, it analyzes loan repayment behavior—timeliness, default status, repayment burdens—and financial literacy levels, including beneficiaries' ability to manage funds, maintain records, and plan for reinvestment. Satisfaction levels with SCAs and banks are critically examined, focusing on service delivery, responsiveness, post-loan support, and grievance redressal mechanisms.

A central dimension of the study is the perceived socio-economic transformation experienced post-assistance. This includes observed or self-reported improvements in household income levels, standard of living, housing quality, asset acquisition (such as vehicles, tools, livestock, or electronic goods), access to education and healthcare, and enhanced social standing or confidence in the community. The narratives also reflect psychological empowerment—beneficiaries reported higher levels of self-worth, autonomy in decision-making, and aspirations for further growth.

On the other hand, the study of non-beneficiaries serves as a critical counterbalance to evaluate the inclusivity and accessibility of the NBCFDC scheme. Detailed socio-economic profiling of non-beneficiaries reveals a similar pattern of need and vulnerability, with many individuals engaged in informal or low-income occupations, often with unstable earnings and limited access to formal financial systems. Despite being eligible on paper, many reported a complete lack of awareness about the scheme, while others cited partial awareness but no guidance on application procedures. Some encountered bureaucratic hurdles—such as complex documentation requirements, lack of clarity from officials, or absence of local facilitation—which discouraged them from proceeding further.

Additionally, social and informational barriers were found to be significant, particularly among women and marginalized communities who lacked digital access or exposure to institutional mechanisms. The non-beneficiaries expressed frustration at the uneven dissemination of information and perceived favoritism or lack of transparency in beneficiary selection. Many voiced the desire to access such financial support but remained disconnected from relevant channels.

By juxtaposing the experiences of both groups, the study offers a nuanced understanding of the NBCFDC scheme's implementation in Uttarakhand. While the beneficiaries' stories affirm the transformative potential of the scheme, the non-beneficiaries' experiences highlight critical shortcomings in outreach, communication, and procedural support. The analysis points to the need for targeted awareness campaigns, simplified application processes, decentralized facilitation centers, and a robust follow-up system to ensure equitable access and maximum coverage. This dual perspective strengthens the policy discourse and offers evidence-based recommendations for enhancing the inclusivity and effectiveness of the NBCFDC loan program in the region.

UK 1.2 Sample Design

UK 1.2.1 Sample Population

The sample population consisted of beneficiaries who had availed loans under NBCFDC-supported schemes during the period 2020–2023. A total of 8 beneficiaries were selected for the state of Uttarakhand, as per the sampling framework outlined by NBCFDC in its ToR.

These respondents were drawn through random sampling from the list of sanctioned beneficiaries provided by the State Channelising Agency (SCA)—Uttarakhand Gramin Bank. The random selection process helped eliminate bias and ensured that beneficiaries from varied socio-economic and geographical backgrounds were represented.

The selected beneficiaries were located in the districts of Purola, Uttarkashi, and Dehradun. Interviews were conducted using a structured, close-ended questionnaire, administered through the Kobo Toolbox digital platform. The Kobo tool enabled efficient and accurate data collection, including geo-tagging and capturing photographic evidence, thereby enhancing the transparency and authenticity of the process.

a. Sample Design and District Selection

The state of Uttarakhand was chosen based on the sampling plan mutually agreed upon by NBCFDC and the evaluating agency. The State Channelising Agency (Uttarakhand Gramin Bank) facilitated the selection of districts and beneficiaries in alignment with operational logistics and program reach. Districts were selected based on willingness of the SCA to participate, the concentration of NBCFDC loan beneficiaries, and logistical feasibility for conducting field surveys. The selected districts represented both hilly and plain regions, ensuring that the study captured geographical diversity and variations in implementation challenges.

UK 1.2.2 Sources of Data

This evaluation relied on primary as well as secondary data sources to ensure a thorough analysis of the schemes:

a) Primary Data:

- Collected directly from beneficiaries using a structured questionnaire.
- Focused on aspects such as loan accessibility, utilization patterns, training received (if any), repayment behavior, satisfaction levels, and overall feedback.
- Kobo Toolbox was used for data collection, enabling real-time data entry, geo-location tracking, and image capture for verification.

b) Secondary Data:

- Sourced from official records provided by the SCA, including the list of sanctioned beneficiaries, loan disbursement and recovery records, and any documentation related to scheme implementation.
- Annual reports, audit summaries, and web-based content of NBCFDC and the SCA were also referred to for triangulation of findings.

Additionally, parameters such as loan utilization ratio, repayment trends, default rates, and monitoring mechanisms adopted by SCAs were examined through both survey responses and official records.

UK.2 Socio-Economic Status of Beneficiaries:

The socio-economic analysis of the sample beneficiaries from Uttarakhand under the National Backward Classes Finance and Development Corporation (NBCFDC) scheme is given in table below. It presents a comprehensive picture of the demographic and household characteristics of those availing financial support. The age distribution indicates that the majority of beneficiaries (50%) fall in the 18– 30 years category, followed by 25% in the 31–40 years bracket and another 25% in the 41– 50 years bracket. Notably, there were no beneficiaries aged above 50 years, and the average age of the respondents was relatively young, reflecting the scheme's greater outreach among the working-age population. This suggests that the NBCFDC schemes are successfully reaching youth who are at a critical stage of economic engagement, either seeking employment or aiming to establish self-employment ventures.

In terms of gender distribution, 75% of the sample comprised male beneficiaries, while only 25% were female, and none identified as belonging to the 'Other' gender category. This stark gender imbalance suggests that either men have greater access to scheme-related information and processes, or women face systemic or social barriers to participation. This calls for more inclusive and gender-sensitive outreach and support mechanisms to ensure equitable access to financial schemes, especially among women in backward classes who may have limited mobility or decision-making autonomy.

Marital status data reveals that 87.5% of the respondents are married, with only 12.5% being single and no representation from divorced or widowed individuals. This trend may reflect the socio-economic priorities of married individuals who often have higher financial responsibilities due to dependents and joint family commitments. The high proportion of beneficiaries from joint families (87.5%) compared to nuclear families (12.5%) further reinforces this observation. It indicates that most beneficiaries are embedded within traditional family structures where multiple generations co-reside and often share income and expenditures. Such family systems may offer support in enterprise management but can also influence the use and control of financial assistance, especially in patriarchal setups.

The data on dependents reveals that 62.5% of beneficiaries have two dependents, while 25% have three, and 12.5% have four dependents. No beneficiaries reported having zero, one, or more than four dependents. This signifies a moderate to high level of financial responsibility on the part of the respondents, as they are supporting multiple family members. The presence of dependents highlights the importance of sustainable income-generation opportunities and the role of NBCFDC schemes in enabling such support structures.

Overall, the socio-economic profile points to a typical beneficiary as a young, married male living in a joint family with two to three dependents, actively seeking to improve his economic situation through NBCFDC's financial assistance. The analysis highlights both strengths and gaps—while the scheme is reaching key demographic groups in need of livelihood support, there is a clear under-representation of women, nuclear families, and elderly individuals. These findings suggest the need for targeted interventions to enhance inclusivity, such as special awareness drives for women and unmarried youth, simplified application processes, and broader dissemination of information, particularly in remote or socially disadvantaged communities. Tailoring financial products to diverse family structures and dependency profiles could further enhance the impact and reach of NBCFDC interventions in Uttarakhand.

Table UK2.1: Socio-Demographic information of beneficiaries in Uttarakhand

Socio-economic indicators	No. of beneficiaries	Percentage
Age (in years)		
18-30	4	50%
31-40	2	25%
41-50	2	
51+		25%
Average age (in years)		
Gender		
Male	6	75%
Female	2	25%
Other		

Socio-economic indicators	No. of beneficiaries	Percentage
Marital status		
Single	1	12.5%
Married	7	87.5%
Divorced	-	-
Widowed	-	-
Type of family		
Joint	7	87.5%
Nuclear	1	12.5%
No. of dependents in the family		
0	-	-
1	-	-
2	02	25%
3	05	62.5%
4	01	12.5%
5+		

UK 2.1: Gender Distribution of Beneficiaries in Uttarakhand

Figure UK 2.1: Gender Distribution of Beneficiaries in Uttarakhand

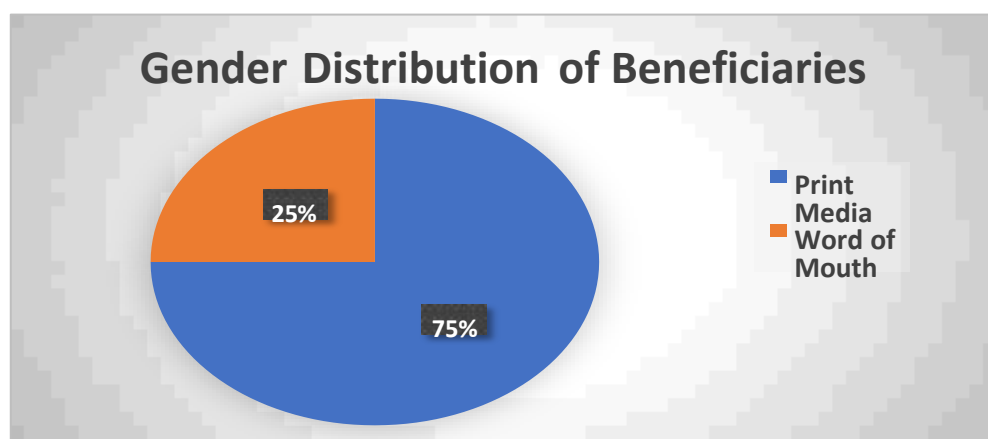


Table below shows the socio-economic profile of the eight respondents presents a relatively consistent and cohesive picture of rural livelihoods. All beneficiaries reside in rural areas, indicating a homogeneous geographic setting. This rural concentration suggests limited exposure to urban infrastructure and employment dynamics, though the beneficiaries appear to have adapted well within the rural economic framework.

A key highlight of the data is the housing status—every respondent lives in their own house, and all the homes are constructed with concrete roofs. This suggests a certain level of housing security and permanence, which is a positive indicator in rural development contexts. Additionally, the availability of household amenities is commendably high. All households have access to electricity, piped water, and internet facilities, while 88.5% (seven out of eight) have sanitation facilities. These figures point toward significant infrastructural penetration in

the surveyed rural area, although the absence of sanitation in one household still signals the need for improvements in hygiene-related infrastructure.

Education levels among respondents reflect a modest scenario. One individual has no formal education, five have attained primary education, and two have studied up to the secondary level. Notably, none of the respondents possess graduate or higher qualifications. This limited educational attainment restricts access to better-paying employment opportunities and may hinder mobility beyond traditional or local occupations.

Employment status is robust, with all eight individuals currently employed. While the nature of employment—salaried, self-employed, or otherwise—is not specified in detail, the fact that all are engaged in work suggests an active labor force participation. Furthermore, seven out of eight respondents are the main income earners in their households, indicating a sense of economic responsibility and self-reliance among the beneficiaries.

When analyzing sources of income, the data reveals that 75% of respondents are involved in business, while the remaining 25% rely on agriculture. This illustrates a shift from traditional farming towards entrepreneurial activities, which may reflect a growing trend in rural economies toward small-scale commerce and services. The average monthly household income stands at ₹24,200, with an average expenditure of ₹23,000. The marginal surplus of ₹1,200 leaves households with little cushion for savings or unexpected expenses, making them potentially vulnerable to financial shocks.

Access to health care is fully dependent on government initiatives, with all respondents using health cards such as Ayushman or Swastha Sathi. This total reliance on public health systems underscores the importance of maintaining and strengthening government health schemes for such populations. Finally, from a financial inclusion perspective, all eight beneficiaries have normal savings bank accounts, suggesting that they are integrated into the formal banking system. Interestingly, none use Jan Dhan accounts, implying a possible transition beyond basic banking services toward more regularized savings practices.

In terms of healthcare access, all beneficiaries rely on government health cards, such as Ayushman or Swastha Sathi, for medical services. Financial inclusion appears relatively strong, as all eight individuals maintain normal savings bank accounts. However, none are enrolled in Jan Dhan Yojana or similar financial schemes. Overall, the profile highlights a group that, while benefiting from basic amenities and financial services, faces challenges in education, employment, and income stability.

UK2.2 Socio-economic information of beneficiaries in Uttarakhand

The socio-economic status of the respondents reveals a picture of stability and basic adequacy. The community demonstrates strong housing ownership, widespread access to essential services, and full employment. However, low education levels and narrow financial margins highlight areas that require further support, particularly in terms of educational upliftment and

income diversification. Overall, the data reflects a group that is economically active and resilient, yet still navigating the limitations typical of rural life.

Table UK2.2: Socio-economic information of beneficiaries in Uttarakhand

Socio-economic indicators	No. of Responses	Percentage
Place of current residence		-100%
Rural areas	-8	
Semi-urban areas	-	-
Urban area		
Metropolitan city		
Type of residence		
Own house	8	100%
Rental house	-	
Nature of house occupied		
Hut	8-	
Concrete roof		
Sheet roof		100%
Tile roof		
Type of amenities available in the house		
Piped water	8	100%
Sanitation	7	89%
Internet	8	100%
Neither of all	-	
Highest level of education		
Primary	5	63%
Secondary	2	25%
Graduate or higher		
Post Graduate	-	
Others		
Current employment status		-100%
Employed (salaried)	-8	-
Self-employed		
Unemployed	-	
Student		
Main income earner in the household		-
Father	1	
Mother	-	
Brother	-	
Sister	-7	12.50%
Other (Self)		88.50%
Primary source of income		

Socio-economic indicators	No. of Responses		Percentage
Agriculture			25%
Business	2		
Salaried job	6		75%
Daily wage labor	-		
Annual household Income before uptake of loan	Responses		% of Responses
Below 1.5 lakhs	2		25%
1.5 to 2.25 Lakhs	3		38%
2.25 to 3 Lakhs	3		38%
Annual household Income after uptake of loan	Responses		% of Responses
Below 1.5 lakhs	1		13%
1.5 to 2.25 Lakhs	2		25%
2.25 to 3 Lakhs	3		38%
Above 3 Lakhs	2		25%
Change in Annual Income levels	Before After (%) (%)		% Change
Below 1.5 lakhs	25%	13%	-12%
1.5 to 2.25 Lakhs	38%	25%	-13%
2.25 to 3 Lakhs	38%	38%	0%
Above 3 Lakhs	0%	25%	25%
Average monthly household income before uptake of loan (in Rs.)	23000/-		
Average monthly household income after uptake of loan (in Rs)	24200/-		
Change in monthly income			
Socio-economic indicators	No. of Responses		Percentage
Source of health care services			
Govt. cards	8		100%
Ayushman Swastha Sathi	-		-
Others	-		-
Type of Bank Account			
Jan Dhan Yojana	-8		100%
Normal Savings Bank Account Others	-		



UK 2.3 NBCFDC Scheme-Related Information:

The "Scheme-Related Information" refers to the comprehensive set of details and documentation associated with a scheme. Some scheme-related information was obtained from beneficiaries of these systems. Such information was collected to raise awareness of the NBCFDC loan program, including the source of information, mode of loan application, and so on. The results are shown in table below.

Table UK 2.3: Awareness of NBCFDC loan scheme among beneficiaries in Uttarakhand

Awareness of NBCFDC Loan Scheme	No. of Beneficiaries	Percentage (%)
Source of Information about the NBCFDC Scheme		
Print media (newspaper, pamphlets)	2	25
Social media (Facebook, WhatsApp etc.)	–	–
Government offices/banks	6	75
Awareness camp	–	–
Word of mouth (friends, family, community)	–	–
Type of NBCFDC Loan Scheme Availed		
General loan scheme	8	100
New Swamima scheme	–	–
Education loan	–	–
Microfinance scheme	–	–
Mahila Samridhhi scheme	–	–
Small loan	–	–
NBFC-MFL loan	–	–
Type of Activity for which Assistance was Availed		
Agriculture and allied	2	25

Awareness of NBCFDC Loan Scheme	No. of Beneficiaries	Percentage (%)
Small business	6	75
Transport sector	–	–
Service sector	–	–
Other	–	–
Mode of Loan Application		
Online	–	–
Offline	8	100
Loan Application (Month & Year)		
2019–2020	0	0
2020–2021	0	0
2021–2022	8	100
2022–2023	–	–
Loan Disbursement (Month & Year)		
2019–2020	0	0
2020–2021	0	0
2021–2022	8	100
2022–2023	0	0
Average Amount Applied (Rs.)	20,625	–
Average Amount Received (Rs.)	20,625	–
Whether Any Collateral/Security Required		
Yes	–	–
No	8	100

Data collected from eight beneficiaries of the NBCFDC loan scheme in Uttarakhand offers important insights into the awareness, access, and utilization of financial assistance under the program. 25% of respondents became aware of the scheme through government offices or banks, while the remaining 75% received information via word of mouth from friends, family, or community members. There was no reported awareness generated through print media, social media, or awareness camps, indicating a narrow communication reach. This points to the need for enhanced promotional efforts using diverse channels to ensure more inclusive awareness, especially for those with limited interaction with formal institutions.

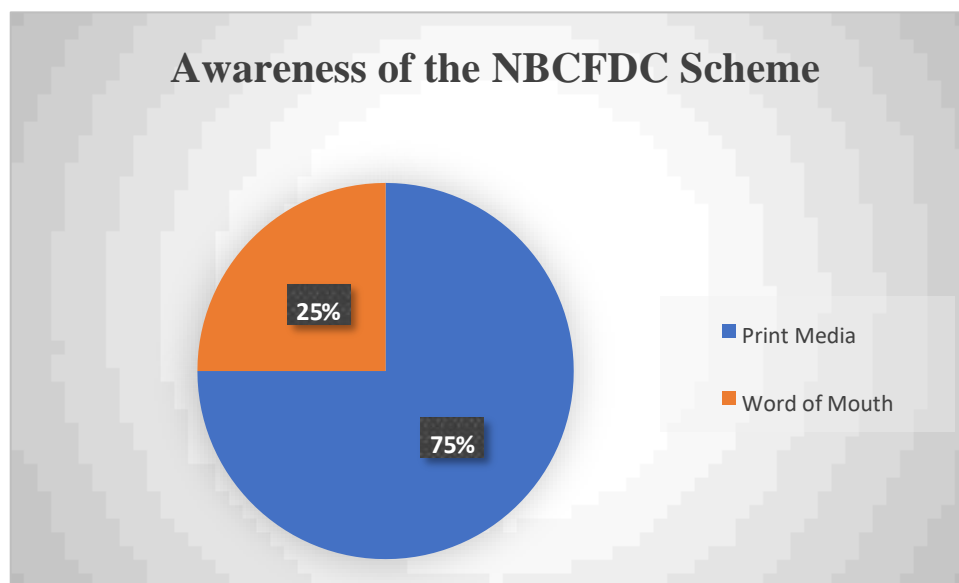
All eight respondents availed loans under the General Loan Scheme, with no representation from other targeted schemes such as the New Swarnima Scheme, Mahila Samridhi Scheme, Education Loan, or Microfinance initiatives. This suggests a concentration of uptake in the general category, possibly due to lack of awareness or limited facilitation regarding the availability and eligibility of other specialized schemes. In terms of the purpose for which loans were utilized, 75% of beneficiaries used the funds to support small business ventures, while the remaining 25% used the assistance for agriculture and allied activities. There was no utilization reported in sectors like transport, services, or others, indicating a focus on traditional rural economic activities.

All loan applications were submitted offline, showing that digital application systems have not yet reached or been adopted by this group. This may reflect issues of digital literacy,

infrastructure, or preference for in-person facilitation. Furthermore, all the respondents applied for and received their loans during the 2021–2022 financial year, indicating a period of focused loan disbursement. The processing appears efficient, as all applicants received the full amount requested, with the average loan amount being ₹20,625. Importantly, none of the beneficiaries were required to provide any collateral or security, aligning with the scheme’s objective to offer accessible, unsecured financial support to backward class individuals seeking to improve their livelihoods.

The findings demonstrate effective loan delivery under the NBCFDC’s General Loan Scheme, particularly in terms of timely disbursement, zero-collateral processing, and use for productive self-employment. However, the data also reveals gaps in outreach, digital accessibility, and diversification of loan types and activities. To strengthen the scheme’s impact, it is recommended that awareness campaigns be expanded to include print, digital, and community-based platforms. Training programs to increase digital and financial literacy, along with targeted promotion of lesser-utilized schemes, would help ensure that the benefits of NBCFDC interventions reach a broader and more diverse section of the eligible population.

Figure UK 2.3: Awareness of NBCFDC scheme



UK 2.4 Loan Utilization and Business Impact:

The detailed review of loan utilization under the NBCFDC scheme, based on the data from table 4, given below highlights several important aspects regarding how the loans were used by the eight beneficiaries and the extent of their economic impact. All eight respondents (100%) confirmed that they had utilized the loans, indicating that the disbursed funds were put into use rather than remaining idle. However, the nature and scope of this utilization suggest that the impact of the loans remains limited and concentrated in specific areas.

A majority of the beneficiaries (75%) reported utilizing the loan for the purchase of raw materials, while the remaining 25% used it for the purchase of tools and machinery. This usage pattern suggests that the loans were primarily directed toward maintaining or initiating

production activities and operational continuity in small businesses or self-employment ventures. It is important to note that none of the respondents utilized the funds for business expansion, working capital, marketing and promotion, training or skill development, or repayment of previous debts. Such a narrow focus on immediate input needs, rather than strategic investment or capacity building, points to a conservative approach to financial planning and perhaps a lack of guidance or awareness on diversified loan usage options.

Furthermore, none of the beneficiaries made any significant purchases of electronic items or vehicles using the loan, which reinforces the view that the funds were strictly used for basic business requirements and not for capital-intensive investments or asset acquisition. Additionally, the data reveals that no family member of any of the eight beneficiaries had taken personal insurance or any security cover under the scheme. This absence of financial risk protection mechanisms may leave the households vulnerable to unexpected events, especially in low-income settings, and also reflects a potential gap in the design or communication of associated insurance benefits under the NBCFDC scheme.

Financially, the average profit earned after utilizing the loan was reported to be ₹3,000, which is modest and suggests that while the loan helped support income-generating activity, it did not lead to substantial profit increases. This could be attributed to the limited scale of operations, low reinvestment, or restricted market access. The fact that only 25% of beneficiaries were able to create employment opportunities as a result of the loan further confirms that the enterprises supported were largely micro in scale, with minimal spillover effects on local employment or household livelihoods beyond the individual borrower.

Perhaps most significantly, all eight beneficiaries (100%) reported that they had not made any new investment in their business after the initial loan. This lack of reinvestment suggests that the loan did not result in long-term business growth or confidence to scale up operations. It may also indicate that beneficiaries lacked sufficient surplus income to reinvest, faced market constraints, or did not receive adequate business development support following the initial financial assistance.

The utilization of NBCFDC loans by the sample beneficiaries was focused, disciplined, and fully compliant in terms of usage. However, the overall impact remains limited due to the narrow scope of utilization, absence of strategic reinvestment, lack of asset building, minimal employment generation, and no insurance coverage. While the loan did enable operational continuity and small-scale economic activity, it did not significantly transform business outcomes or financial resilience. To enhance the effectiveness of the NBCFDC scheme, there is a strong need to supplement financial support with entrepreneurship training, financial literacy programs, follow-up credit linkages, and better awareness of associated benefits such as insurance. Encouraging beneficiaries to adopt a broader vision for their enterprises, supported by advisory and market access services, would help in realizing the long-term development potential of such financial interventions.

Table UK. 2.4: Utilization of NBCFDC loan scheme and its impact among beneficiaries in Uttarakhand

Utilization of NBCFDC loan scheme and its impact	No. of beneficiaries	Percentage
Whether utilized the loan		
Yes	8	100%
No	-	-
Creation of Assets		75%
Purchase of raw materials	6	25%
Purchase of tools/machinery	2	
Business expansion		
Working capital		
Marketing and promotion		
Training or skill development		
Whether significant purchases made towards electronic items or vehicles by the loan		
Yes	8	100%
No	-	-
Whether any family member had any other personal insurance or took security cover under the scheme		
Yes	8	100%
No	-	-
Average profit earned after taking the loan	3000	
Whether employment opportunity given with the help of loan		
Yes	2	25%
No	6	75%
Whether any new investment post- loan in business was made		
Yes	8	100%
No	-	-



Beneficiary in Purola

UK 2.5 Repayment and Financial Behavior:

Based on the pattern showed in table below, all eight beneficiaries demonstrated strong financial awareness and responsible loan utilization behaviour. A significant indicator of this is that 87.5% of the respondents were repaying their loans regularly, with only one case (12.5%) of irregular repayment and no instances of default. This reflects a commendable level of financial discipline.

In terms of financial literacy, 100% of the respondents reported understanding the interest calculation on their loans, and all of them found the interest rates to be fair and affordable. This level of understanding is critical, as it indicates that beneficiaries are not only aware of their repayment obligations but also consider the terms of borrowing transparent and manageable.

However, the data indicates a notable concern in terms of savings behavior—none of the respondents reported saving money regularly. While this may be attributed to limited disposable income or financial constraints, it suggests a potential vulnerability in financial resilience and future planning.

Regarding the repayment cycle, all beneficiaries had more than three installments left, with the average unpaid loan amount standing at Rs. 8,125. While this may not be a substantial burden, it points to the necessity of sustained income to ensure continued timely repayments.

On the institutional side, the experience appears largely positive. All beneficiaries stated that the bank clearly explained the loan structure, and 100% were satisfied with the customer service provided by the lending institution. Importantly, there were no reports of third-party involvement or of any unauthorized fees being charged, indicating procedural integrity and transparency in the lending process.

Furthermore, all beneficiaries expressed an interest in seeking another loan for business expansion or investment, suggesting that the credit had a positive impact on their economic aspirations and entrepreneurial confidence.

Three-fourths (75%) of the beneficiaries had attended repayment-related counseling sessions organized by the SCA or bank, which seems to have positively contributed to their repayment behavior and understanding of loan terms. Ensuring full participation in such counseling could further enhance financial behavior and repayment consistency.

Overall, the beneficiaries exhibit sound financial behavior with strong repayment discipline, clarity on loan terms, and satisfaction with bank services. The absence of savings, however, highlights a key area for intervention through financial literacy and savings awareness programs. Continued support, monitoring, and capacity building, especially in promoting savings habits, could ensure both sustained financial health and deeper credit absorption capacity in the future

Table UK 2.5: Repayment and financial behavior among beneficiaries in Uttarakhand

Repayment and financial behavior	No. of beneficiaries	Percentage
Whether save money regularly		
Yes	8	100%
No	-	-
Status of repayment		
Regular	07	87.5%
Irregular	01	12.5%
Defaulted	-	-
Whether understand interest calculation on loan		
Yes	08	100%
No		
How many installments are left?		
0	-	-
1	-	-
2	-	- 100%
3+	8	
Average amount of loan still unpaid (in Rs.)	Rs. 8,125	-
Whether interest rate is fair and affordable		
Yes	8	100%
No	-	-
Whether trying for another loan for business expansion or investment		
Yes	8	100%
No	-	-
Whether attended any repayment related counseling by SCA/Bank		
Yes	6	75%
No	2	25%
Whether Bank explain the loan structure clearly		
Yes	8	100%
No		
Whether any third party or agent involved in facilitating the loan		
Yes	-	-
No	8	100%
Whether any additional/unauthorized fee has been charged for loan approval		
Yes	-	-
No	8	100%
Whether satisfied with the customer service of the lending bank		
Yes	8	100%
No	-	-

Meeting Branch Manager at Dehradun Office



Beneficiary in Purola



UK 2.6 Satisfaction Level with SCAs & Banks:

Customer satisfaction with banks depends on how well they meet people's expectations, especially in- service quality and digital banking, the overall satisfaction level of the eight beneficiaries with the services of SCAs and banks is notably high across most parameters. A majority of respondents expressed satisfaction with the loan scheme availed, with six rating it a 4 on a 5-point scale, one giving it the highest rating of 5, and one providing a neutral rating of 3. The assistance and guidance provided by the agency received unanimous appreciation, with all eight beneficiaries rating it as 4, indicating consistent support throughout the loan process.

The time taken for loan approval also reflected high satisfaction, as seven beneficiaries rated it a 4 and one a 3, they told the loan was approved before 2 months of applying, suggesting that the process was reasonably prompt. When it comes to the interest rates, two beneficiaries

were extremely satisfied (rating 5), while six rated them at 4, indicating that the rates were largely perceived as fair and affordable. Similarly, the fund disbursement process and the amount of loan sanctioned received predominantly high ratings, with one respondent in each category giving the highest score and the remaining seven expressing satisfaction with a rating of 4.

Loan repayment terms were slightly less favourably rated, with six beneficiaries assigning a score of 4 and two rating it at 3. Although the ratings remain positive overall, this indicates some scope for improving flexibility or clarity in repayment conditions. In terms of transparency of loan terms, all respondents expressed satisfaction, with two giving it the highest score and six rating it positively. Employee behavior during the lending process stood out as the most appreciated aspect, with all eight respondents giving it a perfect score of 5, reflecting professionalism, helpfulness, and respectful engagement by the staff.

However, the guarantee requirements were the only area that received relatively low satisfaction. Six beneficiaries rated this parameter as 2, and two gave it a 3, signaling concerns or dissatisfaction with the nature or stringency of the collateral or guarantee conditions required for the loan. This issue may need policy attention or better communication to ensure that such requirements do not act as barriers to credit access.

In conclusion, the data reflect a broadly positive experience among the beneficiaries, with high levels of satisfaction reported in most aspects of loan processing and customer interaction. Nonetheless, concerns around guarantee conditions suggest the need for reassessment or improved facilitation to ensure more inclusive and accessible lending practices.

Table UK 2.6: Satisfaction level with the SCAs and Bank among beneficiaries in Uttarakhand

Statement	Satisfaction* level with the SCAs and Bank (percentage of beneficiaries)					No. of Beneficiaries
	5	4	3	2	1	
Satisfaction of the loan scheme Availed	1	6	1	-	-	8
Assistance and guidance provided by agency	-	8		-	-	8
Time taken for loan approval	-	7	1	-	-	8
Interest rates	2	6		-	-	8
Fund disbursement process	1	7				8
Amount of loan disbursed	1	7				8
Loan repayment terms	-	6	2			8
Transparency of loan terms	2	6				8
Employee behaviour during lending process	8					8
Guarantee requirements	-		2	6		8

*1= highly dissatisfied, 2= Dissatisfied, 3= Neutral, 4= Satisfied, 5= Highly satisfied.



UK 2.7 Analysis of Satisfaction Data and Association Considerations:

Based on the feedback data, overall customer satisfaction with the loan services is moderately positive in Uttarakhand. Among the various parameters evaluated, the fund disbursement process received the highest satisfaction rating of 4.00, indicating that clients found this aspect of the service to be efficient and reliable. Similarly, satisfaction with the loan scheme availed (3.94), the time taken for loan approval (3.88), and the amount of loan disbursed (3.88) were rated favorably. These scores suggest that the fundamental elements of the loan offering—such as its design, timeliness, and disbursement—are meeting customer expectations effectively. Other areas such as interest rates (3.74) and transparency of loan terms (3.79) also received relatively high ratings, reflecting a general sense of fairness and clarity in the financial aspects of the loans. Employee behavior during the lending process was rated at 3.85, indicating a satisfactory level of professionalism, though there is still room for enhancement to further improve the customer experience.

However, certain areas require attention. The assistance and guidance provided by the agency received the lowest satisfaction score at 2.68. This suggests a significant gap in customer support and highlights the need for improved communication, clearer instructions, and more proactive engagement with clients throughout the lending process. The guarantee requirements were also rated relatively low (3.18), pointing to possible concerns about the accessibility or flexibility of collateral conditions. Loan repayment terms, with a score of 3.59, indicate that

while acceptable, there may be opportunities to make repayment options more flexible or better aligned with borrower capabilities.

In conclusion, while the core aspects of the loan service are performing well and meeting the needs of borrowers, targeted improvements in customer support, communication, and collateral requirements would likely enhance overall satisfaction and strengthen client relationships.

Table UK 2.7: Average satisfaction scores with SCAs & Banks in Uttarakhand

Variable	Average Satisfaction
Satisfaction of the loan scheme availed	3.94
Assistance and guidance provided by agency	2.68
Time taken for loan approval	3.88
Interest rates	3.74
Fund disbursement process	4.00
Amount of loan disbursed	3.88
Loan repayment terms	3.59
Transparency of loan terms	3.79
Employee behaviour during lending process	3.85
Guarantee requirements	3.18

This data suggests that, overall, most variables are rated positively except for assistance and guarantee requirements, which require focused attention to improve beneficiary satisfaction.

Meeting Beneficiaries at Purola Office



UK 2.8 Socio and Economic Impact Analysis:

The analysis of the socio-economic impact based on the data in Table 8 indicates a generally positive outcome for the beneficiaries of the loan scheme. In terms of food and nutritional standards, 75% of beneficiaries reported being satisfied, with an additional 12.5% highly

satisfied, reflecting a notable improvement in their ability to access adequate nutrition. Clothing standards showed a unanimous result, with 100% of respondents expressing satisfaction, suggesting that the scheme has effectively improved their capacity to meet basic needs.

Asset ownership, however, received a neutral rating from all beneficiaries (100%), indicating that while the loan may have stabilized their economic condition, it has not yet translated into significant asset accumulation. Household savings saw 75% of respondents expressing satisfaction and 25% remaining neutral, highlighting a positive shift in savings behaviour, though with some room for further improvement. Similarly, overall living standards showed that 75% of the beneficiaries were satisfied, while 25% remained neutral, indicating a general enhancement in quality of life for the majority.

The most striking outcome was observed in the ability to repay debts, where 100% of beneficiaries reported high satisfaction. This unanimous response reflects a substantial improvement in financial stability and repayment capacity. Overall, the loan scheme appears to have had a meaningful and favourable socio-economic impact, particularly in areas related to basic living conditions and financial resilience, though longer-term effects such as asset ownership may require further support or time to materialize.

Table UK 2.8: Social and Economic Impact among the beneficiaries in Uttarakhand

Social and Economic Impact	Social and Economic Impact* among the beneficiaries (percentage of beneficiaries)					No. of beneficiaries
	5	4	3	2	1	
Food and nutritional standards		1	6	1		8
Clothing standards			8			8
Asset ownership					8	8
Household savings		6	2			8
Overall living standards				6	2	8
Ability to repay debts		8				8

*1= highly dissatisfied, 2= Dissatisfied, 3= Neutral, 4= Satisfied, 5= Highly satisfied.

Meeting Beneficiaries at Purola Office



UK 2.8.1 Socio-Economic Status of Non-Beneficiaries:

Here, some information about the non-beneficiaries age, gender, marital status, type of family and number of dependents in the family is presented in Table below. The data on socio-economic indicators reveals several notable trends among the sample group.

The non-beneficiary group comprises eight individuals, all of whom are male, indicating complete gender homogeneity. The age distribution spans from 25 to 45 years, reflecting a relatively young to mid-aged demographic. Specifically, 12.5% fall in the 25–29 years age bracket, 25% are aged between 30–34, 37.5% fall within the 35–39 age group, and the remaining 25% are between 40–45 years. This implies that all respondents are in their active working age, potentially contributing to their households economically. The average age is not specified numerically in the document but is concentrated around the mid-30s, indicating a mature and possibly experienced workforce.

Regarding marital status, 87.5% of the respondents are married, and only one individual (12.5%) is single. This marital trend suggests family responsibilities and potential economic pressure on the individuals, especially in light of their reported number of dependents. In terms of family structure, a significant majority (87.5%) belong to joint families, while only one lives in a nuclear family. This points to traditional household arrangements, which are common in rural or semi-urban Indian settings. Such joint family systems often imply shared responsibilities but also require higher household resources to support multiple members.

A key socio-economic feature of this group is the number of dependents within their families. A substantial 75% of respondents (six individuals) have four dependents each, and the remaining 25% (two individuals) have five or more dependents. This reveals a high dependency burden per household, which can strain limited income resources and restrict the scope for savings or investment in areas such as education, healthcare, or enterprise. Such a high number of dependents also highlights the economic vulnerability of these non-beneficiaries, especially when they are not covered under any welfare or financial inclusion schemes.

The socio-economic profile of these eight non-beneficiaries reflects a group of economically active men with high familial responsibilities. All are married or of marriageable age, reside predominantly in joint family settings, and shoulder significant dependent burdens. Their exclusion from beneficiary schemes, despite evident socio-economic pressures, suggests a gap in coverage or outreach and underscores the need for more inclusive development strategies that take into account dependency ratios and household dynamics—not just individual income or occupation. This group exemplifies the economic strain felt by those structurally similar to beneficiaries but who fall outside institutional support frameworks.

Meeting at Dehradun Office



Table UK 2.8.1: Socio-demographic information of non-beneficiaries in Uttarakhand

Socio-Economic Indicators	No. of Non-Beneficiaries	Percentage (%)
Age (in years)		
<14	–	–
15–19	–	–
20–24	–	–
25–29	01	12.5
30–34	02	25.0
35–39	03	37.5
40–45	02	25.0
46–49	–	–
50+	–	–
Average Age (Years)	28.75	–
Gender		
Male	8	100
Female	–	–
Marital Status		
Single	01	12.5
Married	07	87.5
Divorced	–	–
Widowed	–	–
Type of Family		
Joint	07	87.5
Nuclear	01	12.5
No. of Dependents in the Family		
0	–	–
1	–	–
2	–	–
3	–	–
4	06	75.0
5+	02	25.0

UK 2.8.2 Socio Income Status of Non Beneficiaries

Based on the data presented in Table 11, the socio-economic profile of the eight non-beneficiaries offers important insights into their living conditions, economic activities, and access to basic services.

All respondents reside in urban areas, with none from rural, semi-urban, or metropolitan locations. This urban concentration suggests they are more likely to have physical access to services, infrastructure, and markets. However, being urban residents does not necessarily translate to better socio-economic status, as evidenced by several indicators in this dataset.

Regarding housing, 75% (six respondents) live in their own houses, while the remaining 25% (two respondents) reside in rented accommodations. All houses are constructed with concrete roofs, indicating a minimum standard of structural security and permanence. The absence of huts or substandard roofing materials reflects a level of infrastructural adequacy, even among those who are non-beneficiaries.

In terms of basic amenities, all eight respondents have electricity, piped water, and clean water, showing full coverage of essential household services. This complete access suggests that infrastructural provisions in their urban area are functional. It is also notable that no household is deprived of these basic amenities, nor are any reliant on partial provisions such as electricity-only or clean-water-only setups.

Educational attainment among the non-beneficiaries varies slightly but leans toward basic literacy. One individual (12.5%) has completed primary education, six (75%) have reached the secondary level, and only one respondent (12.5%) holds a graduate or higher qualification. There are no cases of illiteracy, indicating a minimum threshold of formal education, though higher education levels remain rare.

All eight respondents are self-employed, making the employment status fully active. There are no salaried workers, unemployed persons, or students among them. This uniform self-employment points to either entrepreneurial engagement or informal sector activities. It may also reflect a lack of access to formal employment avenues, despite urban residence.

An important indicator of financial vulnerability is reflected in the economic status of the respondents. A significant proportion—87.5% (7 individuals, including extended household members)—are classified as above Below Poverty Line (BPL). Only single individuals (12.5%) fall below the BPL threshold. This shows most households remain economically strong in Uttarakhand.

The **primary source of income** for all respondents is **agriculture**, which is notable given their urban location. This may indicate that they own or work on peri-urban or rural lands while residing in urban centers, or it could reflect agricultural trade or value chain-related self-employment. The absence of business, salaried jobs, or daily wage labor suggests a narrow income base.

In terms of **income trends**, the **average annual household income** during 2020–2023 was ₹2,30,000, which has modestly increased to ₹3,20,000 in the current year. While this growth signals some economic improvement, the overall income level remains low, translating to less than ₹20,000 per month—barely above subsistence for an urban family.

Access to healthcare services is reportedly universal, with all eight respondents having access, although the data does not distinguish between easy and difficult access. This is a positive sign and underscores the role of public health systems or possibly nearby urban facilities.

Finally, all respondents hold **normal savings bank accounts**, showing full financial inclusion. Interestingly, none of them rely on **Jan Dhan Yojana accounts**, which suggests they may have crossed the threshold of ultra-basic financial services and have access to conventional banking mechanisms.

The non-beneficiaries in Uttarakhand appear to be economically active, urban-residing individuals with basic education, stable housing, and full access to essential services like electricity, water, healthcare, and banking. However, despite these advantages, a large majority live below the poverty line, rely entirely on agriculture for income, and earn at a level that leaves little room for upward mobility. This highlights the persistent vulnerability of urban poor who, despite being included in infrastructural and financial systems, remain economically excluded from broader development benefits.

Beneficiaries at Purola Office



Table UK 2.8.2: Responses of Non-Beneficiary on Socio-Economic Indicators

Socio-Economic Indicators	No. of Non-Beneficiaries	Percentage (%)
Place of Current Residence		
Rural areas	8	100
Semi-urban areas	0	0
Urban area	0	0

Socio-Economic Indicators	No. of Non-Beneficiaries	Percentage (%)
Metropolitan city	–	–
Type of Residence		
Own house	06	75
Rental house	02	25
Nature of House Occupied		
Hut	8	100
Concrete roof	–	–
Sheet roof	–	–
Tile roof	–	–
Type of Amenities Available in the House		
Electricity	8	100
Piped water	8	100
Electricity only	8	100
Clean water only	–	–
Neither	–	–
Highest Level of Education		
No formal education	–	–
Primary	1	12.5
Secondary	6	75
Graduate or higher	1	12.5
Current Employment Status		
Employed (salaried)	–	–
Self-employed	8	100
Unemployed	–	–
Student	0	0
Current Economic Status		
BPL	1	12.5
Above BPL	7	87.5
DPL	–	–
Above DPL	–	–
Primary Source of Income		
Agriculture	8	100
Business	–	–
Salaried job	–	–
Daily wage labour	–	–
Average Annual Household Income (2020–2023) (Rs.)	2,30,000	–
Average Annual Household Income (Current) (Rs.)	3,20,000	–
Access to Health Care Services		
Yes, easily	–	–
Yes, but difficult	8	100
No access	–	–

Socio-Economic Indicators	No. of Non-Beneficiaries	Percentage (%)
Not applicable	–	–
Other	–	–
Type of Bank Account		
Jan Dhan Yojana	–	–
Normal Savings Bank Account	8	100
Others	–	–

Non-Beneficiaries at Purola Office



UK 2.9. Awareness of the NBCFDC loan scheme among non-beneficiaries:

There is limited direct data on non-beneficiaries' awareness of the NBCFDC (National Backward Classes Finance and Development Corporation) loan scheme from the available sources. Keeping such point in view, awareness of NBCFDC loan scheme among non-beneficiaries in Uttarakhand have been studied and presented in Table below.

The data presented in the document offers a comprehensive view of the awareness, perceptions, and aspirations of non-beneficiaries regarding loan schemes offered by the National Backward Classes Finance and Development Corporation (NBCFDC). A significant proportion—87.5%—of the respondents reported being aware of the NBCFDC loan scheme, suggesting that basic information about the scheme has reached a majority of the target population. However, the depth of this awareness seems limited when examined further. Only a small percentage of respondents could identify or relate to specific schemes. Among the various types of NBCFDC loan schemes, the Microfinance Scheme emerged as the most recognized and availed, with 75% of the respondents aware of or interested in it. A smaller share of 12.5% each acknowledged familiarity with the Education Loan and the New Swarnima Scheme. Interestingly, none of the respondents reported any awareness of other available schemes such as the General Loan Scheme, Mahila Samridhi Scheme, Small Loan, NBFC-MFL Loan,

Refinance Scheme, or other unspecified options. This indicates that while general awareness is relatively high, detailed knowledge about the range of schemes and their specific benefits is lacking.

In terms of the intended use of financial assistance, all respondents (100%) expressed interest in receiving support for small business activities. There was no reported demand for loans to support agriculture and allied activities, the transport sector, or the service sector. This data reflects a strong entrepreneurial inclination among the surveyed individuals, pointing to a need for targeted support to help them establish or expand small businesses. Such concentrated interest in small business funding further underscores the importance of tailoring awareness programs to include information on relevant loan schemes, especially those that support entrepreneurial ventures.

When asked about the barriers they face in accessing loans for education or business, all respondents (100%) cited a lack of awareness as the primary challenge. This clearly shows that informational barriers are the most critical issue preventing effective utilization of NBCFDC loan schemes. Surprisingly, commonly reported obstacles in financial access such as collateral requirements, gender bias, or lack of group formation—especially important in microfinance contexts—were not mentioned by any of the respondents. This places even greater emphasis on the need to improve the dissemination of accurate and detailed information about NBCFDC's offerings and application procedures.

Despite the existing barriers, the future outlook among the respondents remains highly positive. All participants (100%) stated that they plan to apply for a loan from NBCFDC in the future, reflecting a strong demand and optimism about the potential benefits of these schemes. Furthermore, the majority of respondents (87.5%) expressed willingness to join a Self-Help Group (SHG) if it is required for accessing loans, while only 12.5% were unwilling. This openness to collective financial arrangements like SHGs can be instrumental in enabling broader access to microfinance and other group-based lending models promoted by NBCFDC.

While the awareness of NBCFDC loan schemes among non-beneficiaries is commendable, there is a critical need for deeper, more targeted awareness campaigns that explain specific loan schemes, eligibility criteria, and application processes. The data reflects a strong interest in small business development and a readiness to engage in group-based financial models, suggesting that with proper information and support, a large number of these individuals could successfully benefit from NBCFDC initiatives.

Table UK 2.9: Awareness of NBCFDC loan scheme among non-beneficiaries in Uttarakhand

Awareness of NBCFDC loan scheme	No. of non-beneficiaries	Percentage
Whether know about the NBCFDC loan scheme		
Yes	7	87.5%
No	1	12.5%

Awareness of NBCFDC loan scheme	No. of non-beneficiaries	Percentage
Type of NBCFDC loan scheme availed	-	-
General loan scheme	-	-
New Swamima scheme	1	12.5%
Education loan	1	12.5%
Microfinance scheme	-	-
Mahila Samridhi scheme	6	75%
Small loan	-	-
NBFC-MFL loan	-	-
Refinance scheme	-	-
Other	-	-
Type of activity for which assistance is needed/requested		
Agriculture and allied	0	0
Small business	8	100%
Transport sector	0	0
Service sector	0	0
Type of interferences for education, business		
No awareness	8	100%
Collateral requirement	-	-
Gender bias	-	-
Lack of group formation (for micro finance)	-	-
Whether planning again to apply for loan in future		
Yes	8	100%
No	-	-
Whether willing to join a group (SHG), if required		
Yes	7	87.5%
No	1	12.5%

UK 2.10 Type of barriers to get loan among the non-beneficiaries:

The barriers to accessing the NBCFDC loan scheme among non-beneficiaries are significant issues. The multiple barriers—such as bureaucratic hurdles, low financial literacy, limited geographical reach, and insufficient publicity—prevent many eligible non-beneficiaries from accessing NBCFDC loan schemes. Addressing such type of issues through broader outreach and simplified processes to target 8 non-beneficiaries for study purposes. The result is presented in Table 13.

The non-beneficiaries in Uttarakhand face a variety of significant barriers in accessing loans from the National Backward Classes Finance and Development Corporation (NBCFDC), as revealed by the responses of eight individuals surveyed. One of the most prominent barriers identified is the complicated application process, with 87.5% of respondents indicating that they found the procedure too complex to navigate. This suggests that the paperwork, documentation requirements, and overall procedural formalities involved in applying for NBCFDC loans can be overwhelming for many, discouraging them from even initiating the application.

Another major barrier is the lack of guidance or support, cited by 75% of the respondents. Many individuals are unsure of where to begin, what documents are needed, or how to fill out

the forms correctly. The absence of someone to explain the process or assist in navigating it—especially at the local level—leaves potential beneficiaries isolated and uninformed. Compounding this issue is the challenge of digital illiteracy, which affects a significant portion of the target population. According to the data, 50% of the non-beneficiaries acknowledged a high level of difficulty due to lack of digital literacy, with additional

25% and 12.5% reporting moderate and low levels of struggle, respectively. This reflects how increasingly digitalized application systems may unintentionally exclude individuals who are not technologically proficient.

Another crucial barrier is the requirement for collateral, which was identified as a 100% concern among the non-beneficiaries. This indicates that all respondents found the expectation of collateral to be a prohibitive factor, especially for economically disadvantaged individuals who often lack assets to offer as security. Additionally, gender-based discrimination was also reported by 100% of the respondents, indicating a pervasive issue that continues to impact access to financial services for women or gender-marginalized individuals. This form of bias can manifest in both overt and subtle ways—ranging from discouragement by loan officers to preferential treatment of male applicants—and further restricts equitable access to funding.

Taken together, these findings from data collected in Uttarakhand paint a comprehensive picture of the obstacles faced by non-beneficiaries in Uttarakhand. While lack of awareness remains a foundational issue, as shown in earlier data, these additional barriers—including procedural complexity, lack of support, digital illiteracy, collateral requirements, and gender bias—create a multi-layered web of exclusion. Overcoming these challenges requires a combination of policy reforms, local capacity-building, simplification of loan procedures, provision of digital training, elimination of collateral requirements for smaller loans, and gender-sensitive outreach efforts. Only through such a holistic approach can NBCFDC’s schemes be made genuinely accessible to the marginalized communities they are intended to support.

Table UK 2.10: Type of barriers to get loan among non-beneficiaries in Uttarakhand

Statement	Type of barriers* to get loan (percentage of non-beneficiaries)					No. of non-beneficiaries
	5	4	3	2	1	
Complicated application	87.5%	12.5%	-	-	-	8
Need for collateral	-	-	-	-	100%	8
Lack of digital literacy	25%	12.5%	50%	12.5%	-	8
No one to guide/help	75%	25%	-	-	-	8
Gender-based discrimination	-	-	-	-	100%	8

*1= Not at all, 2= Slightly, 3= Moderately, 4= Much, 5= Very much

The experiences of non-beneficiaries in Uttarakhand reveal a complex interplay of informational, procedural, and socio-economic barriers that continue to limit their access to financial support under NBCFDC loan schemes. While a majority of individuals have heard about the existence of these schemes, a deeper awareness of specific loan types, eligibility

criteria, and application processes remains largely absent. This lack of knowledge, coupled with a highly complicated application system, has created a sense of exclusion and confusion among potential applicants. The absence of guidance and support at the local level further intensifies these challenges, leaving many without the assistance needed to successfully complete the loan process. Additionally, the digital divide plays a significant role—many respondents struggle with digital platforms that are increasingly being used for loan applications. The requirement of collateral has proven to be a critical barrier, particularly for low-income individuals who lack tangible assets, while gender-based discrimination adds another layer of restriction, especially for women. Despite these challenges, there is a clear willingness among non-beneficiaries to access loans and participate in group-based models like SHGs, which reflects a strong interest in improving their socio-economic conditions. Addressing these multifaceted barriers through targeted awareness campaigns, simplified procedures, digital literacy programs, and inclusive financial practices will be essential in ensuring that the benefits of NBCFDC loan schemes reach those who need them the most.



State Report

West Bengal



State Report -West Bengal

WB. 1 Introduction

WB 1.1 Background of West Bengal SC/ST and OBC Development and Finance Corporation

West Bengal Scheduled Castes, Scheduled Tribes and Other Backward Classes Development & Finance Corporation (WBSCSTOBCDFC) was established under the 1976 Act and expanded in 1980 and 1981 to include STs and OBCs, especially those below the poverty line. It operates under the administrative control of the Backward Classes Welfare Department.

The Corporation facilitates income generation through credit-based schemes, subsidies, and margin money support for individuals and groups. It also offers skill training via government and private institutions and implements special state-supported schemes.

As the State Channelizing Agency for NSFDC, NSTFDC, NBCFDC, and NSKFDC, it receives bulk loans backed by state guarantees. Funding also comes from State Share Capital, Central Ministries (in 51:49 ratio), SCAs, and grants from MoSJ&E and MoTA. It works closely with district administrations and Panchayati Raj bodies, with district offices headed by managers.

All financial operations are monitored through an online commercial accounting system audited annually by the PAG, ensuring transparency and effective fund utilization.

WB 1.2 Disbursement Patterns of NBCFDC Loans in the State for FY 2020-23

As per the data provided by the State Channelizing Agency (SCA), a total of 253 beneficiaries were extended loan support under NBCFDC schemes during the study period from 2020 to 2023. Of these, 84% of the loans were sanctioned under the Term Loan scheme in the individual category, while the remaining were disbursed under various Micro-Finance schemes.

Sector-wise, 23 beneficiaries received loans in the agriculture and allied sectors, 30 in small business and traditional occupations, and a significant 181 beneficiaries were supported through the education loan category. Additionally, 2 beneficiaries each received loans in the service and transport sectors. Under the micro-finance segment, 5 loans were provided for micro-credit, and 9 loans were disbursed under the Mahila Samridhi Yojana.

In terms of gender-wise distribution, the scheme benefitted 104 individual women and 140 individual men, in addition to 10 all-women Self-Help Groups (SHGs) supported under the micro-finance component. The highest loan amount disbursed during the study period was ₹20,00,000, under the education loan category, while the lowest sanctioned amount was ₹20,000. The average loan size varied across sectors as shown in the table below:

Table WB.1.2.1:

Sector Name	Average Size of Loans (₹)
Education Loans	14,48,204
Agriculture and Allied Activities	3,01,201
Small Business	2,56,019
Transport Sector	6,09,208
Service Sector	3,87,500
Mahila Samridhi Yojana	2,37,311
Micro-Finance	36,400

Table WB.1.2.2: Distribution of beneficiaries across the districts of West Bengal for the years 2020-23

Districts	Number of Beneficiaries
Bankura	8
Kolkata	13
North 24 Pargana	9

Table WB.1.2.3: Activities in which beneficiaries have been given the loans for the year 2020-23

Activity	Number of Beneficiaries
Goat Rearing	6
Cattle Rearing	2
Grocery Shop	2
Stitching Machine/Tailoring	3
Education	3
Utensil Making	11
Hairstylist	3

WB 1.3 Sample Population

A sample size of 30 beneficiaries and 17 non-beneficiaries was determined in consultation and as per terms of reference given by NBCFDC for the state of West Bengal as per the sampling plan for the study. Beneficiaries were interviewed through random sampling from the list of beneficiaries given by the SCA. Beneficiaries were covered from districts of North 24 Parganas, Kolkata, Bakura and Nadia. The interviews were done through the Kobo tool and a structured closed ended questionnaire

WB 1.4 Sample Design Selection of Districts

The state of West Bengal was selected for this evaluative study as per the proposed sampling plan. State Channelising Agency selected for this evaluation was West Bengal SC/ST and OBC Development and Finance Corporation. Therefore, the districts for which consent was received became part of the present study. These districts were selected in consultation with WBSCSTOBCDFC.

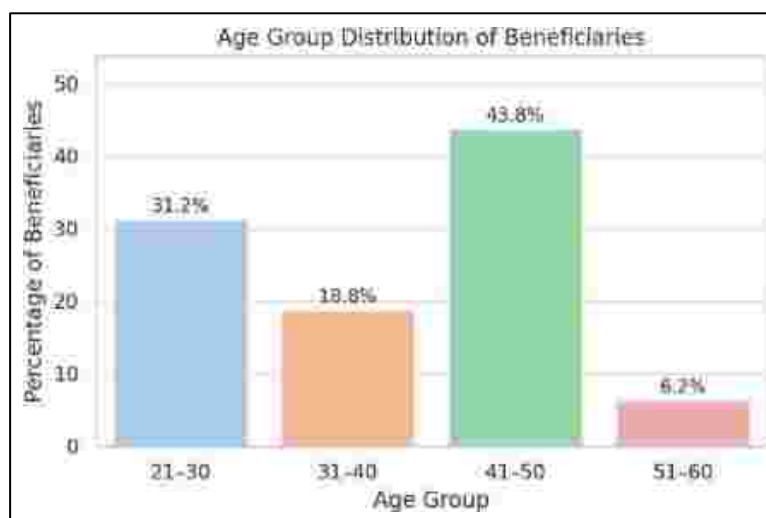
WB1.5 Sources of Data

This was an empirical study intending for an evaluation of the lending schemes already implemented. The list of the beneficiaries for the Education loan and Mahila Samridhi schemes of NBCFDC for the period of study (2020-23) was shared by WBSCSTOBCDFC which comprised to the name and other details of the beneficiary of the loan schemes. All the willing beneficiaries were contacted through the WBSCSTOBCDFC (State Channelising Agency) and were verified from the available list of beneficiaries. The evaluation for various other parameters like the utilization ratio, loan recovery ratio/mechanism, number of defaulters and the mechanism of monitoring done for these loans by the SCAs has been collected through the questionnaires canvassed to the State Channelizing Agency. Additionally, information has also been gathered from their websites and annual reports.

WB 2 Analysis of the Socio-Economic Parameters

WB 2.1 Age Group Distribution

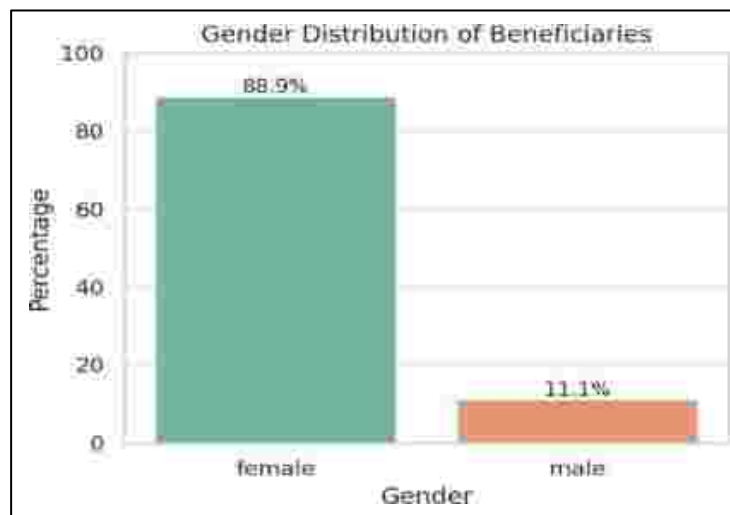
Figure: WB 2.1



The age distribution of beneficiaries shows that a dominant **43.8%** fall within the **41–50 years** age group, indicating that the scheme is effectively reaching mature working-age individuals likely engaged in stable livelihood activities. A notable **31.3%** are in the **21–30** range, reflecting growing entrepreneurial interest among younger adults. Meanwhile, **18.8%** belong to the **31–40** group, and only **6.3%** are aged **51–60**, suggesting limited uptake among older populations. This overall pattern highlights a strong focus on economically productive cohorts, with potential to further support youth-driven enterprise while exploring inclusion strategies for older beneficiaries.

WB 2.2 Gender

Figure: WB 2.2



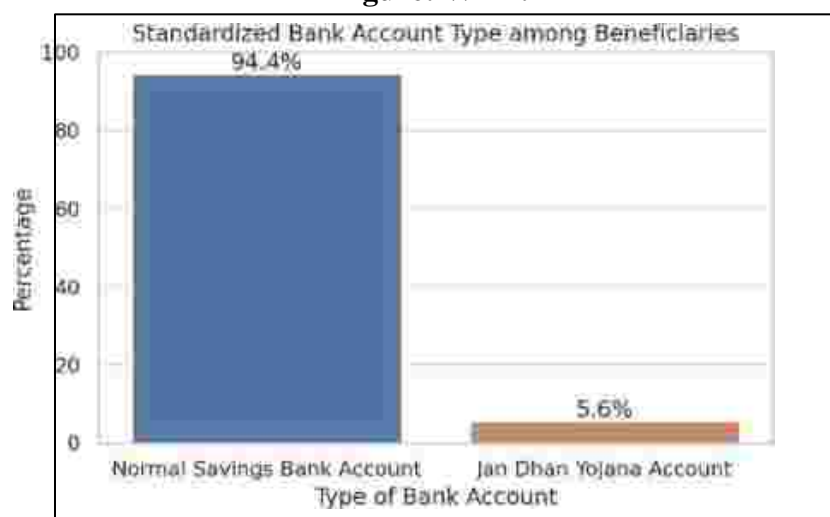
Among the respondents, 88.9% are female and 11.1% are male, indicating a high participation of women in the scheme. This overwhelming representation suggests that women are proactively seeking such for economic activities. The data not only shows strong outreach but also reliance on micro-finance by women to or expand livelihood ventures.

WB 2.3 Aadhaar Card Ownership

Every single respondent (**100%**) has an **Aadhaar card**, confirming full coverage in terms of national identification. This is a crucial enabler for accessing benefits and indicates that identity-linked schemes can be efficiently administered within this group.

WB 2.4 Type of Bank Account

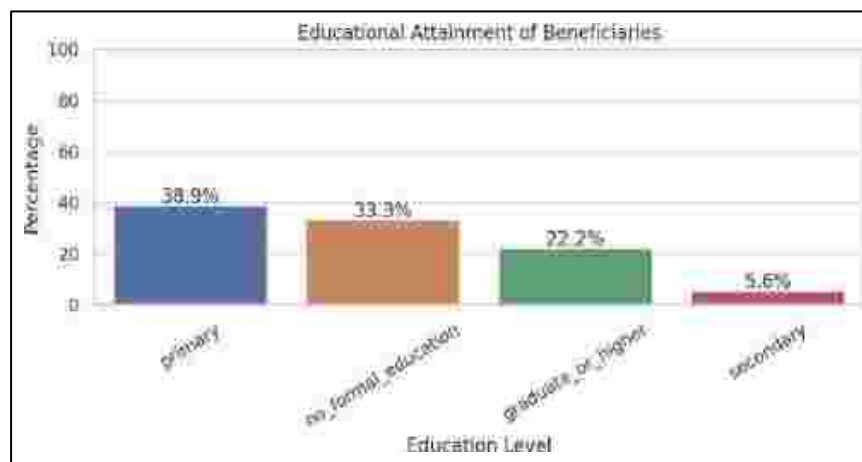
Figure: WB 2.4



94.4% of respondents have a Normal Savings Bank Account, while 5.6% use Jan Dhan Yojana accounts. This strong skew toward conventional savings accounts underscores a well-established financial engagement among beneficiaries. It suggests that most are not only financially included but also potentially ready for more advanced banking services like credit and insurance. Jan Dhan account holders represent a smaller but important segment that may benefit from continued support in transitioning toward broader financial literacy and service access.

WB.2.5 Education Level

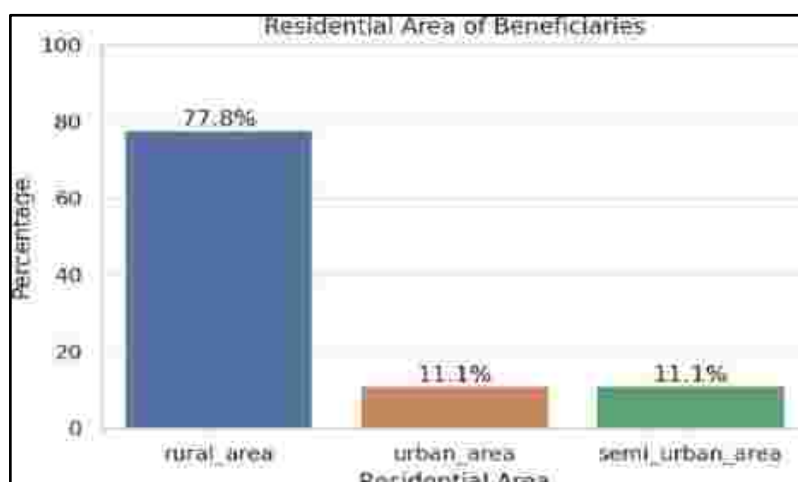
Figure WB 2.5



Among the respondents, 5.6% have completed secondary education, 22.2% are graduates or have higher qualifications, while 33.3% have no formal education. This indicates a diverse educational profile among beneficiaries. The significant presence of graduates shows that even well-educated individuals are leveraging NBCFDC schemes for entrepreneurial and livelihood support. Meanwhile, the sizeable share of beneficiaries with no or low education reflects the scheme’s inclusivity and outreach among traditionally underserved populations.

WB.2.6 Residential Area

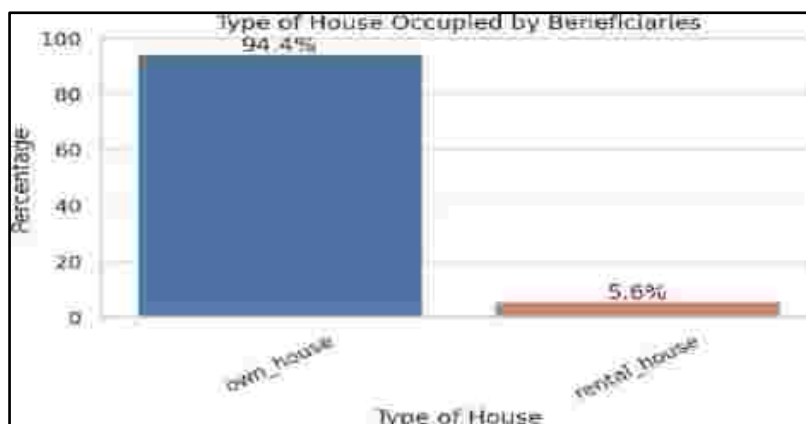
Figure WB 2.6



A majority of the respondents (77.8%) reside in rural areas, followed by 11.1% in urban and 11.1% in semi-urban locations. This distribution illustrates the strong rural focus of the NBCFDC schemes in West Bengal. The program's reach into rural regions underscores its role in supporting populations with limited access to mainstream credit or institutional financial services. At the same time, the presence of urban and semi-urban beneficiaries indicates that the schemes are also catering to micro-entrepreneurs and self-employed individuals across different settlement types.

WB 2.7 Type of House

Figure WB 2.7



A significant majority of the respondents (78.3%) reside in concrete-roofed houses, followed by 13.0% in semi-concrete and 8.7% in kutcha structures. This suggests that most beneficiaries enjoy relatively stable housing, which can be indicative of semi-permanent to permanent living conditions. The smaller proportion living in kutcha houses reflects a segment that may be more economically vulnerable and in greater need of financial support for housing improvement or livelihood stabilization.

WB 2.8 Ownership of Residence

Figure: WB.2.8

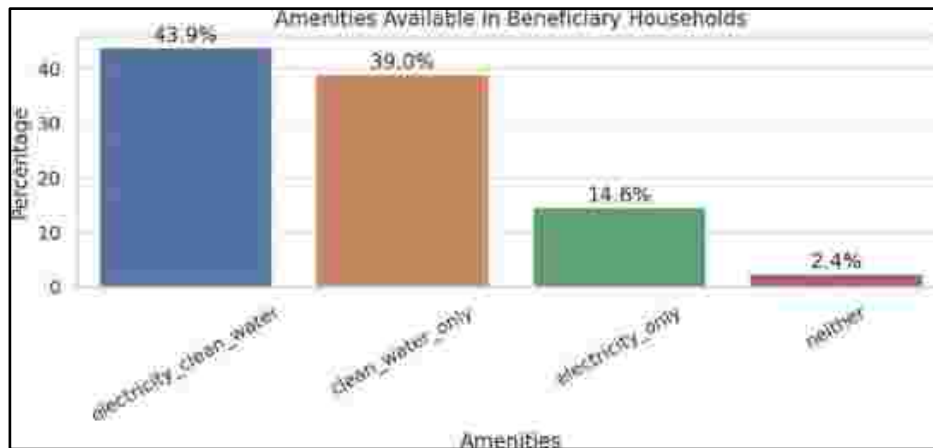


Nearly all respondents (94.4%) reported owning their residence, while a minimal 5.6% lived in rental accommodation. This widespread home ownership among beneficiaries can be a vital enabler for financial stability and asset creation. It suggests that most respondents

have a foundational security that allows them to invest in self-employment ventures. From a lending perspective, ownership enhances credit worthiness and reduces risks, making it more feasible for institutions like NBCFDC to support livelihood-based financing. However, the few in rental homes may represent a vulnerable subset that could benefit from targeted schemes, especially around housing linked enterprise support.

WB 2.9 Electricity and Water Availability at Home

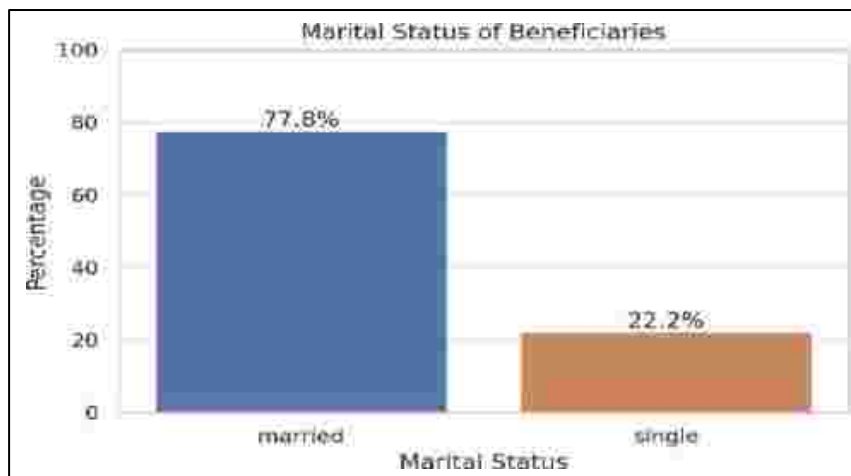
Figure: WB.2.9



Electricity and clean water are the most commonly available amenities among beneficiary households, followed by a few with only clean water. This reflects a relatively high level of basic infrastructure access in the surveyed areas. The widespread availability of electricity suggests compatibility with modern livelihood tools and digital engagement, while access to clean water reinforces foundational health and hygiene standards. However, the variation in combinations of amenities hints at disparities in quality-of-life conditions that may need attention for holistic development.

WB 2.10 Marital Status

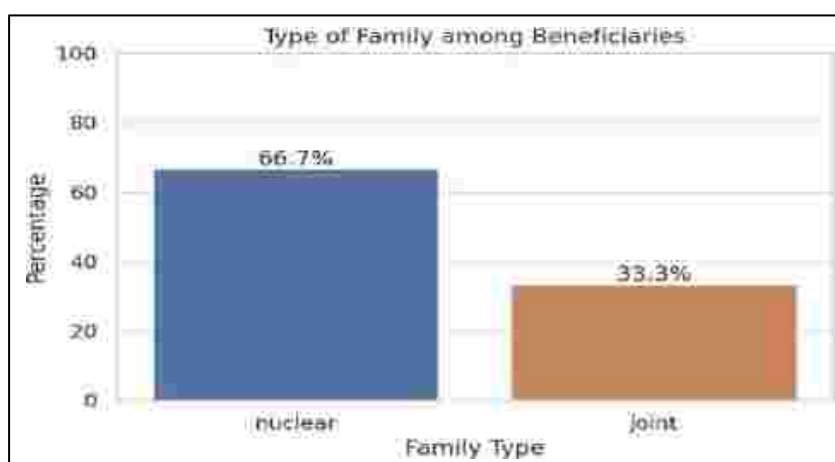
Figure WB 2.10



The majority of respondents (77.8%) are married, while only a small segment (22.2%) are single. This pattern reveals that the NBCFDC schemes are predominantly accessed by individuals who may have greater household responsibilities and financial obligations. Married beneficiaries, particularly in low-income settings, often face added pressure to generate stable incomes, which could explain their higher engagement with these financial schemes. The limited representation of single individuals may indicate either lower awareness among youth or perceived barriers to accessing loans without familial responsibilities. Addressing this gap could open avenues for younger and unmarried entrepreneurs to benefit from early-stage financial support.

WB 2.11 Nature of Family

Figure WB 2.11



A significant 66.7% of the beneficiaries belong to nuclear families, while the remaining 33.3% are part of joint family setups. This trend reflects the growing prevalence of nuclear family structures in rural and semi-urban areas, where individual household units seek financial independence and livelihood enhancement. The predominance of nuclear families may also imply a higher demand for smaller, more autonomous entrepreneurial ventures, aligning well with the NBCFDC’s micro-credit focus. At the same time, the joint family presence signals traditional social systems where intergenerational support plays a role in enterprise.

WB 2.12 Annual Family household Income Pre-loan and Post-loan

Table WB 2.12 (a): Annual Family Household Income before uptake of loan

Income Levels	Response	Percentage
Below 1.5 Lakh	20	67
1.5-2.25 Lakh	6	20
2.25 Lakh -3 Lakh	4	13
Total count	30	100

As shown in Table 3 above, before taking loans, the Annual Family Household income of the beneficiaries ranged between below ₹1.5 lakh and ₹3 lakh. Household incomes were concentrated in the lower income groups, with two-thirds of households in the lowest category and no representation in higher income brackets. Specifically, 67% of the beneficiaries reported incomes below ₹1.5 lakh, 20% reported between ₹1.5–2.25 lakh, and 13% reported in the ₹2.25–3 lakh range.

Table 4 shows a visible upward shift in income levels following financial assistance. The proportion of households in the lowest income group declined to 33%, while 47% reported annual incomes between ₹1.5–2.25 lakh. Additionally, 17% of beneficiaries moved into the ₹2.25–3 lakh range, and 3% surpassed the ₹3 lakh threshold. This indicates that nearly two-thirds of households experienced an upward movement in their income levels.

Table WB 2.12(b): Annual Family household Income Post loan uptake

Income Levels	Response	Percentage
Below 1.5 Lakh	10	33
1.5-2.25 Lakh	14	47
2.25 Lakh -3 Lakh	5	17
Above 3 Lakh	1	3
Total count	30	100

Table WB 2.12(c): Change in Income Levels: Pre vs. Post Loan Uptake

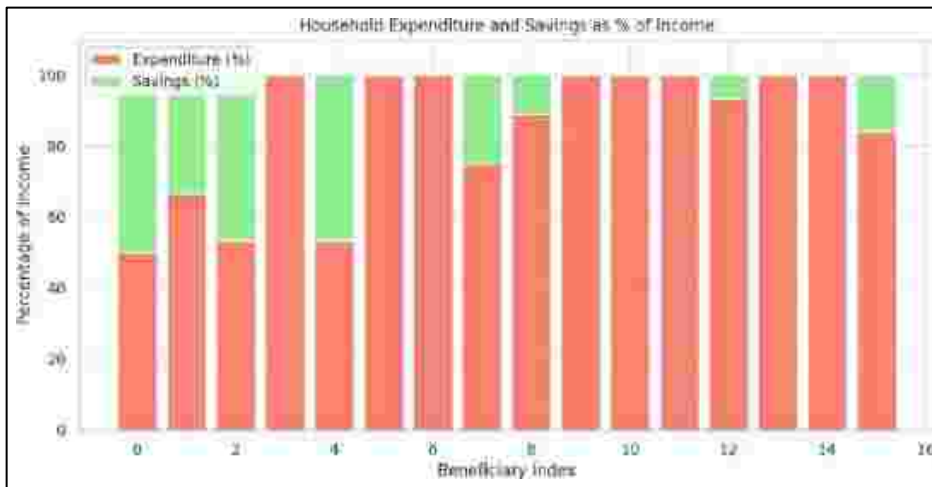
Income Range	Percentage of Beneficiaries Pre-Loan (%)	Percentage of Beneficiaries Post-Loan (%)	Percentage change in each beneficiaries group (%)
Below ₹1.5 lakh	67	33	34
₹1.5–2.25 lakh	20	47	27
₹2.25–3 lakh	13	17	4
Above ₹3 lakh	0	3	3

As is evident from Table above, the change in income levels pre vs. post loan uptake is as follows:

- The lowest income group (below ₹1.5 lakh) reduced sharply from 67% to 33%, showing that one-third of households moved out of this vulnerable category.
- The ₹1.5–2.25 lakh bracket more than doubled (from 20% to 47%), emerging as the most common income level post-loan.
- The share of households in the ₹2.25–3 lakh group rose slightly, from 13% to 17%.
- 3% of the beneficiaries crossed the annual income threshold of ₹3 lakh, reflecting significant gains for a small segment of households.

WB 2.13 Average Monthly Household Income Pre vs Post Loan (in Rs.)

Figure WB 2.13



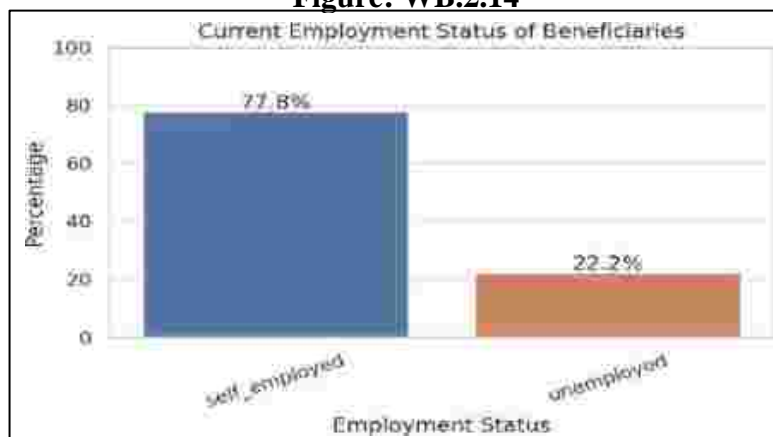
The average monthly household income among beneficiaries is ₹15,125, with values ranging from ₹10,000 to ₹25,000. In contrast, the average monthly household expenditure stands at ₹12,625, with a similar lower bound of ₹8,000 and a peak at ₹21,000. This suggests that while the income range is modest, beneficiaries generally manage their expenses prudently within their means.

When comparing income and expenditure, the average monthly household savings amounts to ₹2,500. However, this average masks variability—some households reported zero savings, while others managed to retain up to ₹10,000 per month. The median savings is just ₹500, highlighting a fragile financial buffer for many. This thin margin between income and expenditure indicates that even minor economic shocks could destabilize household finances.

These patterns emphasize the critical role of financial support schemes like NBCFDC loans in enhancing income stability and expanding household cash flows. They also suggest a need for complementary financial literacy programs, especially around savings behaviour, and for developing credit products sensitive to expenditure burdens.

WB 2.14 Employment Status

Figure: WB.2.14

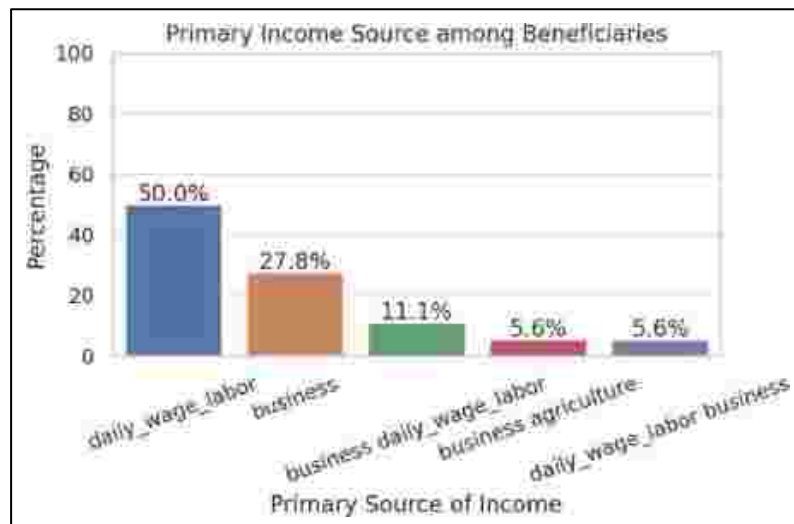


Among the respondents, 77.8% identified as self- employed, while the remaining 22.2% are unemployed. This overwhelming presence of self- employed individuals demonstrates the critical role of NBCFDC loans in supporting micro-entrepreneurial ventures. It reflects a strong orientation toward livelihood generation rather than salaried employment and highlights the importance of schemes tailored to small-scale business.

WB 2.15 Nature of Work before uptake of loans

A striking 27.8% of the beneficiaries’ report business as their primary source of income, with the 50% engaged in daily wage labor.

Figure WB 2.15



This distribution offers a revealing glimpse into the socio-economic orientation of the target group. The dominance of daily wage labor underscores a segment still rooted in precarious and irregular employment. These individuals may be using the loan either to supplement their unstable income or as a bridge to transition toward more secure self- employment.

27.8 % of respondents reported business as the main income stream suggests that the majority of borrowers are attempting to build or sustain self-employment ventures—most likely micro or family-run enterprises such as tailoring, petty trade, or small-scale services. This points to a strong entrepreneurial base, which is precisely what schemes under NBCFDC are designed to nurture.

However, this split in income source reflects not only varying degrees of financial resilience but also differing needs in loan structuring. While business owners might need larger, growth-oriented capital, daily wage earners may benefit from smaller, incremental loans coupled with support services like skill- building or market linkage.

WB 3 Analysis of the Loan Access, Disbursement and Utilization

WB 3.1 Time taken by the beneficiaries in obtaining loans from the SCA

Table WB 3.1

Month Range	Responses	Percentage
Upto 4 months	23	77%
4-6 months	5	17%
More than 6 months	1	3%
Can't Recall	1	3%
Total Response	30	

The analysis of loan application and sanction timelines indicates that the majority of beneficiaries received their loans within a relatively short duration. Out of the 30 recorded responses, 23 beneficiaries (77%) had their loans sanctioned within up to 4 months of application. This reflects an efficient process for most cases, ensuring timely access to financial assistance.

A smaller proportion, 5 respondents (17%), experienced delays of 4–6 months, while 1 respondent (3%) reported waiting for more than 6 months. Notably, 1 respondent reported being unable to recall the time taken.

Overall, the findings suggest that the scheme has been effective in ensuring quicker sanction of loans, with nearly four-fifths of the beneficiaries accessing credit within four months of application.

WB 3.2 Purpose of Uptake of loan

Table WB 3.2

Question	Responses					
	Working Capital	% of beneficiaries	New Business	% of Beneficiaries	Business expansion	% of beneficiary
Purpose of uptake of loan	12	40%	12	40%	6	20%

The data shows that the 20% beneficiaries used the loan for **business expansion**, reflecting a strong intention to scale up existing enterprises. A substantial **40%** utilised the loan to start a **new business**, indicating significant entrepreneurial interest among beneficiaries. **40%** required the loan for **working capital**, suggesting that most respondents were not focused on meeting daily operational expenses but were instead driven by growth-oriented or new venture creation needs

WB 3.3 Utilization of loans for the intended purpose

100 % beneficiaries utilized loans for the intended purpose. The different activities in which the loans were used is given below:

Table WB 3.3

Activity	Responses
Goat Rearing	6
Cattle Rearing	2

Activity	Responses
Grocery Shop	2
Stitching Machine/Tailoring	3
Education	3
Utensil Making	11
Beauty Parlour	3
Total response	30

Among the 30 beneficiaries surveyed, 90% availed loans specifically for small business purposes, while 10% used them for education.

This distribution clearly reflects that the NBCFDC lending schemes in the region are predominantly used to support entrepreneurial aspirations, aligning with the schemes' objectives to promote income generation and self-employment among marginalized communities. The dominance of business-related borrowing suggests that most beneficiaries are focused on livelihood creation through micro-enterprises—such as retail, tailoring, and service-based businesses—requiring modest capital infusion.

The 3 beneficiaries who accessed education loans represent a smaller but crucial demographic aiming for long-term socio-economic advancement through academic or skill-based learning. While the number is limited, it reflects a demand for educational financing, potentially among youth or first-generation learners. However, the small uptake also signals the need for enhanced awareness and facilitation of education-related schemes, especially in rural and economically backward areas.

Going forward, differentiating the delivery and post-disbursal engagement strategies based on the loan purpose may help improve outcomes. For instance, business loan recipients may benefit from entrepreneurship development support, while education loan recipients might require counseling on career paths or repayment moratorium options.

WB 3.4 Loan Access and disbursement

The minimum loan amount applied for among the beneficiaries was ₹20,000, and in most of these cases, the full amount was sanctioned—reflecting the scheme's effectiveness in catering to small-scale financial needs. In a few instances, partial sanctions were observed, such as one case where ₹2,00,000 was applied for but only ₹1,50,000 was received, indicating possible eligibility-based adjustments or capping mechanisms.

Despite these few deviations, the overall average sanction rate stands at an impressive 98.4%, showing that applicants largely received the amounts they requested. This high approval rate suggests a well-aligned credit delivery framework that is responsive to the financial needs of the target groups while still exercising a degree of vetting. The uniformity of low-value loan approvals also indicates a strong orientation toward micro- enterprise support.

WB 3.5 Awareness of NBCFDC loan schemes, rates of interest & Facilitation of loans taken

The majority of beneficiaries became aware of the loan scheme through government offices and banks, with 83.3% citing this as a key source. This underscores the vital role that official institutions play in disseminating program information, particularly in structured outreach and application support.

Simultaneously, 61.1% also learned about the scheme through word of mouth—including friends, family, or community members—highlighting the importance of informal social networks in spreading awareness. The dual influence of formal and informal channels suggests that while government infrastructure initiates awareness, community trust and interpersonal communication amplify it.

Only 5.6% of respondents cited print media (e.g., newspapers or pamphlets) as their source, indicating a limited reach of traditional publicity methods. This suggests an opportunity for diversification and strengthening of communication strategies, especially in remote or digitally less active populations.

WB 3.6 Creation of Assets out of loan assistance provided

The following assets were created out of the loan assistance undertaken:

Table WB 3.6

Activity	Responses	Percentage
Goat Rearing	6	20%
Cattle Rearing	2	7%
Grocery Shop	2	7%
Stitching Machine/Tailoring	3	10%
Education	3	10%
Utensil Making	11	37%
Beauty Parlour	3	10%
Total response	30	100%

WB. 4 Analysis of the Perception-Based Assessment of Loan Experience and Impact through Likert Scale

To assess beneficiaries' perceptions and experiences, a set of Likert scale questions was included in the survey. Respondents were asked to rate their satisfaction with loan services, the impact of the loan on their social and economic well-being, and changes related to women's empowerment. Each set of statements was rated on a standard 5-point scale, tailored to the theme.

The findings from the Likert scale analysis have been tabled and observations are given below:

Table WB 4.1: Likert responses on questions relation to Satisfaction with Loan Services

Questions	Number of respondents for each rating					% of Beneficiaries per response				
	1	2	3	4	5	1	2	3	4	5
Satisfaction of the loan scheme availed	0	2	4	10	14	0%	7%	13%	33%	47%
Assistance and guidance provided by Agency	0	0	4	16	10	0%	0%	13%	53%	33%
Time taken for Loan approval	0	2	2	11	15	0%	7%	7%	37%	50%
Interest rates	5	5	8	12	0	17%	17%	27%	40%	0%
Fund disbursement process	0	0	0	18	12	0%	0%	0%	60%	40%
Amount of loan disbursed	2	2	5	13	8	7%	7%	17%	43%	27%
Loan Repayment Terms	0	3	7	15	5	0%	10%	23%	50%	17%
Transparency of Loan Terms	0	0	6	17	7	0%	0%	20%	57%	23%
Employee behaviour during lending process	0	0	0	10	20	0%	0%	0%	33%	67%
Guarantee requirements	0	0	3	8	19	0%	0%	10%	27%	63%

Analysis:

- **Satisfaction with the Loan Scheme Availed**

A majority of beneficiaries (80%) expressed satisfaction with the loan scheme, with 33% satisfied and 47% highly satisfied. Around 20% remained neutral or somewhat dissatisfied. This indicates that while the scheme is broadly well-received, there is still scope to strengthen overall beneficiary experience.

- **Assistance and Guidance Provided by the Agency**

An overwhelming 86% of respondents rated the agency’s assistance positively, reflecting that the support provided during loan facilitation is effective. Only 13% remained neutral, suggesting minor room for improvement in handholding, particularly for first-time borrowers.

- **Time Taken for Loan Approval**

Nearly 87% of beneficiaries reported satisfaction with the loan approval process, indicating efficient and timely sanctioning. A small fraction (14%) expressed dissatisfaction or neutrality, pointing to occasional delays that could be streamlined further.

- **Interest Rates**

This parameter received mixed responses. While 40% were satisfied, 34% expressed dissatisfaction and 27% remained neutral. The absence of “highly satisfied” responses reflects that interest rates are a concern for many borrowers, suggesting a need for review or supportive measures to ease repayment.

- **Fund Disbursement Process**

All respondents rated this aspect positively, with 100% expressing satisfaction (60% satisfied, 40% highly satisfied). This shows that once loans are sanctioned, funds are disbursed efficiently and without major hurdles.

- **Amount of Loan Disbursed**

Satisfaction stood at 70% (43% satisfied and 27% highly satisfied). However, 24% reported dissatisfaction or neutrality, indicating that in some cases, the sanctioned amounts may not have fully met expectations or needs.

- **Loan Repayment Terms**

Two-thirds of respondents (67%) rated repayment terms positively, while 33% expressed neutrality or dissatisfaction. This suggests that while terms are generally acceptable, some borrowers may perceive them as rigid or burdensome.

- **Transparency of Loan Terms**

Strong positive feedback was observed, with 80% of respondents finding the loan terms transparent. Only 20% reported neutrality, highlighting that clarity and openness are strengths of the scheme.

- **Employee Behaviour During Lending Process**

This parameter received the highest approval, with 100% of beneficiaries expressing satisfaction (67% highly satisfied). This underscores the professionalism and supportive behaviour of staff, which greatly enhances borrower confidence.

- **Guarantee Requirements**

A significant 90% of respondents expressed satisfaction with guarantee requirements, while 10% remained neutral. This suggests that conditions around guarantees are generally fair, though a small share of beneficiaries may still perceive them as a challenge.

WB 4.1 Socio-Economic Standard of Living

The responses on the questions in the Likert scale for this category has been tabled and the observations are given below.

Table WB 4.2: Likert responses on questions relating to Socio-Economic Standard of Living

Question	Number of Responses according to scale					% of Beneficiaries per response				
	1	2	3	4	5	1	2	3	4	5
Ability to repay debts	3	0	18	6	3	10%	0%	60%	20%	10%
Access to healthcare facilities	0	0	7	19	4	0%	0%	23%	63%	13%
Asset ownership	2	6	13	9	0	7%	20%	43%	30%	0%
Clothing standards	0	4	18	8	0	0%	13%	60%	27%	0%

Question	Number of Responses according to scale					% of Beneficiaries per response				
	1	2	3	4	5	1	2	3	4	5
Equal participation in decision making	0	6	10	12	2	0%	20%	33%	40%	7%
Food and Nutritional Standards	0	2	12	14	2	0%	7%	40%	47%	7%
Household Savings	6	3	12	9	0	20%	10%	40%	30%	0%
Improved quality of children s education	0	8	9	10	3	0%	27%	30%	33%	10%
Overall living standards	0	2	12	14	2	0%	7%	40%	47%	7%
Respect and Recognition in the community	0	3	9	14	4	0%	10%	30%	47%	13%

Analysis:

- **Ability to Repay Debts**

A 30% of beneficiaries expressed confidence in their ability to repay debts, with 20% satisfied and 10% highly satisfied. Around 60% remained neutral, while 10% were dissatisfied. This shows that few feel positively about repayment capacity, though a major section either struggles or remains unsure.

- **Access to Healthcare Facilities**

Access to healthcare was viewed positively, with 63% satisfied and 13% highly satisfied. Only 23% remained neutral, and no one expressed dissatisfaction. This suggests that the loan has had a clear and tangible impact on improving healthcare access, with beneficiaries strongly acknowledging progress. The high concentration of positive responses highlights healthcare as one of the areas showing the most significant improvements.

- **Asset Ownership**

Responses here were mixed, with 43% neutral, 30% satisfied, and 20% dissatisfied. Only 7% reported high dissatisfaction, and no one was highly satisfied. This pattern reflects that asset creation remains a challenge for many households, with only a minority perceiving significant gains. While some progress exists, the majority responses indicate uneven benefits of the loan in supporting asset ownership.

- **Clothing Standards**

Most respondents (60%) were neutral, while 27% expressed satisfaction and 13% were dissatisfied. No one reported being highly satisfied. This shows that clothing standards have seen only modest improvements, with limited direct benefits perceived by households. Overall, responses suggest that while dissatisfaction is not very high, positive change in this area remains limited and incremental.

- **Equal Participation in Decision-Making**

Positive responses formed the majority, with 40% satisfied and 7% highly satisfied. A substantial 33% were neutral, while 20% expressed dissatisfaction. This indicates that while loans may have contributed to more balance household participation, a sizeable minority

still feels excluded from decision-making. The findings highlight gradual but uneven empowerment outcomes among beneficiaries.

- **Food and Nutritional Standards**

A majority 54% of beneficiaries rated positively (47% satisfied, 7% highly satisfied), with 40% neutral and 7% dissatisfied. This suggests that improvements in food and nutrition are being felt by many, though not universally. The dominance of neutral and mid-level satisfaction indicates moderate progress rather than strong transformations in dietary standards.

- **Household Savings**

Savings showed mixed outcomes: 40% neutral, 30% satisfied, but 20% dissatisfied and 10% highly dissatisfied. No one rated this aspect highly satisfactory. These responses highlight that while some households manage to save, many still struggle due to repayment pressure or income constraints. Overall, savings appear to be one of the weaker areas of impact from the loan scheme.

- **Improved Quality of Children's Education**

Here, 43% were satisfied or highly satisfied (33% satisfied, 10% highly satisfied), but a large 30% were neutral and 27% dissatisfied. The distribution indicates divided experiences, with some families seeing improvements while others struggle. Although education quality has improved for a portion of households, a notable share remains unconvinced of significant progress.

- **Overall Living Standards**

This parameter saw largely positive responses, with 54% satisfied (47% satisfied, 7% highly satisfied). Around 40% remained neutral, while only 7% were dissatisfied. This reflects broad acknowledgement that loans have helped in improving living standards, though perceptions of progress are mostly moderate rather than strongly enthusiastic.

- **Respect and Recognition in the Community**

Almost 60% reported satisfaction (47% satisfied, 13% highly satisfied), while 30% were neutral and 10% dissatisfied. This suggests that access to loans has had a visible impact on social standing and recognition. Many beneficiaries feel acknowledged within their communities, marking this as one of the more encouraging aspects of the scheme.

WB 4.2 Key discussion points with the SCA

- The West Bengal SCA has been engaged with NBCFDC schemes since 2017 and, despite its recent start, has implemented a wide range of schemes including Term Loan, Education Loan, Micro Credit Scheme, and Mahila Samridhi Yojana, demonstrating a broad programmatic reach.

- Beneficiary selection is carried out through open applications, recommendations from partners, and nominations from NGOs, enabling a balanced approach that caters to both demand-based requests and network-driven outreach.
- Awareness about the schemes is generated through structured communication via block and district-level administrative channels, ensuring that the information reaches grassroots populations effectively.
- Loan application processes are made accessible in both online and offline formats, ensuring that digitally literate individuals as well as those lacking digital access are both able to participate.
- Disbursement of funds is done directly into beneficiaries' bank accounts through electronic transfer, which enhances transparency, reduces the possibility of fund leakage, and speeds up access to credit.
- Beneficiaries receive pre-loan counseling on financial literacy and repayment planning, and post-loan feedback is collected through field visits and calls, creating a continuous support and accountability loop.
- Loan utilization is monitored using field verification and NGO reports, and the participation of women—who form 65% of borrowers—shows a strong commitment to gender inclusion supported by SHG formation and lower female default rates.
- Loans are offered without collateral, making them accessible to asset-poor households, while recoveries are pursued through structured channels such as NACH mandates and recovery drives, though further digitization of follow-ups could enhance efficiency.

WB 4.3 Key Challenges

- The most pressing challenge is the unavailability of loan funds from NBCFDC over the past three years, which has stalled the scheme's outreach despite existing demand. This calls for immediate reinstatement of fund flow to enable continuity and expansion of lending operations.
- The absence of a distress relief mechanism or insurance backup makes beneficiaries vulnerable during financial shocks, affecting both livelihood stability and repayment. To address this, the SCA should introduce insurance-linked loans or a contingency corpus for crisis mitigation.
- While the loan disbursement and monitoring systems are functional, they lack real-time tracking and structured grievance redressal. Upgrading to a centralized MIS and field-level mobile tracking can enhance transparency and operational responsiveness.
- Education loans have seen limited success due to the lack of placement support and institutional engagement. Establishing an education loan cell with partnerships for skilling and job linkage will help improve uptake and post-loan outcomes.

- Although recovery efforts are underway, repayment sustainability can be improved through interest subvention schemes and the option of one-time settlements. These measures would incentivize regular payments and help reduce defaults, especially among vulnerable borrowers.

WB 4.4 Non-Beneficiary Analysis

With respect to non-beneficiaries, the intended sample could not be realized as no identified cases of rejected applicants or eligible individuals who were denied loans were available through the implementing agency. This limitation has been duly noted, and its implications for comparative analysis are acknowledged within the scope of the study.

WB 4.5 Impact Assessment of NBCFDC Lending Schemes in West Bengal: A Parameter-Based Synthesis in a Nutshell

1. Economic Upliftment and Financial Stability

NBCFDC's interventions in West Bengal have supported income generation and livelihood stability, primarily through small loans for business purposes. A significant 78.3% of beneficiaries cite business as their main income source, indicating strong uptake for entrepreneurial self-employment. However, average household income (₹15,125/month) barely exceeds average expenditure (₹12,625), leaving a median savings of just ₹500/month. This highlights fragile financial stability and limited economic cushioning despite loan assistance. While some households reported saving up to ₹10,000/month, such cases are rare, pointing to the need for more tailored financial coaching and possibly staggered disbursement plans to match capacity and improve long-term resilience.

2. Loan Utilization Efficiency and Repayment Behaviour

West Bengal beneficiaries demonstrate high loan utilization alignment—with 88.9% using loans for small businesses and the rest for education. The average loan sanction rate is 98.4%, indicating that the lending process is both responsive and equitable. Most loans were disbursed in full for smaller demands (₹20,000– ₹50,000), suggesting strong efficiency in micro-credit operations. However, interest rates and repayment structures received the lowest satisfaction rating (3.11) on the Likert scale, largely due to confusion between interest, deductions, and insurance components. Furthermore, household savings (2.72) scored the lowest among socio-economic indicators, underlining that while loans catalyze income, they are not consistently improving long-term financial discipline or stability.

3. Entrepreneurial Outcomes and Business Sustainability

The scheme has led to meaningful micro-enterprise activity, especially in retail, tailoring, and local service businesses, as inferred from qualitative field notes. 82.6% of respondents are self-employed, reflecting a high level of entrepreneurial engagement. However, field interactions suggest that loan amounts often fall short of business requirements, and the lack of entrepreneurship development support or post-loan mentoring has limited long-term business scalability. Despite strong business-oriented loan uptake, the impact in terms of

employment generation, profit reinvestment, or expansion remains modest. Education loans were accessed by only 11.1%, pointing to low awareness or institutional engagement for skilling pathways.

4. Social Impact and Empowerment

The scheme in West Bengal stands out for high gender inclusion, with 88.9% of respondents being women, many participating through SHGs. This success is largely attributed to Mahila Samridhi Yojana and strong SCA level focus on SHG mobilization. In terms of household infrastructure, 95.7% own their homes, and over 78.3% reside in concrete-roofed houses, indicating stable living conditions. However, socio-economic impact perceptions reveal moderate gains— overall living standards and food security scored only 3.56, and asset ownership scored 3.06. This suggests that while access to credit is high, broader improvements in living conditions remain incremental. The low median savings further emphasizes this constraint. Social networks play a key role in spreading awareness (61.1%), showing that informal systems still support outreach and trust-building.

5. Institutional Accessibility and Implementation Efficiency

The State Channelising Agency (WBSCSTOBCDFC) has built a multilayered implementation model, with pre-loan counseling, post-loan follow-up, and both online/offline access mechanisms. Electronic fund transfers and district-level NGO partnerships help bridge institutional gaps. Yet, major systemic challenges remain: no fresh NBCFDC funds were available for the last three years, severely constraining the continuity and scale of lending operations. Additionally, lack of insurance-linked risk protection, limited grievance redressal, and absence of MIS-based tracking systems weaken operational resilience. While gender outreach is commendable, other institutional gaps— such as the limited success of education loans due to missing career linkage—undermine the holistic impact of the schemes.



WB 4.6 Success Stories

1. MD FAIZUL HAQUE (Beauty Salon)

1.	Name of SCA	West Bengal SC/ST and OBC Development and Finance Corporation
2.	Name of Scheme	Term Loan (Small business Sector)
3.	Name of Beneficiary	Md Faizul Haque
4.	Complete Address	Auston Street, Garulia, Noapara-743133, Ward No. - 7, Garulia Municipality
6.	Loan Amount Requested	6,00,000/-
7.	Loan Amount Received	5,10,000/-
8.	Date of Disbursement	11/03/2023
9.	Monthly Income before & after taking Loan	10,000/- (before) To 20,000 – 25,000/- (after) (Profits only)
	Purpose of Loan	Beauty Salon (Revamping)

Faizul Haque, a determined entrepreneur from the OBC community, has transformed his modest salon into a thriving business and training hub with the support of a loan under the NBCFDC scheme. In 2022– 23, he availed a loan of ₹6 lakh to expand his existing salon operations. With the financial assistance, he not only revamped the service center by upgrading infrastructure and procuring new beauty equipment, but also took a visionary step by establishing a dedicated training academy for beautician courses.

The newly developed space now serves dual purposes – offering high-quality salon services and providing skill training to underprivileged youth. His wife actively supports this initiative by conducting beautician classes. The academy currently operates with a batch size of 10 to 15 students, running 3 to 4 -month courses. So far, two batches have successfully completed the training, and Md. Faisul Hak is committed to scaling up this initiative further. Students who complete the course receive a *Udyam*-registered certificate, enabling them to pursue self-employment opportunities or find work in the beauty industry.

His salon now employs three individuals, each earning an average salary of ₹10,000 per month. The business generates a steady monthly profit of ₹20,000 to ₹25,000, indicating a sustainable and growing enterprise. Md. Faisul Hak’s journey exemplifies how targeted financial support, when coupled with entrepreneurial vision, can lead to socio-economic empowerment and community development. His efforts have not only uplifted his own standard of living but have also created avenues for skill development and employment for others.

2. APARUPA NRLM DAL (Goatery)



Name of SCA	West Bengal SC/ST and OBC Development and Finance Corporation
Name of Scheme	Mahila Samridhi Loan
Name of Beneficiary	Aparupa NRLM Dal
Complete Address	Bamunbandh, Kantabari, Onda, 722122, Kantabari, OnDa
Loan Amount Requested	214000
Loan Amount Received	214000
Date Disbursement	02/02/2023
Monthly Income before & after taking Loan	10,000/- (before) To 20,000–25,000/- (after)
Purpose of Loan	Goatery



Aparupa, a resident of rural West Bengal, ventured into goat rearing after availing a loan under the NBCFDC scheme aimed at supporting income generating activities for backward class communities. With the sanctioned amount, she purchased 3 to 4 goats and set up basic infrastructure for goatery near her household. The financial assistance provided a much-needed opportunity to pursue a livelihood that aligned with local practices and market demand.




Despite her determination, Aparupa faced several challenges in the initial phase. A few goats became diseased, leading to unexpected veterinary expenses and a temporary dip in her income. One of the major concerns she highlighted was the absence of livestock health insurance, which could have mitigated the financial strain during such incidents. The lack of access to preventive veterinary services remains a key constraint in sustaining animal health in her area.

Nevertheless, with careful care and experience, Aparupa gradually stabilized her operations. Her goatery has yielded a profit of ₹20,000 - ₹25,000. The income has significantly improved her family's standard of living, allowing her to contribute to household expenses, invest in basic amenities, and plan for the future.



Chapter-5:

**Conclusion &
Recommendation**



Chapter 5: Conclusion & Recommendation

5.1 Introduction

The National Backward Classes Finance and Development Corporation (NBCFDC) lending schemes have demonstrated a multifaceted impact across diverse socio-economic and geographic contexts in India. Implemented through various State Channelizing Agencies (SCAs), these schemes aim to promote financial inclusion and economic empowerment of the Other Backward Classes (OBCs), particularly those engaged in micro and small enterprises. The evaluation of the schemes across states & UTs reveals a mix of achievements, operational strengths, and persistent gaps.

At the beneficiary level, the schemes have significantly improved access to institutional credit, especially among self-employed individuals, women, and rural households. Loans have largely been used for income-generating activities in agriculture, allied sectors, retail, services, and artisan work. Notably, women's participation has seen considerable gains in some states, particularly through SHG-based lending under microfinance models, which report better repayment performance and social accountability. Post-loan outcomes suggest increased income, employment generation, asset creation, and improved living standards for beneficiaries. In several states like Punjab and Chhattisgarh, monthly incomes rose by 3 to 5 times after availing the loan, underscoring the transformative potential of these schemes.

However, the evaluation also identifies critical issues that hinder the schemes' optimal effectiveness. The absence of standardized terminology and the mismatch between NBCFDC's official loan categorization and the categorization practices followed at the SCA level have resulted in confusion at the implementation stage. This inconsistency not only hampers accurate beneficiary classification but also complicates scheme-wise tracking, monitoring, and impact assessment. A uniform scheme nomenclature and classification protocol is urgently required to ensure clarity and consistency across all levels of implementation. In states like Karnataka, Tripura, etc. this ambiguity has been recurrent, with SCAs and beneficiaries unable to clearly map loans to NBCFDC's defined schemes.

Operational inconsistencies across SCAs further dilute the program's impact. For example, while KSBCDC in Kerala has efficient operations and repayment systems, others like MATSYAFED still rely on manual record-keeping, impeding monitoring and data verification. Despite the integration of pre-loan counselling and field visits in many SCAs, there remains a lack of post-loan mentoring, especially in areas like business planning, market linkage, and financial literacy. Moreover, digital penetration is uneven—some states are fully digitized in their application process while others are yet to operationalize online systems, creating disparities in accessibility.

The education loan and New Swarnima schemes have seen limited uptake due to restrictive eligibility criteria and absence of placement support or institutional partnerships. Collateral requirements, procedural complexities, limited outreach and lack of awareness continue to be significant barriers for non-beneficiaries. Many are also unaware of loan renewal opportunities or available support mechanisms, leading to premature business stagnation or abandonment. Additionally, the absence of loan insurance and distress relief mechanisms leaves beneficiaries vulnerable to economic shocks, especially in high-risk sectors like fisheries and agriculture.

While there is evidence of high repayment rates—ranging from 70% to over 95%—issues such as delayed disbursement, high interest perception, and low-savings capacity point to the need for stronger financial education and support systems. Moreover, gender inclusivity, although encouraged through schemes like Mahila Samridhi Yojana, requires better institutional anchoring and dedicated outreach.

Overall, NBCFDC schemes have made a positive contribution to promoting entrepreneurship and self-

reliance among backward communities. Yet, to unlock their full potential, there is a pressing need to enhance awareness, streamline operations, diversify lending, and provide holistic support beyond disbursement. A unified and technology-driven implementation framework, coupled with localized flexibility, will be essential in advancing the financial and social empowerment goals of NBCFDC's mission.

5.2 Way Forward

The third-party assessment highlights that NBCFDC loan schemes continue to play an important role in expanding livelihood opportunities for backward class households. The schemes have demonstrated the ability to improve incomes, support enterprise growth and strengthen financial inclusion across states. As many beneficiaries rely on these loans for starting or stabilising small businesses, agriculture and allied activities, the programme remains an essential pathway for enhancing socio-economic security.

Moving forward, there is a need to ensure that the benefits of the schemes reach a wider segment of the target population in a timely and efficient manner. Strengthening fund flow mechanisms, improving awareness and ensuring consistent implementation practices across SCAs may help in creating a more responsive system. Enhancing digital processes, simplifying applications and expanding post-loan support may also contribute to better outcomes.

The experiences of non-beneficiaries show that unmet credit needs continue to be substantial. Many eligible households remain outside the formal credit system due to procedural delays, limited outreach or gaps in fund availability. Addressing these barriers may allow the schemes to serve those who need them most.

NBCFDC loan schemes have shown clear potential to transform livelihoods and create sustainable economic opportunities. Continuation and strengthening of these programmes are important, as they provide accessible and affordable credit to communities that face persistent financial exclusion. With targeted improvements in implementation, the schemes may contribute more effectively to long-term social and economic empowerment.

Thus, the NBCFDC Loan Schemes should be continued with the following recommendations:

Issue Areas	Challenges Observed	Recommendations (NBCFDC / SCAs)
Limited Coverage of OBC Beneficiaries due to Income Eligibility Threshold	The existing Annual Family Income eligibility ceiling of ₹3.00 lakh per annum excludes a significant section of economically vulnerable OBC households, particularly in states with higher cost of living and evolving income structures. As a result, potential beneficiaries who require concessional credit support remain outside the ambit of the scheme, limiting overall outreach and national coverage.	To cover the more population of OBC across the country, it is recommended to enhance present income criteria i.e Annual Family Income up to Rs.3.00 p.a to. Rs.6.00 lakh p.a.
Stagnation in Fund Disbursement	In several states, fund flow to SCAs has remained stagnant for extended periods. This has constrained their ability to sanction fresh loans, reduced the visibility of the scheme at the grassroots, and created long waiting periods for applicants who may otherwise be eligible.	NBCFDC may prioritise reinstating fund flows and adopt a more streamlined and predictable release mechanism. A system of periodic monitoring may be introduced so that delays are identified early and timely corrective action is taken. Ensuring continuous liquidity at the SCA level will strengthen outreach and maintain beneficiary confidence.
Scheme Misclassification and Categorization Errors	Field officers and SCAs often find it difficult to clearly distinguish between different scheme categories. This creates confusion for applicants, complicates documentation, and affects the accuracy of reporting at the national level.	A comprehensive and standardised scheme classification handbook may be developed and shared with all SCAs and field-level staff. This may be accompanied by dedicated orientation sessions and refresher trainings to ensure uniform understanding and consistent categorisation across states.
Documentation and Procedural Complexity	Beneficiaries frequently experience challenges in navigating documentation requirements. Multiple rounds of verification and unclear instructions increase application time and reduce confidence among first-time borrowers.	Simplifying key forms, reducing repetitive documentation and enhancing beneficiary guidance may ease the application process. SCAs may offer assistance desks or trained facilitators to support applicants through form filling, document checks and clarifications.

Issue Areas	Challenges Observed	Recommendations (NBCFDC / SCAs)
Variation in Collateral Practices	Collateral requirements differ across SCAs, leading to uncertainty for applicants. Some beneficiaries may be asked to provide assets while others are not, which affects perception of fairness and accessibility.	NBCFDC may introduce clearer guidelines on collateral norms and ensure uniform adoption across SCAs. Field officials may also be sensitised to communicate these norms transparently so that beneficiaries have complete clarity before applying.
Delays in Loan Sanctioning and Disbursal	A sizeable proportion of applicants experience delays extending beyond three to six months. These delays often arise from verification backlogs, fund constraints or administrative bottlenecks.	Introducing defined turnaround-time benchmarks and periodic review mechanisms may help in improving efficiency. SCAs may benefit from enhanced digital processing systems and better coordination with implementing agencies to reduce bottlenecks.
Low Digital Adoption and Limited Online Support	Most beneficiaries continue to rely on offline modes due to limited digital literacy, lack of confidence in online systems or inadequate field-level assistance. This slows down processing and increases congestion at SCA offices.	NBCFDC may strengthen user-friendly digital platforms, supported by local facilitation centres. Training modules may be developed to help beneficiaries navigate online applications. SCAs may also consider hybrid models, where online tools are combined with guided offline support.
Awareness Gaps Regarding Schemes and Interest Rates	A section of applicants and non-beneficiaries remain unaware of scheme features, eligibility norms and interest rates. This reduces participation and discourages timely follow-up by applicants.	Structured awareness campaigns through community networks, local institutions and social media may help bridge these gaps. Clarity on interest rates and repayment terms may also be conveyed through brochures, application kits and orientation meetings conducted by SCAs.
Lack of Training and Skill Support for Beneficiaries	Many beneficiaries feel underprepared in managing business processes, maintaining accounts or planning investments. This limits the full potential of the loan's impact.	Capacity-building initiatives, such as short training sessions on business planning, marketing and financial literacy, may be introduced. Linking beneficiaries with local training partners may enhance livelihood outcomes and strengthen repayment capacity.
Limited Market Linkages and Post-Loan Support	Beneficiaries often lack access to structured markets, making it difficult to scale or sustain enterprises. The absence of post-loan support affects long-term income stability.	SCAs may explore partnerships with local market bodies, cooperatives and digital marketplaces. Post-loan mentoring, exposure visits or periodic follow-up meetings may help beneficiaries strengthen their enterprises.
Inconsistent Reporting and Data Management	Variations in reporting formats across SCAs reduce overall data quality and create difficulties in nationwide monitoring.	NBCFDC may develop a unified reporting framework supported by digital dashboards. Regular training for data entry teams may also improve accuracy and consistency. ensure uniform understanding of different loan products.

Issue Areas	Challenges Observed	Recommendations (NBCFDC / SCAs)
Weak Outreach and Awareness Generation	In some regions, especially rural and remote areas, awareness about loan schemes is extremely low. Beneficiaries often hear about the schemes informally rather than through structured outreach.	Strengthen awareness campaigns by leveraging community-based mobilization, local self-help groups, and Panchayati Raj institutions. Use print, radio, and social media for targeted information dissemination.
Limited Participation of Women and Youth	Despite being priority target groups, women and youth remain underrepresented among loan beneficiaries. Gender and age disparities limit inclusiveness.	SCAs should introduce quota-based participation targets for women and youth. Special schemes tailored to their needs, along with mentoring support, can encourage higher uptake.
Underutilization of Education and Special Loan Products	Education loans and special category loans (e.g., for skill development) are underutilized due to lack of demand or awareness.	NBCFDC should set up dedicated Education Loan Cells and promote these products through institutions like colleges, training centres, and career counselling hubs.
Uneven Digital Adoption and Accessibility Gaps	While some SCAs use digital platforms, others continue manual record-keeping, leading to delays and inefficiencies. Beneficiaries in rural areas often face accessibility issues.	Ensure universal adoption of digital loan application and processing systems across SCAs. Provide handholding and digital literacy support to both staff and beneficiaries.
Absence of Structured Post-Loan Business Support	Many beneficiaries lack follow-up support after receiving the loan, leading to poor utilization and weak sustainability of enterprises.	Establish structured post-loan support mechanisms, including mentoring, market linkage facilitation, and business development services, to ensure loan effectiveness.
Inadequate Financial Literacy and Repayment Challenges	A large number of beneficiaries reported weak understanding of repayment terms, leading to irregular instalments and defaults.	Integrate financial literacy modules into the loan process, providing mandatory pre- and post-loan counselling to promote responsible borrowing and repayment behaviour.
Absence of Distress Relief or Loan Insurance	None of the beneficiaries had access to insurance or distress relief measures, leaving them vulnerable to shocks such as illness, natural disasters, or business failure.	Introduce micro-insurance products and distress relief mechanisms linked to loans to safeguard both beneficiaries and SCAs from repayment risks.
Cumbersome Application Process and Certification Requirements	The application process is seen as lengthy, with excessive documentation and certification requirements that discourage potential applicants.	Simplify documentation through bilingual, user-friendly forms. Introduce streamlined digital applications and accept alternative identification documents where possible.
Delayed Loan Disbursement Timelines	In many states, disbursement timelines extend up to 1–3 months, undermining the purpose of timely financial support.	Define and enforce strict service-level agreements (SLAs) for disbursement timelines. Regular monitoring of SCAs should be instituted to ensure adherence.

Issue Areas	Challenges Observed	Recommendations (NBCFDC / SCAs)
Low Awareness of Loan Renewal or Repeat Credit	Many beneficiaries are unaware of the possibility of renewing loans or availing repeat credit, leading to discontinuity in financial support.	Include information about loan renewal options in post-loan counselling and ensure periodic communication with beneficiaries regarding repeat credit facilities
Barriers Due to Collateral and Guarantor Requirements	Despite the concessional nature of these schemes, collateral and guarantor requirements are often imposed, excluding vulnerable applicants.	SCAs should maximize use of credit guarantee funds to remove the need for collateral, thereby widening access for the poorest beneficiaries.
Lack of Loan Product Diversification	Loan products are concentrated largely in term loans, offering limited flexibility to address the varied livelihood needs of beneficiaries.	SCAs should diversify loan offerings to include working capital loans, revolving credit, and sector-specific products to better match beneficiary requirements.



Field Data

Pictures



Field data pictures















































































Annexures



Beneficiary Survey Questionnaire Section

1: Socio-Economic Information

1. Name of Beneficiary:

2. What is your age group?

- 18-30
- 31-40
- 41-50
- 51+

3. What is your gender?

- Male
 - Female
 - Other
 - Prefer not to say
4. Do you have an Aadhaar Card?
- Yes. No.

5. Type of Bank Account

- Jan Dhan Yojana
- Normal Savings Bank Account
- Others

6. What is your highest level of education?

- No formal education
- Primary
- Secondary
- Graduate or higher
- Post Graduate
- Others

7. Where do you currently reside?

- Rural area
- Semi-urban area Urban area
- Metropolitan city

8. What is the type of your residence?

- Own house
- Rental House

9. What is the Nature of the house Occupied?

- Hut
- Concrete Roof
- Sheet Roof
- Tile Roof

10. What is your marital status?

- Single
- Married
- Divorced
- Widowed

11. What is the Nature of Family?

- Joint
- Nuclear

12. How many dependents do you have?

- None
- 1-5
- 5-10
- More than 10

13. What was your annual household income before taking of the loan?

- Below ₹1.5 Lakh
- ₹1.5 Lakh- ₹2.25 Lakh
- ₹2.25 Lakh- ₹3 Lakh
- Above ₹3 Lakh

14. What is your annual household income after taking the loan?

- Below ₹1.5 Lakh
- ₹1.5 Lakh- ₹2.25 Lakh
- ₹2.25 Lakh- ₹3 Lakh
- Above ₹3 Lakh

15. What is your current employment status?

- Employed (salaried)
- Self-employed
- Unemployed
- Student

16. What amenities are available in your home?

- Electricity
- Piped water
- Sanitation
- Internet
- Neither

17. Do you have access to healthcare services?

- Yes, easily
- Yes, but difficult
- No access
- Not applicable

18. What is your primary source of income?

- Agriculture
- Business
- Salaried job
- Daily wage labor

19. Have you made any significant purchases towards electronic items or vehicles after loan?

Section 2: Scheme-Related Information

1. Which NBCFDC loan scheme did you avail?

- General Loan Scheme
- New Swarnima Scheme
- Education Loan
- Micro Finance Scheme
- Mahila Samriddhi Scheme
- Small Loan
- NBFC-MFI loan

2. Please specify the nature of activity for which assistance was availed

- Agriculture and allied
- Small business
- Transport sector
- Service sector Other

3. How did you learn about the loan scheme?

- Print media (newspaper, pamphlets)
- Social media (Facebook, WhatsApp, etc.)
- Government offices/banks
- Awareness Camps
- Word of mouth (friends, family, community)

4. Mode of Loan Application

- Online
- Offline

5. Who helped you in the process of taking up the loan?

- Did the entire process personally Got help from a third party/ individual

6. Loan Application Date:

7. Loan Sanction date:

8. Loan Disbursement Date:

9. Amount applied for: Rs

10. Amount Sanctioned: Rs.

11. Amount Received: Rs.

12. Was any collateral/security required?

13. Did you take insurance for assets bought from the loan?

14. Did you take personal insurance or took security cover under any scheme for yourself too?

15. Are you availing benefits of other schemes of Government of India like PM Vishwakarma, PM Ajay Scheme etc.

- Yes
- No

Section 3: Loan Utilization and Business Impact

1. Have you utilized the loan for the intended purpose

- Yes
- No

If Yes, where was it used:

- Purchase of raw materials
- Purchase of tools/machinery
- Business expansion (e.g., new product line, additional space)
- Working capital (day-to-day business operations)
- Marketing and promotion
- Training or skill development Repayment of old debts Others (please specify):

If no, reason and where used:

2. Is the loan amount sufficient according to your needs/ capacity?

Yes

No

If no, reason:

And what was lacking:

- Working Capital
- Equipment
- Training
- Other

3. Have you given any Employment opportunity with the help of loan amount?

- Yes

If yes please give the number of employees engaged by you for the activity _____

- No

4. What is your current Monthly Income? Rs.

5. Did your income increase after taking the loan?

- Yes
- No

6. How do you track your income and expenses?

- Notebook Mentally
- IT system
- Managed by others
- No records kept

7. Have you made any new investment post-loan in business?

- Yes
- No
- ***If Yes, specify:***

Section 4: Repayment and Financial Behavior

1. Status of Repayment:

- Regular
- Irregular
- Defaulted
- ***If defaulted/irregular, reasons:***

2. Do you understand interest calculation on loan?

- Yes
- No

3. Did you attend any Repayment related counselling by SCA/Bank?

- Yes
- No
- *Amount of Loan still unpaid: Rs...*

4. Do you understand what “profit” means in a business?

- Yes
- No
- How much profit have you earned after taking the loan?

5. Do you save money regularly?

- Yes
- No

6. Where do you usually keep your savings?

- At home
- In a bank/post office
- In a Self-Help Group (SHG)
- With someone I trust
- Other: _____

7. Would you like to take another loan in the future to expand your business or investment?

- Yes
- No
- Not sure

Section 5: Specifics for Education Loan Beneficiaries

1. Course Pursued:

2. Institution:

3. Duration:

4. Tuition amount:

5. Was this your first loan for education purposes?

- Yes
- No

6. Who guided you in applying for this education loan?

7. What challenges did you face during the application process?

Explain _____

8. Did you use the loan for:

- Tuition
- Accommodation
- Books/Study Material
- Travel
- Others: _____

9. Have you completed the course for which you took the loan?

- Yes
- No

10. Are you currently employed in the field you studied?

- Yes
- No
- If Yes, explain _____

11. Was the loan amount sufficient for your education?

- Yes
- No

12. Did you get any grace period before repayment started?

Yes

- No
- Please Explain

Section 6: Micro Finance Scheme Section

1. Did you join a Self-Help Group (SHG) before applying for the loan?

- Yes
- No

2. What was the loan cycle number (first, second, etc.)? _____

3. Did your group receive any financial literacy training?

- Yes
- No

4. What is the size of your group? _____

5. What business activity was initiated? _____

6. What proportion of the business income is reinvested? _____

7. Have you missed any installments?

- Yes
- No

If yes, state reason _____

8. Do you find the interest rate fair and affordable?

- Yes
- No

If No, state your expectations:

Section 7: Women Centric Scheme (Applicable for Women Beneficiaries including ones benefitted under New Swarnima Scheme or Mahila Samriddhi Yojana)

1. Did you apply independently or with the help of someone (e.g., spouse/family member)?

2. Are you now allowed to take financial decisions within your household?

- Yes
- No

Explain in both cases _____

3. Are you part of any local women entrepreneurs' network?

- Yes
- No

If Yes, explain _____

4. Have you received any awards or recognition for your enterprise?

- Yes
- No

If yes, explain _____

5. Has your participation in community events increased since receiving the loan?

- Yes
- No

6. Have you mentored or supported other women in taking similar loans?

- Yes
- No

If yes, explain _____

Section 8: Refinance Scheme (via Bank)

1. Did you receive the loan through Re-finance Scheme of NBCFDC (i.e., via bank)?

- Yes
- No

If yes, which bank disbursed the loan? _____

2. Were you informed that the loan was under NBCFDC's refinance facility?

- Yes
- No

3. Did the bank explain the loan structure clearly?

- Yes
- No

4. Did you face delays at the bank level?

- Yes
- No

If yes, for how long?

5. Was the documentation required from the bank? _____

6. Was any third-party or agent involved in facilitating the loan?

- Yes
- No

If yes explain _____

7. Were you charged any additional/unauthorized fee by bank officials?

- Yes
- No

If Yes, Explain _____

8. Are you satisfied with the customer service of the lending bank?

- Yes
- No

Section 9: SATISFACTION LEVEL and Impact of NBCFDC Satisfaction with Loan Services

Below are statements regarding the business operations of state channelizing agents under NBCFDC. Please indicate your satisfaction level by selecting (√) the number that best represents your opinion, using the scale: 1 = Highly Dissatisfied | 2 = Dissatisfied | 3 = Neutral | 4 = Satisfied | 5 = Highly Satisfied.

Social and Economic Impact

Please indicate the level of impact using the scale: 1 = Significant Decrease | 2 = Moderate Decrease | 3 = No Change | 4 = Moderate Increase | 5 = Significant Increase

Women Empowerment

Please indicate your level of agreement with the statements below, using the scale: 5 = Strongly Agree | 4 = Agree | 3 = Neutral | 2 = Disagree | 1 = Strongly Disagree.

- I can make financial decisions independently.
- I am involved in decisions about children's education/marriage.
- I participate more in social and community events.
- I feel more confident in solving problems.
- I have made personal purchases without family permission. I feel more respected in my family and community.
- I have mentored or guided other women in accessing loans. I have received any recognition for my business or work.
- My knowledge of health, hygiene, and rights has improved.

Non-Beneficiary Survey

Section 1: Socio-Economic Information

1. Name of Person:

2. What is your age group?

- 18-30
- 31-40
- 41-50 51+

3. What is your gender?

- Male
- Female
- Other

4. Do you have an Adhaar Card?

- Yes
- No

5. Type of Bank Account

- Jan Dhan Yojana
- Normal Savings Bank Account
- others

6. What is your highest level of education?

- No formal education
- Primary
- Secondary
- Graduate
- Post Graduate Others

7. Where do you currently reside?

- Rural area
- Semi-urban area
- Urban area
- Metropolitan city

8. What is the type of your residence?

- Own house
- Rental House

9. What is the Nature of the house Occupied?

- Hut
- Concrete Roof
- Sheet Roof Tile Roof

10. What is your marital status?

- Single
- Married
- Divorced
- Widowed

11. What is the Nature of Family?

- Joint
- Nuclear

12. How many dependents do you have?

- None
- 1-5
- 5-10
- More than 10

13. What was your annual household income during provide time frame of study?

- Below ₹1.5 Lakh
- ₹1.5 Lakh- ₹2.25 Lakh
- ₹2.25 Lakh- ₹3 Lakh Above ₹3 Lakh

14. What is your annual household income now?

- Below ₹1.5 Lakh
- ₹1.5 Lakh- ₹2.25 Lakh
- ₹2.25 Lakh- ₹3 Lakh Above ₹3 Lakh

15. What is your current employment status?

- Employed (salaried)
- Self-employed
- Unemployed
- Student

16. What is your current economic status?

- BPL
- Above BPL
- DPL

- Above DPL

17. What amenities are available in your home? (Check option from Beneficiary survey)

- Electricity & clean water
- Electricity only
- Clean water only Neither

18. Do you have access to healthcare services?

- Yes, easily
- Yes, but difficult
- No access
- Not applicable

19. What is your primary source of income?

- Agriculture
- Business
- Salaried job
- Daily wage labor

Section 2: Scheme-Related Information

20. Which NBCFDC loan scheme did you apply for?

- General Loan Scheme
- New Swarnima Scheme
- Education Loan
- Micro Finance Scheme
- Mahila Samridhhi Scheme
- Small Loan
- NBFC-MFI loan
- Not Applicable (Those who didn't apply)

21. Please specify the nature of activity for which assistance was requested

- Agriculture and allied
- small business
- Transport sector
- Service sector

22. How did you learn about the loan scheme?

- Print media (newspaper, pamphlets)
- Social media (Facebook, WhatsApp, etc.)
- Government offices/banks
- Word of mouth (friends, family, community)

23. Are you aware of the other scheme of NBCFDC?

- Yes
- No

Section 3: Satisfaction with Scheme Services

24. Have you applied for loan from somewhere else?

- Yes, if yes, specify:
- No

Section 4: Aspirations and Barriers

25. Are you aware of Education Loan Scheme or Women-specific schemes by NBCFDC?

- Yes
- No

26. If you wanted to pursue education/business, what stopped you?

- No awareness
- Collateral requirement
- Gender bias
- Lack of group formation (for micro finance)

Section 5: Refinance Scheme Awareness

27. Were you aware that NBCFDC provides refinance to banks for certain loans?

- Yes
- No

If yes, how did you get to know the same?

28. Were you informed about the reason for your loan rejection? (

- Yes
- No

If yes, specify:

29. Do you know someone in your community who received a loan under NBCFDC?"

- Yes
- No

If yes, what changes have you seen in their lives?

- Started business
- Earns More
- Created jobs
- Better Lifestyle Don't know

30. Are you planning to apply again for a loan in the future?

- Yes
- No

If yes, which activity would you like to take up with loan support?

31. Would you be willing to join a group (SHG) if required?

- Yes
- No

32. Rate how much the following were barriers to getting a loan (1 = Not at all, 5 = Very much)

- Lack of Awareness
- Complicated application
- Need for collateral
- Lack of digital literacy
- No one to guide/help
- Gender-based discrimination

Questionnaire for SCAs

Section 1: Basic Information

1. Name of the SCA/Bank:
2. State/UT:
3. Name and Designation of Respondent:
4. Contact Details (Phone/Email):

Section 2: Scheme Implementation

5. Since when has the SCA/Bank been associated with NBCFDC schemes? Year:

6. Which NBCFDC schemes are currently being implemented by the SCA/Bank?
 - Mahila Samridhhi Yojana (MSY)
 - Micro Credit Scheme (MCS)
 - Education Loan Scheme
 - Term Loan Scheme
 - Other: _____
7. How are beneficiaries selected for NBCFDC loans?
 - Open Applications
 - Recommendations
 - Partner NominationsOther if any _____
8. Does the SCA/Bank follow any specific awareness or outreach process to inform potential beneficiaries?
 - Yes
 - No(If yes, please specify): _____

Section 3: Loan Disbursement and Monitoring

9. Mode of loan disbursement to beneficiaries:
 - Direct Transfer to Account
 - Other: _____

10. Does the SCA/Bank provide any guidance or counseling to beneficiaries before giving the loan,?

- Yes No

If yes, on what topics?

- Financial Literacy
- Business Planning
- Repayment Awareness Others _____

11. How well does the SCA's/Bank's IT system work? Is it reliable and up-to-date for managing loans and other activities?

Explain: _____

12. Does the SCA/Bank process loan

- Online
- Offline
- Both modes available

13. Has the SCA set up a Loan Distress Relief Fund or Bank has insurance scheme to help borrowers in case of emergencies or repayment difficulties?

Explain: _____

14. What other schemes (apart from NBCFDC loans) are being run by the SCA/Bank? Please list their names.

Explain: _____

15. What methods or steps does the SCA/Bank use to recover loans and reduce the risk of non-repayment?

Explain: _____

16. Average time taken from loan application to disbursement:

- Less than 1 month
- 1–3 months
- More than 3 months

17. What is the average loan size provided to individual beneficiaries? ₹ _____

18. Is any collateral or guarantee required from beneficiaries?

- Yes
- No

(If yes, please specify): _____

19. What is the current loan recovery rate?

_____ %

20. How does the SCA/Bank monitor loan utilization and repayment?

- Field visits
- Regular reporting by beneficiaries
- Local partners/NGOs
- Others: _____

21. Do you collect any structured feedback from beneficiaries after loan disbursement?

- Yes
- No

If yes, how is it collected:

- Phone Survey
- Field visit
- Feedback form
- Other

22. Do you have dedicated staff for NBCFDC loan monitoring?

- Yes
- No

If yes, how many? _____

Section 4: Monitoring Impact of Women and Youth Beneficiaries

23. Number of women beneficiaries (past 3 years)

24. Whether training/counselling is provided before disbursement:

- Yes
- No
- Explain

25. Whether SCAs track:

- School/college completion (for education loans)
- Income improvement for women-led enterprises
- First-time borrowers among women

Section 5: Education Loan Monitoring

26. Do you have a separate team/unit to handle education loans?

27. Are follow-up mechanisms in place to ensure course completion by the beneficiary?

28. Do you link students with job placement support?

29. What % of education loan beneficiaries complete their education successfully?

- Less than 30%
- 30%-50%
- 50%-80%
- More than 80%

Section 6: Women-Centric Scheme Impact

30. What % of total loan beneficiaries are women?

31. Are any women-only SHGs facilitated by your SCA?

32. Has the default rate among women been lower than average?

33. Do you organize gender sensitization or empowerment training? _____

Section 7: Refinance Scheme Implementation (for Banks)

34. What are the challenges in promoting refinance schemes in your area?

Section 8: Challenges and Suggestions

35. What are the key challenges in implementing NBCFDC lending schemes?

36. Suggestions to improve implementation and effectiveness of NBCFDC schemes:



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