



EVALUATION OF MARGIN MONEY (MICROCREDIT LOAN) SCHEME

EXTERNAL
EVALUATION



ಕರ್ನಾಟಕ ಮೌಲ್ಯಮಾಪನ ಪ್ರಾಧಿಕಾರ
Karnataka Evaluation Authority

KARNATAKA EVALUATION AUTHORITY

AND

**D. DEVARAJ URS BACKWARD CLASS
DEVELOPMENT CORPORATION LTD,
GOVERNMENT OF KARNATAKA**

BY

**M/S ECORYS INDIA PVT LTD,
101, SACHIDANAD NAGAR,
RAJARAJESHWARI NAGAR,
BENGALURU-10**

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PREFACE

The D. Devaraj Urs. Backward Class Development Corporation has started Microcredit loan scheme since 2007-08 with the objective to provide small financial assistance to skilled/unskilled persons belonging to backward classes of rural, urban and semi urban areas who are below the poverty line. Microcredit loan is given to these persons to take up small business activities. Initially, each beneficiary was given Rs. 5000 at 5% rate of interest (Rs.2500 subsidy and Rs. 2500loan) through SHGs. Later, it was enhanced from Rs. 5000 to Rs. 10000 with Rs. 5000 as subsidy as per G.O. dated 04.05.2011 and then, as per G.O. dated 31.08.2013, total assistance is enhanced to Rs. 15000 with loan amount Rs.10000 and Rs.5000 being the subsidy.

The Karnataka Evaluation Authority (KEA) has taken up concurrent Evaluation of the 'Microcredit Loan Scheme implemented in the period 2008-09 to 2012-13 by the D. Devaraj Urs Backward Class Development Corporation Limited". The KEA assigned this evaluation study to Ecorys India Pvt. Ltd. The Evaluation report submitted by Evaluation Consultant Organisation is approved by 29th Technical Committee meeting.

The Evaluation study has revealed that microcredit loan scheme is encouraging beneficiaries to take up activities of backward integration to improve their trade and it had boosted their working capital and given moral boost for improving the scale of business. I am sure that evaluation study and its findings and recommendations will be useful to the Corporation to take actions to improve the function of scheme and thereby reaching the needs of the beneficiaries.

The study received constant support and guidance of the Additional Chief Secretary, and the Secretary Planning, Programme Monitoring and Statistics, Government of Karnataka. The Evaluation study was actively supported by the Managing Director, D. Devaraj Urs. Backward Class Development Corporation and other officers providing useful data and information for this evaluation study. The evaluation report has been reviewed by members of the Technical Committee of KEA, and an Independent Assessor, who provided suggestions and inputs to

improve it from its draft form. I duly acknowledge the contribution of all who were involved in the study and contributed directly or indirectly.

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28th January, 2017
Bangalore


Chief Evaluation Officer
Karnataka Evaluation Authority

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Abbreviations

1. SHG- Self Help Groups
2. TOR-Terms of Reference
3. FGD-Focus Group Discussions
4. IEC-Information, Education Communication
5. BPL –Below Poverty Line
6. APL-Above Poverty Line
7. OBC-Other Backward Class
8. CEO-Chief Executive Officer
9. ZP-Zilla Panchayat
10. GP-Grama Panchayat
11. NGO-Non Government Organization.
12. KEA –Karnataka Evaluation Authority
13. EQ - Evaluation Question as in TOR
14. S F - Study Finding

1. Executive Summary

M/s D. Devaraj Urs Backward Classes Development Corporation Ltd Bangalore proposed and had requested Karnataka Evaluation Authority to undertake an evaluation of micro-credit loan scheme implemented during the years of 2008-09 to 2013-14, to assess reliability in delivery of desired services for comprehensive understanding of potentiality in continuation of scheme and its sustainability framework to address the needs and take corrective action in implementation of scheme. Karnataka Evaluation Authority has engaged M/s Ecory's India for carrying out the evaluation of micro-credit scheme implemented by the Corporation through the self help groups in the state and the agency has taken up this study on entrustment.

Micro-credit loan scheme, by M/s D. Deveraj Urs Backward Classes Development Corporation Ltd, Bangalore is implemented by extending small financial assistance to skilled and unskilled persons belonging to backward classes, living at below the poverty line for the purposes of taking up small business/vending activities (which does not require trained skills) like fruit, vegetable and flower vending, Tea stall etc. The scheme was initiated in the year 2007-08 with assistance of Rs 5000 which subsequently increased to Rs 10000 and Rs 15000 during the year 2010-11. Now the schemes provides financial assistance of Rs.15,000/- per beneficiary including Rs.5,000/- subsidy and Rs.10,000/-as loan at 4% interest per annum. During 2013-14, the scheme assisted to 4637 backward classes' beneficiaries with an amount Rs.653.95lakh.. Government of Karnataka had waived the entire outstanding loan component during the year 2013-14 and hence the corporation does not have long standing defaulted beneficiaries. This scheme is implemented through SHGs which are matured (as per the norms fixed the SHGs) and completed a minimum of 12 months of formation, members meet weekly/monthly and been mobilizing the savings. The corporation under the scheme had assisted 52314 beneficiaries with Rs 33.12 crores during last 7years. The Government had constituted Beneficiary Selection Committee under the chairmanship of Member of the Legislative Assembly of the constituency to involve the participation of local leaders in implementations with District Manager of the Corporation is the Member Secretary of the Committee.

This evaluation study is carried out in all the districts with survey of 60 scheme beneficiaries' from each district. The study focused on members of matured 5 SHGs (one corresponding to each financial year from 2008-09 to 2013-14) in each constituency and care is taken to ensure that one each SHGs are selected from urban area, semi urban area and rural area totally with 60 beneficiaries for evaluation.

M/s D. Devraj Urs Backward Classes Development Corporation Ltd Bangalore has decentralized administrative system with district office having District Manager, Development Officer, Assistant Development Officer and 6 staff members. The participation of elected members in implementation of scheme is through selection committee which is headed by the Honourable Member of Legislative Assembly with Lead district manager and officers of other department as members. The district office is found acute shortage of staff, which is affecting extension activities of scheme, organizing of pre-sanction IEC and post sanction follow up for better monitoring the implementations and serving the community on their needs and doubts.

The micro-credit loan scheme had started during the year 2007-08 and being continued. The extent of assistance to each beneficiary during first year was Rs 5000 with 50% as credit component and balance 50% as subsidy. Subsequent years the extent of assistance per beneficiary had increased to Rs 10000 and to Rs 15000 from the year 2012-13 onwards. The secondary information reveals average number of days for collection of application from the eligible SHGs is 48 days (varying from 40 to 60 days in different districts), pre-sanction scrutiny of application at district offices took 113 days and time for release of loans is 60 days. The rejection of applications at the district office is at around 10%, mainly for non compliance of required information by applicants.

Amongst the surveyed beneficiaries, 70 % hail from rural areas, 25 % belong to semi urban areas or hoblis and 5 % are from the urban areas. The family size of sample beneficiaries shows 0.84 % has single member family, 3.11 % have 2 member families and 14.21 % have 3 member families. The families with 4 and more than 4 members are 66.25 % of the respondents. Amongst beneficiaries 99 % own housing with 9.35% owning casteed houses and 89.21 % live in tile roof houses. The families living under thatched house are only 0.43 %. Those under rented house are 0.85 %, who are migrant families. 32 % of respondent beneficiaries own two wheelers and 0.41 % own three wheeler mainly rickshaws used for their trade and 2.47 % own 4 wheelers like

tempo and cars. It is interesting to know that 36.94 or 37% of respondents own the dairy animals such as cow and buffalo and around 5 % own the small ruminants such as goat and even pigs. Social status of sample beneficiaries' show 56.3 % belong to category 2A followed by 3A and 3B each at 13.4% and 13.3 % respectively. Group 1 and 1A make 10.2 and 7.41 %. This variation is attributed to the distribution of population belonging to particular category in the respective districts. This clearly shows that the micro families with single child are much lesser amongst the beneficiaries.

Summary finding against each evaluation question of TOR follows ;

Sl no	Evaluations Questions in TOR	Summary Finding in the study.
1	Whether Selection Committees meant for selection of beneficiaries are making proper selection? In how many cases (% wise) the selection was found to be faulty?	Selection committees have been formed in all districts and committees are involved in selection of beneficiaries and selected beneficiaries. The committee sends the beneficiary names with recommendation to the H.O of Corporation. No deviation in selection has been reported.
2	Are the beneficiaries from BPL groups of families or is there been any violations to it?	All selected beneficiaries are belonging to Backward classes and live in BPL. It is found that about 0.81 % of the beneficiaries who were under BPL at the time of sanction of assistance are grouped under APL category in the revised issuance of cards.
3	Whether all eligible beneficiaries selected for assistance (by the Selection Committee) of backward classes and skilled/unskilled members of SHGs are getting the benefit? If not, why not?	All surveyed beneficiaries belong to Backward class and none belong to other categories. The scheme assistance was made to unskilled persons and a few partially skilled like Tailors, and unskilled persons.
4	What is rate of rejection at different	The survey shows 9.2 % of applications were

Sl no	Evaluations Questions in TOR	Summery Finding in the study.
	stages after being selected and reasons for that?	rejected at the stage of scrutiny of application on technical grounds and 8.3 % of applications were rejected during pre-sanction scrutiny. Pending applications of the previous year at district and HO level are included during the years sanction.
5	What is the average time taken, from the date of selection by Committee to actually getting the loan? Can this time be cut down or the process modified in the interest of more effective implantation of the scheme? How?	Time taken from application to release of assistances varied from 226 days to 300 days. The average time taken at district level for collection of application is 48 days, and for processing the application at the district office is 113 days and beyond 60 days for communications of sanction from HA to district office. The sanction from district office varied from 30 to 60 days. Length of this period can be reduced by re-approaching for selection through Grama Sabha where selection committee can approve on spot, coordinate with department for issue of records and the SHG be told of scheme in details and through early according the sanction from HO.
6	What are the Pre Disbursement Council (PDC) activities in which beneficiaries are trained? Are they enough and complete with regards to the intent of the scheme? Do beneficiaries derive any benefit from it? Does it serve the purpose of informing the beneficiary	The PDC at present is not active in building the capacity of borrowers and their role is found only while release of assistances. The PDCs do not extend IEC or training to beneficiaries though they are supposed to build awareness amongst the beneficiaries about the scheme and the conditions. At present the role and

Sl no	Evaluations Questions in TOR	Summery Finding in the study.
	about what he/she is expected to do with the financial assistance?	functioning of PDC is not known to many beneficiaries.
7	Whether the beneficiaries are made aware of the repayment schedule of the loan received under this scheme? How is that made? Is it effective communication?	The SHGs are told about the scheme while issue of cheques but the beneficiaries had shown confusion on the part credit component and its repayment. The beneficiaries in Gadag, Gulberga, Koppal and Raichur have expressed that the entire amount was subsidy component. There is need for IEC on the credit, repayment and schedule of repayment explicitly to all SHGs. It is better to supply a play card showing the scheme condition, repayment schedule and suggest the SHGs to hang the same in their meeting place to reminded them on scheme features and its condition. The SHGs should be made compulsory to discuss about it every meeting after the assistances.
8	Whether SHGs have given the correct and full amount of loan sanctioned to their members timely and fully? If not, what are the deviations and why? How many Male & female SHGs assisted? What is the ratio of male and female SHGs and Why this difference?	The SHGs were given the correct and assistances in full, paid through cheques. No deviation has been reported. Amongst the surveyed SHGs 86 % are women centred SHGs and 14 % is male based SHGs. Such difference are due to coverage of women based SHGs for assistances.
9	Is SHGs members have undertaken small business after availing the benefit? If so, have they continued the activity?	About 64% of beneficiaries are continuing their existing trade and of the remaining 28.6 %of beneficiaries have opted to start new

Sl no	Evaluations Questions in TOR	Summery Finding in the study.
	<p>If not, reasons to be furnished.</p> <p>Whether the beneficiaries of scheme have continued business activities (as on the date of evaluation) after availing the benefit? If not, give reasons.</p>	<p>vocation. About 5.41% of beneficiaries have not started the vocations. About 73% of those started are continuing the vocation and remaining are closed their vocation and not started.</p>
10	<p>Whether the beneficiaries are utilizing the loan for the purpose for which it was sanctioned? If not, what action is taken in case of mis-utilization?</p>	<p>94.59% of the beneficiaries are reported utilized the assistance and started the vocation. 5.41% had not started their trade. No action has been initiated either by District office of corporation or by SHGs against those mis-utilized the assistances.</p>
11	<p>Has the scheme encouraged the beneficiaries for self development? If yes, to what extent?</p>	<p>The scheme is found encouraging those who had business activity to improve the scale of their activity. It encourage beneficiaries to take up activities of back wad integration to improve their trade The micro credit assistances had boosted their working capital and given moral boost for improving the scale of business. The scheme had encourage about 64% beneficiaries to improve their business and their risk taking ability.</p>
12	<p>Is the pass book given to each SHG for credit and repayment of loan? If yes, is the repayment detail entered by the District Manager in the pass book correctly and regularly? If not, why not?</p>	<p>The SHGs are issued the pass book indicating the sanction, release and repayment schedule. Many SHG did not maintain them. The detail of recoveries from members are also not maintained in many SHGs.</p>

Sl no	Evaluations Questions in TOR	Summery Finding in the study.
13	What is the amount of loan (year wise) taken by the SHGs/Individuals selected for evaluation? Whether the loan has been repaid timely and completely (if the loan has been waived off then the performance is to be seen as on the date on which the waiver took place)? If not, what is the payment percentage and what are the reasons for cases of non-payment?	<p>2008-09- Rs 14.70 lakhs 2009-10- Rs 16.00 lakhs 2010-11- Rs 37.10 lakhs 2011-12— Rs 34.20 lakhs 2012-13— Rs 118.2 lakhs 2013-14— Rs 147.03 lakhs</p> <p>Better repayment status has been reported in districts of Chamarajnager, Bangalore and no repayments in the district like Gulberga, Raichur, Koppal etc. Partial repayment are found in Mandya etc.</p>
14	Is the repayment done by the beneficiaries are as prescribed under the scheme? If not, what is the action taken on such beneficiaries who have delayed or defaulted in doing so? Has any recovery been effected using the authority of collecting the dues as if it were an arrears of land revenue?	<p>The repayment of loan as prescribed is made by less than 30% of beneficiaries. About 18% of beneficiaries had repaid partially and 52 % of beneficiaries could not repay the credit part of scheme . Little efforts has been noticed by District offices to recover the loan components. The SHG in few districts like Chamrajnager, Bangalore rural Udupi, UK the SHGs made efforts for recovery of the dues.</p>
15	Government has announced loan waiver scheme recently. Whether the beneficiaries who have availed the loan before 13.05.2013 are aware this?	<p>Almost every beneficiary is aware of the loan waiver announced by GO K.</p>
16	What is the amount of loan and interest which was waived by government after the loan waiver scheme was announced? What has been the impact of the loan	<p>The exact amount of written off is not available with the individual beneficiaries. The impact loan waiver is reflected in reduction of defaulter position but not much on the business</p>

Sl no	Evaluations Questions in TOR	Summery Finding in the study.
	waiver for beneficiaries and the repayment schedule compliance? Is there reliable indication to suggest that this may result in unwarranted or unintended consequences like wilful default	status of beneficiaries. It neither had any motivational impact on beneficiary community. This also given feeling that the subsequent assistance will also be written off.
17	Is there any development in the business activity undertaken under this scheme? If so, are they getting better profit from the business? If not, why not?	62% beneficiaries have expressed improvement in business activity and increased income generation and profit. Only 35% of beneficiaries who had started the trade without prior experience could realize profit and income out of business and remaining of them have closed the business activity.
18	Has the monthly/annual income of the SHGs members increased? If so, to what extent? Give details with few examples of increase/decrease in income.	The annual income of 64% of beneficiaries had increased. Amongst them 23% shown increase over 100 % and 36 % had increase from 50 to 100%.Remaining 8% had expressed less than 50%. The increase was larger with beneficiaries who had gone for trade like dress designing, petty shops, flower vending and those taken up backward integration for activities like animal husbandry, jasmine cultivation. Those had, fish trading, papad making etc had marginal increase in income. The increase in absolute figures and not indexed.

Sl no	Evaluations Questions in TOR	Summery Finding in the study.
19	Has the economic condition of the beneficiary families improved? (Evaluator to create indicators for ensuring this and then report on its basis). If not, give details.	The economic condition of beneficiaries have been evaluated through improvement in the living such as improved housing, improved investment on household goods, repair of houses, celebrating social function reduction private debt of beneficiaries. The survey showed improved living in 70.23 % beneficiaries after the business. About 8.41 % of the beneficiaries expressed the sending of children to schools and 3.19% had marriage function after the extension of assistances. The beneficiaries who invested in housing related activities are 14.85 % and 25 % had gone for the purchase of household goods.
20	Document 3-4 outstanding examples of success under the scheme which is worthy of emulation and being flagged as case studies. Similarly, are there some examples of failure that result in learning for future?	case studies has been documented and presented in annexure .The case studies includes those having improvement in the financial and economic condition and one case study who could not take off in the business.

Vegetable, fruit and flower vending is taken up by 28.84 % of sample beneficiaries followed by trading in Kambals (woolen weaved bed sheets), milk business, papad making, bangle trading etc. taken up by 18.82 % of beneficiaries. The skill oriented activities like tailoring, agarbathi making, is taken up by 10 % of the beneficiaries. A few beneficiaries of Bagalkot, and Udupi districts who are in the milk vending activity have gone as backward integration such as, dairy farming by milk vendors. The survey shows 57.55 % of sample beneficiaries are engaged their business activity at their villages and 26.63 % at the sub urban or hobli level where they are living. None

of the beneficiaries had moved out of their place of living for taking up or expansion of business after taking the micro credit loan.

Few beneficiaries have expressed in FGD that they got the scheme sanctioned through the leader of SHG. It is told by those in Kodagu , Tumkur that they had incur an expenditure varying from Rs 500 to Rs 1000 to pay the leader for collection of records and running for getting the approval from the MLA. Amongst respondents 25.63 %had expressed the sufficiency of scheme assistance to meet their requirement while 50.90 %of beneficiaries had borrowed additionally either from friends or from SHGs to meet their demand and 18% invested the required additional fund from own savings. The interest paid by 20.85 % of beneficiaries for additional borrowing was 2% per month or 24 %per annum. Around 13.98 % had paid 3 to 4 % of interest per month on their borrowings. It shows that around 34% of beneficiaries still depend on outside borrowings to continue their trade. Further, 84% of respondents expressed the need of increased funding and 61% expressed the need of refinancing once the earlier assistance was returned. 15.83 % of beneficiaries suggested to include the training component before extension of assistances and 6.43 % suggested to support them market place to set up their vending units. Amongst beneficiaries 67 % expressed their satisfaction on the scheme and 14.89 % had expressed partial satisfaction while 19.65 % are dissatisfied.

All the assisted SHGs are matured and been transacting regularly before section for assistances. At post assistance period,18.73 % of SHGs are holding weekly meeting, 46.69 % hold meetings monthly and 25.71 % hold meeting whenever necessary. Around 8.87 % of SHGs are either closed or did not held meeting after the assistances. Full participation of members is found in 43.47 % of the SHGs and partial participation is found 48.83 % of SHGs. Recording of the minutes of meeting are reported in 43.13 % of the SHGs. The demand of members is recorded in 9.73 % of the SHGs. It is informed by the SHGs that no official or NGO representative had visited the SHG meeting either to guide them or inform on various norms of SHG or the facilities available for their welfare. The feedback indicates the saving pattern in SHGs ranges from Rs 50 to Rs 100 per month in 78% of SHGs.

Recommendation. The study makes two categories of recommendation. First set for immediate implementation by the Corporation and the other set needs the attention of State for implementation through policy direction.

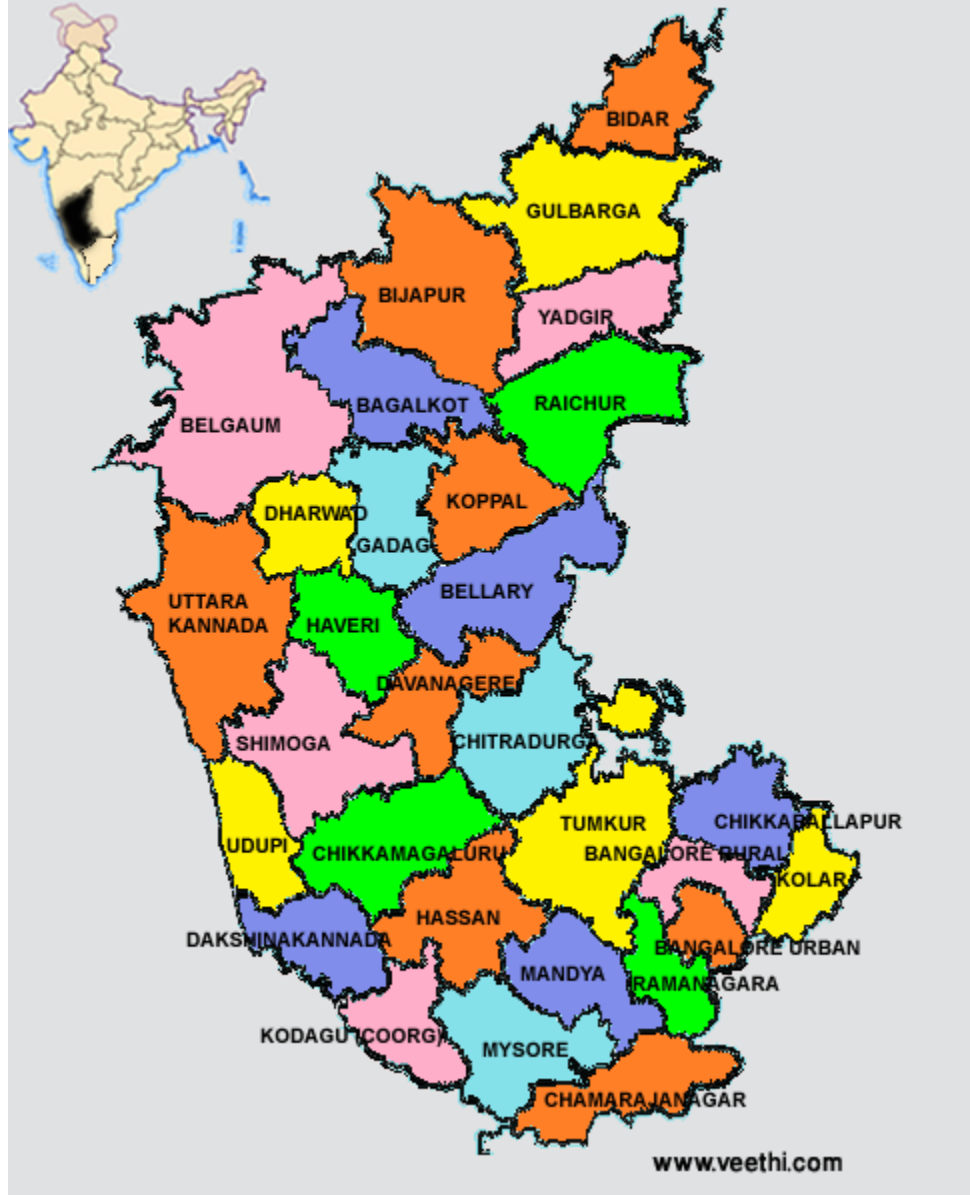
Recommendation for immediate implementation by corporations.

1. It has been revealed by survey that beneficiaries had incurred initial expenditure of ranging from Rs 500 to Rs 1000 for getting the papers and to meet other expenditure for getting the assistance. To facilitate the beneficiaries the Corporation may suggest the PDC to organize the meeting of concerned departments and arrange to issue the records to the selected SHG members at the meeting venue itself to SHGs. This would reduce the cost of getting the assistance to beneficiaries and also speed up the implementation.
2. The beneficiaries who proposed activity which links backward to their/ his/her existing tiny activity and/that for expansion of existing trade be given priority in extending the assistance as it helps to utilization of assistance, sustainability of trade impact and faster upcoming eligible persons rather by the person without expertise where the rate of failure if found higher.
3. While extending the assistance all members of SHG should be considered equally for assistances. Assisting part of SHG members forces them to share the assistances with others thereby leading to part financing and creation of difference of opinion amongst the members leading to non functioning of the SHG.
4. The Corporation should adopt the procedure of post sanction follow up through more vigorously through dedicated staff. The defaulter should be handled firmly to improve the scheme performance and show the credibility of scheme.
5. The corporation must provide the PLAY CARD depicting the silent features of scheme, loan component and repayment issues for hanging at the office of SHG/ meeting hall to remind the members to make repayment and utilization of loan. The copies of play card be given to each member to exhibit this in their houses to remind them about the scheme. This should high light that the scheme is not entirely subsidy but given to improve their trade and business.

Recommendation for adopting to get implemented by GOK

6. The district office of corporation be positioned with sanctioned /required staff for ensuring proper IEC, processing of assistance and extending post release follow up or monitoring of scheme.
7. The assistances provided under the scheme is said to be insufficient for many vocations / activities and hence assistance could be increased and made activity specific.
8. Pre-assistance Training on entrepreneurship, skill development, business organization etc be made one of the necessary condition. The lack of training is one of the factor for failure of enterprise which are skill intensive. Many beneficiaries have expressed that they do not have the required expertise in the activity to which they are assisted.
9. There was also voice that few persons who are members in two SHGs got double assistances. Thus to avoid such duplicities, the selection of beneficiaries be made in Gramasaba by explaining the silent features of scheme and making notifying the name of beneficiaries in the presence of Chairman of selection committee. Hence suitable guidelines are required from Government to the district office of Corporation to select the beneficiaries in by Committees in Gramasabha rather getting through third party. The beneficiaries have expressed that presently with involvement of third person requires them to run around for getting selection process completed

**State of
Karnataka**



1. Introduction

Karnataka is the pioneer state in planning and implementation of number of specific programmes for the welfare of weaker section of society. The state has designed and implemented a number of programmes with specific technical and organizational modifications as well as administrative changes. The State has come out with a number of schemes and programmes for assisting the socially and economically weaker section of community, and unskilled professions who depend on informal sectors to improve their capability and income.

Backward Class (OBC) is a collective term used by the Government of India to classify castes which are socially and educationally disadvantaged. It is one of several official classifications of the population of India, were found to comprise 52% of the country's population by the Mandal Commission report of 1980, a figure which had shrunk to 41% by 2006 when the National Sample Survey Organization took place. The list of OBCs maintained by the Indian Ministry of Social Justice and Empowerment is dynamic, with castes and communities being added or removed depending on social, educational and economic factors. The Backward Classes Division of the Ministry looks after the policy, planning and implementation of programmes relating to social and economic empowerment of OBCs, and matters relating to two institutions set up for the welfare of OBCs, the National Backward Classes Finance and Development Corporation and the National Commission for Backward Classes.

Karnataka has 199 communities/casts identified under other backwards classes grouped under different categories which are identified backward socially and economically. The Government of Karnataka formed the Backward Class and Minority Department in 1977 to support them to bring to mainstream . To develop the backward classes economically, the Backward Classes Development Corporation and to develop the minorities economically, the Karnataka Minorities Development Corporation have been started.

To implement the departmental programmes for the backward classes on a state level GOK has constituted M/s D. Devraj Urs Backward classes Development Corporation with district level offices. This corporation took various schemes for the benefit of backward classes with office at Bangalore and at district level. These programmes are being implemented by Zilla Panchayat on district level and at taluka level by taluka Panchayat.

M/s D. Devaraj Urs Backward Classes Development Corporation, Bangalore Ltd as a legal entity through Social Welfare Department, and formulated specific programmes and schemes for the betterment of communities from backward caste living at the level of below poverty line. The emphasis of programmes are on raising literacy and risk taking ability of backward classes through schemes of pre and post-metric scholarships, educational incentives like provision of books, stationery, uniforms, coaching classes, boarding grants, hostel facilities, etc. For economic improvement various schemes were introduced to assist with capital and subsidies/grants to take up various skill, non skill operation and tiny enterprises to help modernize their operations to make them more competitive. The major schemes which extends financial support from funded sources of state government, from National Backward Classes Finance and Development Corporation as well as from Backward Classes Welfare Dept. presently Corporation implements 7 schemes to extend the financial assistances to backward class communities under the state's budget. Those are 1) Chaitanya Margin Money Loan Scheme, 2) Chaitanya Direct Loan Scheme, 3) Micro Credit Loan Scheme, 4) Arivu-Education Loan Scheme, 5) Ganga Kalyana Individual/Community Irrigation Scheme, 6) Assistance to Traditional Artisans & Occupational Groups and 7) Interest free loan for Higher education in Foreign Universities. All these schemes are implemented at different scale and amongst this scheme.

Micro-credit loan is one such scheme introduced to improve their capital base to take up tiny business activities and inculcate the habit of banking and thereby facilitating them to go for enterprises with larger capital and institutional support. The schemes under implementation from 2007-08 and being continuously increased both in physical and financial coverage. The amount of assistance also been increased by 300 % over years.

2. Basis for Government Intervention

As part of knowing the status and impact of micro-credit loan scheme introduced for the benefit of backward class communities M/s D. Devraj Urs Backward Classes Development Corporation Ltd, Bangalore had proposed to conduct an evaluation of the scheme impact against set objectives. Accordingly the Corporation had requested the Karnataka Evaluation Authority to undertake an evaluation study of micro credit loan scheme implemented during the period from 2007-08 to 2013-14. Monitoring & evaluation of schemes is initiated with certain objectives and acknowledged as key to improve the management and introduce required mid-course correction into programme implementations. This has been acknowledged as a necessary activity in assessing the development programmes and viewed as an instrument of organizational learning. Russon and de Silva (2001) identified several trends in governance which have produced greater results through evaluation. Segone(1998) found the international development agencies focusing on evaluation as a strategic tool for knowledge acquisition to facilitate decision-making and organizational learning. The World Bank (Picciotto, 1998), in parallel to internal performance for accountability purposes, is connecting evaluation to knowledge management to achieve organizational learning. Similar developments are taking place throughout the development community in agencies such as UNICEF, UNDP and WFP.

Any project planning goes with a hidden mantra; “if you can’t measure it, you can’t improve it”. The projects that are trying to support the community and reduce environmental footprint requires timely measurement to build a successful replicable sustainability programme. Government of Karnataka with forward look is undertaking evaluation of most of the developmental schemes implemented through various departments to have feedback on the scheme implementation and to incorporate the improvements in implementations. To have fair and impartial evaluations the state constituted an independent body under the name of Karnataka Evaluation Authority to ensure the timely attention for monitoring and evaluation of various schemes under its departments.

Micro credit scheme is under implementation from 2007-08 which started in small scale and been widened with allocation of fund for the scheme. The Corporation is been continuously getting greater demand for assistances under the scheme. The Corporation other than monthly monitoring the scheme implementation has not taken any assessment of fulfilments of the scheme objectives since its inception. Hence it proposed to have an evaluation to understand the impact of scheme and its role in bringing the weaker section to mainstream and to know the issue which need to be implemented to ensure better results.

The evaluation study of Micro-credit loan scheme implemented by the M/s. D. Deveraj Urs Backward Classes Development Corporation Ltd was proposed by Karnataka Evaluation Authority and been awarded to external agency to assess reliability in the delivery of desired services from the scheme for:

- A comprehensive understanding of the scheme and potentiality or viability in continuation of scheme as planned in connection to technical, financial, institutional and social issues concerning to satisfaction of user community and project objective of the schemes implemented by D. Devraj Urs Backward Classes Development Corporation, Bangalore Ltd;
- To understand and come out issues for Sustainability Framework which could address the specific needs of the targeted population in the state of Karnataka and to take corrective action in implementation of scheme by the Corporation.

Karnataka Evaluation Authority has engaged M/s Ecorys India for carrying out the evaluation of micro-credit loan scheme implemented by the Corporation through the self help groups in the state during the period from 2007-08 to 2013-14 and the agency has taken up this study on entrustment.

3. Progress review

1. About M/s D. Devaraj Urs Backward Classes Development Corporation Limited, Bangalore

M/s D. Devaraj Urs Backward Classes Development Corporation Limited, Bangalore is a State owned Company incorporated on 28 October 1977 by Government of Karnataka after getting registered with Registrar of Companies, Bangalore with authorized share capital is Rs. 2,000,000,000 and paid up capital is Rs. 1,992,141,060. Presently the corporation has directors from GOK and public to take policy and other decisions. The objectives of corporation is to promote economic and development activities and assist the families of backward classes to improve their living and stand on their own through upgraded entrepreneurial capabilities, skill development and engaging in self employment ventures.

B. Board of Directors of Corporation:

The Corporation is headed by Board of Directors which is policy making and supervisory body. It consists of members from the elected representative, Bureaucracy and elites of the public. Directors of D. Devaraj Urs Backward Classes Development Corporation Limited are Sri, Mysore Shivaram, Sri Ganapathy, Sri Muniswamy Ramaiah, Sri. Akhtar Ali Naqvi, Sri. Pillarangaiah Urdigere Sri. Chandrashekhar, Sri. Ramachandraiah,. Presently, Sri. M. Ramachandrappa is Chairman of the board. The official members include.

- Principal Secretary to Govt. Backward Classes Welfare Department Director-Director
- Commissioner, Backward Classes Welfare Department Director- Director
- Managing Director, National Backward Classes Finance and Development Corporation, New Delhi. Director-Director
- Deputy Secretary to Government, Department of Public Sector Enterprises
- Director- Director
- Deputy Secretary to Government, Finance Department Director- Director
- Managing Director, D. Devaraj Urs Backward Classes Development Corporation-Member

- The Managing Director of Corporation is the Chief Executive Officer and he is assisted by General Manager, Assistant General Manager, Assistant Executive Engineer, Accounts Officer and Zonal Managers.
- To incorporate the public participation in implementation of schemes Government of Karnataka / corporation has constituted selection committees at district and Taluka level with agenda of selecting of right and needy beneficiaries for the assistance and facilitate for smooth implementation of schemes on time to most the needy persons in backward communities. The major two committees constituted for implementation of schemes are;

C. Beneficiary Selection Committee:

The board has constituted Beneficiary Selection Committee at district level under the chairmanship of Member of the Legislative Assembly and the Committee is functioning as a unit of the Corporation for selection of beneficiaries. The District Manager of Corporation is Member Secretary of the Committee. The Committee selects beneficiaries for (1) Chaitanya Self Employment Direct Loan Scheme, (2) Financial Assistance to Tradition Artisans and Occupational groups and (3) Ganga Kalyan Irrigation Scheme and (4) Micro Credit Loan Schemes of the Corporation as per the target fixed for each constituency.

D. Funding to the corporation :

The corporation gets financial support from funded sources of state government, from National Backward Classes Finance and Development Corporation as well as from Backward Classes Welfare Dept. The corporation implements the following 7 schemes and extends the financial assistances to backward classes communities. The schemes are;

1. Chaitanya Margin Money Loan Scheme.
2. Chaitanya Direct Loan Scheme.
3. Micro Credit Loan Scheme.
4. Arivu-Education Loan Scheme.
5. Ganga Kalyana Individual/Community Irrigation Scheme.
6. Assistance to Traditional Artisans & Occupational Groups.
7. Interest free loan for Higher education in Foreign Universities.

All the schemes are implemented at different scale and amongst these schemes, Micro-credit scheme is the subject of present evaluation study

E. Micro Credit loan Scheme –an intervention to support backward classes:

The BPL families running small trade and activities are normally capital starved for running their business and depend on the private money lenders to meet their daily working capital. Their outflow an interest was also highest. To support such persons who are under BPL and been member of self help group M/s D. Deveral Urs Backward Classes Development Corporation Ltd Bangalore has implemented scheme of extending small financial assistance to skilled and unskilled persons belonging to BPL class and backward classes, for the purposes of taking up small business/vending activities (which does not require trained skills) like fruit, vegetable and flower vending, Tea stall etc. The scheme was initiated in the year 2007-08 with assistance of Rs 5000 per person which subsequently increased to Rs 10000 and Rs 15000.

The financial assistance under the scheme is extended to members of matured SHGs i.e. those completed sufficient period after formation, members meet regularly at the weekly/monthly intervals and promoting thrifts. For micro-credit assistance the SHGs having memberships 10 to 20 are considered. For implementation of schemes the Corporation gets refinance assistances from the National Backward Classes Development Corporation upto 90%, and remaining 5 %from the Corporation supported funds. The scheme envisages the beneficiaries to share 5% of project cost to imbibe sense of ownership of the scheme. The micro credit loan scheme has credit part which has fixed liberal repayment period of 4 years and carry 5% of interest.

F. Selection of beneficiaries for assistance:

The implementation of micro credit loan scheme adopts both Top down and Bottom up approaches. The selection of beneficiaries for micro-credit loan scheme is done by selection committee working under the Chairmanship of the elected member of Legislative Assembly. The committee has member of local Legislative Council, Taluka Executive Officers, Assistant Executive Engineer of Zilla Panchayat, PWD and Assistant Director of Agriculture, Horticulture, Industrial department, Forest officer, Lead Bank Officer, representative of Social Welfare Department, Assistant Director Women and Child welfare as members. The beneficiaries (men and women) who are not skilled artisans living semi urban, urban and at village center (hobli) areas selected for assistances to start small business activities from members of Self Help groups established for a period of more than a year and hailing from backward community classified under sub group - group -1, 2A, 3A and 3B of backward class.

G. Process of Implementation of micro-credit loan schemes

The process of implementation micro-credit loan scheme has both top-down and bottom –up approach. The annual plan and coverage of scheme, district wise are prepared on top down approach as its decision on annual coverage is taken at the state level and communicated to district level in each year. The fixing annual target and allotment to each district for inclusion under the scheme makes the Top-down approach in implementation of scheme. It has bottom up approach for identification and selection of beneficiaries from SHGs at village /GP level and at district level or constituency wise. Selection Committee constituted in the district level headed by people representative of area ,the Hon’ble MLA of the constituency ensures local participation in selection of beneficiaries (from the application received confirming their SHG membership status).

The implementation process starts by District Manager of Corporation, who is the member-secretary of the selection committee, with advertising and inviting for the application from the members of eligible SHGs. The selection committee vets and screens the applications received and on confirmation of their eligibility based on the status of SHG membership, income, skill level and cast status, and submit the details of selected beneficiaries like names, address and details of the proposals of assistance to Head Office with a request to release loan and subsidy. The proposals received from District Managers are examined in the Head Office, approved and the assistance is extended through cheques along with sanction orders to SHGs and its members. District Manager gets the required documents from the SHGs/ beneficiaries, and guides them for proper utilization and prompt repayment, by conducting Pre-disbursement Council (PDC). The releases of assistances are made through cheques along with the pass books drawn in the name of the SHGs.

The process for micro credit scheme assistances starts at HO of corporation at the end of each year with preparation of annual plan and budget, Taluka wise for each district and communicates to the District offices during the month of May /June and based on which District office call for applications from the members of eligible SHGs. The application is received until end of July in each year. The applications received previously are also processed and computerized for scrutiny. The district office calls the meeting of selection committee in the month of August and submits the list of beneficiaries and selects 10% more over the fixed target. The information on selection and rejection is communicated in one month after completion of selection process. The

selection notices are sent to SHGs with the amount credit and subsidy through cheque to SHGs who in turn /hands it over /disburse (the amount) to beneficiaries based on the sanctions. Corporation has stipulated procedure for ensuring timely repayment of loans.

During disbursal Corporation communicates the condition of loan, repayment schedule and recovery process. The district office also conducts the meeting of SHGs to brief them about the assistances. The District Office computerized the details of micro-credit loan assistances disbursed to ensure data back up and to follow ups. The Corporation has fixed the norms of sending notices to defaulted SHGs to recover credit part of assistances and sends the notice along with remittances to improve recovery of loans.

4. Problem Statement -Evaluation of micro credit scheme

The microcredit scheme, one of the major schemes implemented by D. Deveraj Urs Backward Classes Development Corporation with an objective of extending small financial assistance to skilled and unskilled persons belonging to backward classes, who are living at the level of below the poverty line for the purposes of taking up small business/vending activities (which does not require trained skills) like fruit, vegetable and flower vending, Tea stall etc. The scheme was initiated in the year 2007-08 with support of assistance of Rs 5000 which subsequently increased to Rs 1000 and Rs 15000 during the year 2010-11. The schemes of assistances per beneficiary include Rs.5,000/- subsidy and Rs.10,000/-as loan at 4% interest per annum. Government of Karnataka had waived the entire outstanding loan component during the year 2013-14 and hence the corporation does not have long standing defaulted beneficiaries. The corporation had assisted 52314 beneficiaries with Rs 33.12 crores during last 7years.

Micro credit scheme is under implementation from 2007-08 and being continuously increased both in physical and financial coverage. Hitherto no evaluation of micro-credit loan scheme implemented by m/s D. Devraj Urs Backward Classes Development Corporation Ltd is carried out and hence this study. This evaluation is to assess the impact of micro-credit loan assistance extended to SHG members to improve their unskilled vocations, mitigate problem faced by the beneficiaries in getting the capital and issues involved in implementation of scheme for improvement in schemes. The evaluation is based on primary survey of beneficiaries of schemes and focus group discussions involving the beneficiaries and district level staff of Corporation and benefited SHGs. The primary survey of beneficiaries selected on sample basis covering from one assembly constituencies in each district and elicited the beneficiaries suggestions on issues to improve scheme implementation, unfold the problems faced by them and to bring out modifications required on temporal and spatial issues. This study is carried out in all districts with definite sample size of 60 members from each district.

The secondary information and discussion at the district office of the Corporation reflects acute shortage of staff from that of sanctioned staff who are required for implementation of various

scheme of corporation. This is much expected to reflecting the effectiveness of the micro credit scheme too. The support for the SHGs were also not forth coming to guide them on smooth functioning and take them to next steps. These are real problems at the implementation level.

5. Scope, Objectives and Evaluation Study

As per the TOR, the evaluation study is proposed to evaluate the extent individual backward class members empowered economically through SHGs and to verify whether the benefit of the scheme has prevented the beneficiaries from going to money lenders to borrow loan at higher interest rates. The study is intended to carry an analysis of SHGs/ individual beneficiaries to arrive at conclusion on the following points.

- a) Current status of individual beneficiaries and impact on economic status of individuals.
- b) Awareness created to face competitive situations and make them self employed.
- c) To identify the constraints in implementation and to suggest measures for the improvement of the existing scheme.
- d) To collate suggested measures for improvement of functioning of the scheme,
- e) Bottle necks experienced by beneficiaries in banking transactions.

With reference to the objectives outlines in TOR, this evaluation study is to unravel the extent of benefit derived by the beneficiaries from the scheme through non skill business activities taken up and the resulted economic development experienced by them. This is to examine whether the scheme had prevented the beneficiaries from going to money lenders (to borrow loan at higher rate of interest) or not and have they faced any manageable problems in getting the assistances. Analysis of SHGs/ individual beneficiaries is done to arrive at conclusion on the following points.

- a) Extent of changes from original to current status of individual beneficiaries and impact on economic status of individuals.
- b) Awareness created with the weaker section of backward class families and extent of benefits they shared to face competitive situations and make them self employed.
- c) To identify the constraints in implementation and to suggest measures for the improvement of the existing micro credit scheme of M/s D. Devraj Urs Backward Classes Development Corporation. .

- d) To collate the suggested measures from bottom level and cutting edge of scheme implementation for improvement in functioning of the scheme,
- e) Identify and suggested solutions for bottle necks and debottleneck them as experienced by beneficiaries in banking transactions.

Coverage / Scope of the Scheme

The scheme is implemented in all assembly constituencies of 30 districts of Karnataka from the year 2007-08 and continued thereafter. The scheme covers all sub categories of backward class community, belonging to BPL classes, members of SHGs which are functioning for more than a year and seeking the capital assistance for unskilled business activities. The scheme extends financial assistance upto Rs.15,000/- per beneficiary including Rs.5,000/- subsidy and Rs.10,000/- as loan at 4% interest per annum. The corporation has seen considerable progress, impact and usefulness of the scheme in improving the living standard of the people. The assistance has been consistent over years and annual assistance flown seven years are given in the table-1, below.

Table-1 : Assistance extended under micro credit loan during years from 2007-08 to 2013-14.

Sl no	year	Targeted beneficiaries	Target financial in lakhs	Achieved – number of beneficiaries	Finance extended Rs in lakhs
1	2007-08	11300	565	13339	565
2	2008-09	8000	400	7766	387.63
3	2009-10	10000	500.0	10000	500
4	2010-11	10000	500	9031	451.54
5	2011-12	5000	500.00	4602	460.20
6	2012-13	5000	500.00	2939	293.90
7	2013-14	4000	600.00	4637	653.95

Government of Karnataka has waved all outstanding recoverable dues of backward communities on 13-5-2013 and Corporation set to recover the loan part released assisted during subsequent period. The scheme coverage has been quite phenomenon.

6. Evaluation Design

The evaluation study had adopted both participative and social survey systems. (a) The participation of beneficiaries, staff at the district level in the selection of sample villages, attendance of staff in the sample survey and village level FGDs make the participation of implementing stakeholders. The survey of beneficiaries along with SHG members and family of beneficiaries make the participation of primary stakeholders of the scheme. This makes Triangulation of aspects of survey complete. The selection of SHGs and beneficiaries is followed with systematic and statistically approved stratified sampling methodology covering the socio-economic survey of families benefited during earlier years i.e beneficiaries assisted during the period from 2007-08 to 2013-14 and represent both rural and semi urban dwellers. Hence the spatial and temporal aspects of scheme have been taken care in the study. The scheme is being implemented in all districts and covers 224 assembly Constituencies of Karnataka. This study however cover one assembly Constituency in each district selected at randomly to fulfill the requirement of TOR for this study.

(b) The survey focused on SHGs and members of SHGs. A minimum of 5 SHGs (one corresponding to each financial year form 2009-10 to 2013-14) are selected in each constituency/district and care is taken to ensure that one SHGs is selected from urban area, one from semi urban area and one from rural area wherever available with totally 60 beneficiaries for evaluation. The study covers 1800 beneficiaries.

(c) Among the beneficiaries, physically handicapped, illiterate, women, persons doing business locally, doing business in other places, and those who don't do business are also represented.

(e) The coverage and depth of assistance under the scheme is gathered though discussion with the District Managers

(g) FGDs are conducted with the stake holders, beneficiaries and non beneficiaries.

The methodology developed for evaluation was participative and involved the representative of Corporation staff at district level and beneficiaries. The survey was done through pre-designed schedule of questions drafted in consultation of social experts and referring the TOR for

evaluation and in consultation of district offices of the corporation. The study had no reference of earlier case studies or reference available with the corporation or information gathered by the corporation.

The study area

The TOR outlined for evaluation study suggested to select the beneficiaries from one legislative assembly constituency in each of the thirty districts of Karnataka state. Accordingly one constituency in each district has been selected randomly and in consultation of implementation stakeholders to ensure the coverage of Urban, Semi urban or hobli level and rural households who had benefits of the scheme. The legislative constituencies covered in the districts of State for the study are given in Table -2 below.

Table-2: Name of the Assembly constituencies selected in the districts

Sl no	District	Name of constituency
1	Bangalore –rural	Doddaballapur
2	Bangalore- urban	Anekal
3	Bagalkot	Bagalkot
4	Belagavi	Belagavi South
5	Bellary	Hadagali
6	Bider	Basavakalyan
7	Vijayapura	Vijayapura
8	Chamarajnager	Gundlepet
9	Chickballapur	Gowibidanur
10	Chickmagalur	Kadur
11	Chitradurga	Hosadurga
12	Kodagu	Somawarepet
13	Dharwad	Kundgol
14	Davangere	Jagalur
15	D.kannada	Belthangadi
16	Gadag	Ron
17	Kalaburgi	Aland
18	Hassan	Arasikere

19	Haveri	Haveri
20	Koppal	Koppal
21	Kolar	Mulbagil
22	Mandya	Maddur
23	Mysore	Mysore
24	Ramanager	Channapattana
25	Raichur	Raichur –R
26	Shivamoga	Badravthi
27	Tumkur	Gubbi
28	U.Kannada	Ankhola
29	Udupi	Karkala
30	Yadgir	Shahapur

7. Evaluation Methodology and Survey , Data collection and Analysis

The survey of individual beneficiaries is made through predesigned schedule of questions and group contacts at their residential level or in their SHG meeting places. The collection of primary data was made through systematically designed schedule of questions in Kannada language and vetted them for suitability. Training of enumerators on objective of survey was done using of schedule of question and conducting the pilot survey and analysis. The schedule of question covered the general information of beneficiaries, details on the assistance extended, credit delivery issues, sufficiency of micro-credit released to them, vocation status in post assistance period, living standard of beneficiaries after the assistances, detail on their SHGs and on the suggestion for improvement in the scheme and its delivery mechanisms. The schedule has been tested in four villages and got vetted from the Corporations and KEA. The approach and entire study aspects has been discussed at KEA level and the survey has started after the approval of the technical committee of KEA. The enumerators had training on conducting FGDs to have full information on the scheme implementations. Training has been organized at two location namely Chitradurga for the southern districts and in Kalaburgi for those of northern districts. The survey has been done with involvement of district staff of corporation.

A. Sampling for primary survey of Beneficiaries

The study adopted stratified random sampling methodology for selection of beneficiaries for survey in participation of the district level office of Corporation who are the implementing stakeholders. The study area has been identified through discussion at district office of Corporation regarding the availability of respondents out of beneficiaries of all the years and spatial distributions. The list of SHGs assisted under the micro-credit loan scheme from the corporation during the period from the years 2007-08 to 2013-14 has been obtained from the district offices and from these list sample SHGs and beneficiaries for the survey are finalized. In cases where beneficiaries of selected SHGs are not available for the primary survey, the next SHG is selected in consultations with the office for their availability. The selected beneficiaries are interviewed individually through personal contact and feedback was obtained through the pre-structured schedule of questions. The FGDs are also conducted when they are available in group (to gather the collective feedback). The primary surveys are conducted at the places of

domiciles of beneficiaries. In few places the staff of district office of Corporation also attended the field surveys and in other places the survey was carried out independently by the survey team. The survey was done with enumerators explaining the purposes and objective of the study to beneficiaries and seeking their frank opinions. The beneficiaries was informed that the study does not have any impact on the repayment or waiver or even extension assistance of the loans. These had facilitated to get frank feedback from the beneficial. The sample beneficiaries covered the spatial and temporal dimensions.

The findings of survey are tabulated to cover the objectives outlined for the study and targeted evaluation questions as referred in the TOR. The results so obtained are referred for the discussion and presentations.

8. Results/ Finding and Discussions

The evaluation on impact of micro-credit loan scheme and the achievements of set objective of scheme has been done with primary survey and FGDs. The findings are presented in this chapter under different sub headings in accordance to the guidelines outlined for the study. The study reviews status of infrastructure available at district level especially the staff support for implementation and monitoring of the scheme though it is not part of the TOR.

1. Infrastructure support for Implementation Support at districts level.

The study made an attempt to unravel the availability of staff at the district office, for implementing the scheme through information collected from district offices. This reveals that the Corporation has decentralized administrative set up with district offices manned by District Manager, Development Officer, Assistant Development Officer and 6 staff members. But none of the district office has these staff strength. The district offices are filled only with District Manager and other staff positions are positioned on outsourcing basis, who have partial responsibilities. The districts have selection committees constituted for selection beneficiaries for assistance and to ensure the involvement of community representation. This committee is headed by the Honorable Member of Legislative Assembly with lead district manager and officers of other department as members. Such committee is found constituted in all the districts and functional. Only during the year of 2008-09 the selection Committee was headed by the Chief Executive Officer of respective Zilla Panchayat with members from other departments. The status of staff positioned and available at various districts is given below in Table -3.

Table-3: District wise implementation support

Sl no	District	staff position in district offices of Corporation			
		District Manager	Development officer	Assistants Dev officer	Supporting staff
1	Bangalore Rural	1	vacant	vacant	4 on casual basis

2	Bangalore- urban	1	vacant	vacant	4 on casual basis.
3	Bagalkot	1	vacant	vacant	5 outsourced
4	Belagavi	1	1	vacant	7 outsourced
5	Bellary	1	vacant	vacant	5 outsourced
6	Bider	1	vacant	vacant	4 out sourced
7	Vijayapura	1	vacant	vacant	4 outsourced
8	Chamarajnager	1	1	vacant	outsourced
9	Chickballapur	1	Vacant	Vacant	outsourced
10	Chickmagalur	1	vacant	vacant	4-outsourced
11	Chitradurga	1	vacant	vacant	6-outsourced
12	Kodagu	1	vacant	vacant	2 outsourced
13	Dharwad	1	vacant	vacant	5 outsourced
14	Davangere		Vcant	Vacant	5 outsourced
15	D.kannada	1	vacant	vacant	4 outsourced
16	Gadag	1	vacant	vacant	4 outsourced
17	Kalaburgi	1	vacant	vacant	4 outsourced
18	Hassan	1	vacant	vacant	4 outsourced
19	Haveri	1	Vacant	Vacant	5 outsourced
20	Koppal	1	vacant	vacant	4 outsourced
21	Kolar	1	vacant	vacant	5 outsourced
22	Mandya	1	vacant	vacant	4 outsourced
23	Mysore	1	vacant	vacant	9 outsourced
24	Ramanager	1	vacant	vacant	5 outsourced
25	Raichur	1	vacant	vacant	4 outsourced
26	Shivamoga	1	1	vacant	6-outsourced
27	Tumkur	1	1	vacant	5 outsourced
28	U.Kannada	1	vacant	vacant	4 outsourced
29	Udupi	1	vacant	vacant	4 outsourced
30	Yadgir	1	vacant	vacant	5 outsourced

The secondary information collected and presented in table-3 above, shows that corporation had estimated the work load at district level and created staff positions. But, these positions are not filled up except the post of district manager. The other staff at different level is positioned on casual contract or on outsourced services without definite responsibilities. This adversely affected the timely implementation and monitoring of the scheme. The district office reports that absence of staff are adversely effecting on extension of scheme details, pre-sanction IEC and post sanction follow up. This had lead to poor or no monitoring of scheme implementations and serving the community on their needs and doubts.

2. Family size of sample beneficiaries;

The family of sample beneficiaries has been grouped into those with single member family, 2 member family , 3 member family and those having 4 and more members. Amongst the beneficiaries, those with less than 1 %(0.84 percent) of the respondent beneficiaries have single member family, 3.11 %are having 2 member families, 14.21 %are 3 member families and 62.5% families are with 4 and more than 4 member are 66.25 %of the respondents. This clearly shows that small families with single child are much lesser amongst the beneficiaries. The district wise distribution is presented in Table 5 (B) in annexure which reflects that the beneficiaries of Mysore, Bangalore Rural and Shivamoga has more number of smaller compared to other families. Further more than 95% of beneficiaries live under nucleus system and there are very few rather negligible number living joint family systems.

Table-4 : Family size wise distribution of sample beneficiary in %age.

Sl no	/Family size/coverage	Family with single Member	Family with 2 members	Family with 3 Members	Family with 4 Members
1	Coverage in %age	0.84	3.11	14.21	66.25

3 Finding against each of the issues raised in TOR.

TOR had identified major 19 issues for the study and results on these are presented below along with discussions on these issues in the following paras.

EQ-1) whether the Committees meant for selection of beneficiaries are making proper selection? In how many cases (%wise) the selection was found to be faulty?

S.F :- Selection and Rejections of applications

Government of Karnataka in order to ensure peoples participation had suggested to constitute Beneficiary Selection Committee in all districts. These committees are formed in all districts under the chairmanship of local MLA and found functioning in selection of beneficiaries. These committees are active in selection of beneficiaries, but not found active in monitoring the scheme for ensuring better utilization and repayment of the loan part of the scheme. The selection committee reported functioned under the chairmanship of the CEO of the ZP in all districts during the year 2007-08. The committees have selected eligible candidates and non eligible were assisted under the scheme. The survey shows selection of beneficiaries from Back ward classes communities and those belonging to BPL families without any deviations.

EQ. 2) Are the beneficiaries selected only of BPL families or have there been any violations to it?

S.F:- Economic status of sample beneficiary families.

The micro-credit loan scheme is primarily targeted for the benefit of families of backward class living at below poverty line (BPL) to facilitate them to engage in profitable economic activities to improve livelihood. All sample beneficiaries belong to BPL families. A few beneficiaries in the constituencies of five districts namely Bellary, Gadag Mysore about 1.3 % families in the sample got upgraded to APL after the sanction of assistances in post scheme assistance period. They are reported under BPL at the time of sanctioning of assistances and subsequently during the revision of economic status their levels are upgraded. There are 0.6 % of beneficiaries who could not produce BPL card while survey but reported that they are in BPL status.

Table-5: Economic status of the beneficiaries assisted under the scheme.

SI No	Particulars	Economic status of beneficial surveyed (in % age)		
		BPL families	APL families	Other
1	Extent in %ages	98.1	1.3	0.6

Note: The APL families at the time of survey are upgraded families and they belonged to BPL while selected for assistances.

EQ; 3) Whether all eligible beneficiaries selected for assistance (by the Selection Committee) of backward classes and skilled/unskilled members of SHGs are getting the benefit? If not, why not? What is rate of rejection at different stages after being selected and reasons for that?

S.F :- Social status of beneficiaries

a. Religious status of sample beneficiaries

All sample beneficiaries belong to Hindu religion under which the backward caste group comes and the study does not show any deviation in the extension of assistances.

b. Cast wise coverage of sample beneficiaries

Amongst the sample beneficiaries 56.3 % belong to category 2A followed by 2B and 3B each at 13.4% and 13.3 % respectively. Group 1 and 1A make 10.2 and 7.41 percent. This variation is attributed to the distribution of population belonging to particular category in the respective districts. The district wise distribution is presented in Table -4 (a) in annexure, shows that group 1 and C1 are largely hails from Bider, Chickmagalur districts and A come for Chamarajnager districts. The beneficiaries belong to 2A are represented in large number of districts and mainly concentrated in Hassan, Udupi, Dharwad, Chitrdurga and Tumkur districts. The distribution sample on caste wise shows largely the beneficiaries belong to 2A and 3B caste followed by 1A .

Table-6; Distribution of sample beneficiaries from bases groups of OBCs.

Sl No	Particulars	Groups in OBC belonging of sample beneficiaries in %age.				
		1	1A	2A	3A	3B
1	Social distribution of sample beneficiaries	11.00	8.51	49.77	15.31	13.97

c. Rate of Selection and Rejections of applications

The secondary data at the district office shows the rejections at 10% of applications received, which was mainly on technical reasons such as non compliance of required information by the applicant, their economic status etc. This shows that beneficiaries or the representatives at the SHG level are exposed for the requirement for getting the assistances. The details on application collected in different year for sanction of micro-credit assistances under the scheme, sanctioned out of these are presented in annexure and stages of rejection at processing level are presented in Table 7.

Table-7; Rejection of applications at different levels of processing.

Sl no	particulars	Rejection of application		
		Average rejection per years-no of applications	Rejection at the stage receipt of application %ages	Rejection at the stage of pre-sanction scrutiny -%age
1	Average number of application rejected	187	9.2	8.3

d. Spatial Distribution of beneficiaries.

This evaluation study covered Micro-credit loan assistances to SHGs spread spatially over urban, semi-urban and rural areas. The spatial distributions have been covered to provide scope for all areas and for temporal aspects with those beneficiaries who are assisted during the years from 2007-08 to 20013-14. Table -8 refers the spatial coverage of beneficiaries in the study sample. These sample covered are randomly selected and hence varied.

Table-8. Spatial distribution of sample beneficiaries(%ages)

sl no	Particulars	Spatial centers		
		rural	semi urban	urban
1	Distribution of sample from different areas	70	25	5

Amongst the surveyed beneficiaries 70 % hail from rural areas, 25 % belong to semi urban areas or hoblis and 5 % are from the urban areas. The beneficiaries covered even in urban centered constituencies are housed at outskirts of urban centers rather in central parts. Further amongst the sample beneficiaries from Uthara Kannada ,Udipi, Kalaburgi Haveri Dharawar, Chtradurga, no one hailed from the urban centers.

The survey showed that assisted beneficiaries are interested and continuing their trade at their place of current trade rather going out to nearby centers looking for better prospectus. The reason attributed by them is lack of idea on market opportunities and the facility available for their small business. A few beneficiaries also informed the lower capital available to them had come on the way of going out of their domicile which required comparatively larger capital to do business of scale. This shows need of building to entrepreneurial awareness with beneficiaries which may facilitate them to look for wider opportunities.

E.Q. 4) What is the average time taken, from the date of selection by Committee to actually getting the loan? Can this time be cut down or the process modified in the interest of more effective implantation of the scheme? How?

S.F:-Time taken for Selection of beneficiaries for assistances.

TOR prescribes the study to look into the fact, whether the district offices of Corporation and selection committees constituted are making proper selection and to check on inclusion/selection of beneficiaries or persons other than from BPL status. The survey shows the adherence of prescribed procedure and time schedule with minor variations in few districts. The deviations and delay in the sanction and release of assistances is attributed to deficient of required staff support at the district level and also delay in releases of subsidy. The secondary information collected from district offices showed lack of IEC activities for creation of awareness about scheme except coming out advertisement for calling /inviting the applications from the SHG members for micro-credit loans. The average number of days involved for each process of sanction of assistance is presented below in Table-9

Table-9: Time involved in different stages of processing applications.

Sl no	particulars	For inviting applications	For sanction of loans	For release of loans
1	Duration in number of days involved in sanction process.	48	113	60

The average number of days taken for release of assistance is 221 days which includes the process of coming out with advertisements, publication in notice board of district office , ZP office etc and providing enough cushioning days for the SHG to apply. The break up shows the period required for collection of application from the eligible SHGs are 48 days (with the number varying from 40 to 60 days in different districts). It was longer at 60 days in coastal districts of Dakshina Kannada, Udupi, Uthara Kannada and Raichur and lower at 40 days in Belagavi and Bellari district.(table 4 a in annexure).

The pre-sanction process of scrutiny of application received from SHGs at district offices takes 113 days .This involved verification of beneficiaries for their social status, (confirming that they belong to OBC group and at BPL level) activity scrutiny, getting approval of the district level selection committee, forwarding the selected proposal to the Head Office of Corporation for sanction and release. The time period involved for release of loans is varied in different years from two to four months. The period was longer in the year 2013-14 compared earlier years. This lead to untimely assistance for few time bound activities leading to improper utilization of assistances (as in Raichur district).

EQ 5) What are the Pre Disbursement Council (PDC) activities in which beneficiaries are trained? Are they enough and complete with regards to the intent of the scheme? Do beneficiaries derive any benefit from it? Does it serve the purpose of informing the beneficiary about what he/she is expected to do with the financial assistance?

S.F :- 5 Functioning of PDC

The PDC at district level though constituted are not found active in all districts in guiding or training the beneficiaries on the scheme and on the vocation they are proposed. It hardly made attempts to make the beneficiaries aware of basic principle of scheme condition and the need of repaying the loan components of schemes. The beneficiaries in much case are not exposed to the

repayment schedules of scheme and also on the entrepreneurial issues. In fact beneficiaries have asked for entrepreneurial training including the loan management and market survey, which is not done by the PDC. The meeting proceedings of PDCs are not maintained at many district offices. It is suggested that the PDC should provide the scheme condition in a printed form as play card or pamphlet in thick paper for hanging at their meeting hall or houses to remind them on the repayment schedule.

EQ 6) Whether the beneficiaries are made aware of repayment schedule of the loan received under this scheme? How is that made? Is it effective communication?

S.F :-Awareness about loan repayment with beneficiaries

It is told that the scheme details including the subsidy part, loan components and on the loan repayment schedule has been told to the SHGs by district office while issuing the cheques for the sanctioned assistances. In few cases this is also given in the written form and attached to the pass book. But the confusion prevailed in the minds of beneficiaries about the subsidy part and loan component. The repayment made by SHGs is recorded in the pass books and maintained at the SHG level. There is hardly any record available reflecting the repayment made by the beneficiaries to SHG which needs to be done. The loan waiver by the GOK has added further confusion amongst the beneficiaries and developed their mood on not need of repaying the credit part.

In order to make them aware of loan component and need of its repayment it may be useful if a play card indicating the silent features of the scheme , repayment schedule etc and given to SHGs to hang in their meeting hall. This would remind them about the repayment of loan on every monthly meeting and would help in recovery.

7) Whether SHGs have given the correct and full amount of loan sanctioned to their members timely and fully? If not, what are the deviations and why? How many Male & female SHGs assisted? What is the ratio of male and female SHGs and Why this difference?

S.F :- Release of loan amount to SHGs and Gender status of sample beneficiaries.

The beneficiaries informed that SHGS were released of loan amount in full from district office and releases are made in cheques. There was no deduction what so ever from the sanctioned amount, but the beneficiaries complained about delay in reimbursement in few SHGs.

Amongst the studied SHGs 86 %are female centered and remaining 14% of the SHG are male oriented. In few cases the beneficiaries are women but the trade is continued /shared by men, especially those in petty trade, milk vending etc. Such tilt towards the women centered SHGs in the sample is due to the reason that the assistance were largely done by the Corporation than men centered SHGs.

Table -10: Details on the gender centered SHGs and beneficiaries

Sl no	Particulars	Female centered SHGs -%age	Male centered SHGs-%age
1	Number of SHGs covered	82	18

EQ 8) Whether the SHGs members have undertaken small business after availing the benefit? If so, have they continued the activity? If not, reasons to be furnished and

EQ 9 Whether the beneficiaries of scheme have continued business activities (as on the date of evaluation) after availing the benefit? If not, give reasons.

S.F :- Beneficiaries starting the vocations.

The survey reveals that 94.6 %of beneficiaries have invested on the vocation to which they had taken the assistances and remaining 5.4% have not started the business activity. Amongst the beneficiaries 57.55% continued their existing business at the village level and 26.63 % continuing at the sub- urban or hobli level, where they have their residences. It is interesting to note that none of the beneficiaries had moved out of their place of living for start or expansion of business after availing the micro credit loan assistance. This reflects the need of exposing them on the aspects of conducting market survey for better prospectus.

The survey shows that 64 % of beneficiaries had utilized the assistances to continue their trade (which they were engaged at pre assistance period) and assistance under the scheme had facilitated them to improve their business and come out of private borrowings. Remaining 29% had started the activity all at fresh and majority of them had no prior experiences.

The survey shows that in Tumkur, Yadgir, Koppala and D.Kannada district more than 10% beneficiaries have not taken up the business activity after the assistance. The reason quoted by them is inadequate capital support provided under the scheme.

Table -11: Status of experience and location of trade by beneficiaries.

Sl no	Name of particulars	Earlier experience in the selected trade –in %age	Locations of Trade/activity started by beneficiaries -% ages			Vocation not started
			village	hobli area	Urban centers	
1	Business particulars.	64.03	57.55	26.63	10.13	5.41

The study reveals that there was no action taken by the district office or by the SHGs against the beneficiaries who had not started the vocations.

8. Business activity started /continued after assistance extended.

The surveyed beneficiaries found to be opted to take up varied type of economic activities and amongst those trading in vegetable, fruit and flower vending has been taken up by 28.84 % of sample beneficiaries followed by 15.72 in milk vending activity. It is interested to note that a few beneficiaries in the activity of milk vending activity, in Bagalkot, and Udupi districts, have gone for dairy farming as backward integration for their existing business, which enabled them to develop their activity. The other activity, accounting to 18.82 % of beneficiaries have engaged the trading of Kambal (woolen weaved bed sheets), sheep rearing etc. The activities of dairy farming, papad making, bangle trading are the other preferred activity for many. The skill oriented activities like tailoring, agarbathi making, attracted almost 10 % of the beneficiaries. It is reflected that activities are decided by the beneficiaries and corporation had no influence on their decision. The beneficiaries are not given any awareness or training on these.

Table -12: Business activity to which micro-credit loan extended - %age of beneficiaries.

Sl no	particulars	Trading textile/ utensil etc	Petty trade	milk business	Flower & Veg trading	Skill oriented	Tea stall	others
1	Coverage by different business-%age	9.94	12.66	15.72	28.84	9.60	1.84	18.82

The activity selected and assisted under the scheme varied over districts. The activity of vegetable trading was higher in Kodagu, Ramanager, Mandya, Bangalore, Bellari, Chamarajanager, Vijayapura districts while milk trading was taken up considerable number of beneficiaries in Yadgir, Bagalkot, Belagavi and Davanagere districts. The beneficiaries availed assistance for other category of activities are found more in Tumkur, Udupi, Chamarajanager, Dhawad, Gulburga districts.

The sample beneficiaries informed that they are not provided with any pre-sanction and pre-disbursement training. But majority of beneficiaries are aware of the terms of Trade in their selected activity and exposure for them on the market could have exposed them for the entrepreneurial and commercial components of the schemes.

The survey shows that beneficiaries who had taken the activities of Petty trading, skill oriented activities such as dress making /tailoring, cultivation of Jasmine as back integration for flower trade, dairy farming for back ward integration to milk vending have been successfully improved their trade. The micro credit has really catalyzed their development. Those who started the new vocations of milk trade, vegetable trade etc has not been successful.

EQ. 10) Whether the beneficiaries are utilizing the loan for the purpose for which it was sanctioned? If not, what action is taken in case of mis-utilization?

S.F:- Utilization Pattern of Loans.

The sample survey shows that 94.59 % of beneficiaries have utilized the scheme assistances to start or to expand the desired vocations and 5.41 % of the beneficiaries had not started any

trade/business after availing the assistances, which means these beneficiaries, had not utilized the credit given to them. The reason given by a few of these beneficiaries is insufficient amount of assistances extended to meet the requirements. Few respondents indicated untimely assistance had disenabled them to start the trade they proposed. A few beneficiaries had discontinued their business after starting with assistances. The sample survey reveals the need of follow up for ensuring the utilization of credit by the district office of Corporation and even by the SHGs. Further no SHG had taken steps against those members who had not utilized the loans or diverted the credit to other activities than the one to which this was extended. The beneficiary were vocal in FGDs in few districts but not much in few districts like Bider, Koppal Gadag Haveri etc .In these districts the assistance did not help to come up socially to fight for their rights.

EQ11) Has the scheme encouraged the beneficiaries for self development? If yes, to what extent?

S.F :- Scheme impact on self development ;

Impact on self development of beneficiaries is assessed in terms of the assets acquired by them, improvement in the housing education and social status and exposure to the modern communication system. The scheme envisaged beneficiaries to make good in their living with the assistance and continue the economic activity with improvements over years. This study has made an attempt to test this hypothesis. The survey unfolds the status of continuation the business by the beneficiaries with better housing, communication facility and livestock assets after they got assistances and resulted in improvement of their living standard. The survey depicts 70.23 % of respondents expressed the improvements in their living after the extension of assistances. About 8.41% of beneficiaries expressed on sending their children to schools and 3.19% having family function after the extension of assistances. The beneficiaries who invested in housing connected activities are 14.85 % and 25 % had gone for the purchase of household goods. Interestingly every beneficiary is aware of loan waiver and closer of her/his commitment towards the assistances.

Table 13. Beneficiaries feedback on the living after scheme -in %ages

Sl no	Particulars	Improve ment in standard of living	Family having increased School going of children	Beneficia ries had marriages in their house	Benefi ciaries Invest ed on housin g	Beneficiar ies purchased house hold goods
1	feedback on impact of scheme standard	70.23	5.41	3.19	14.85	25.03

The leadership /social status shows that no beneficiaries have elected positions in organization in any local bodies. The survey found that 0.2 % of beneficiaries are having positions in social organization such as local cooperative societies and none is elected member of any Grama Panchayat or the urban bodies. The survey depict that more than 98% of families live under a nucleus families and only 2 % are live under the umbrella of joint families.

EQ 12) Is the pass book given to each SHG for credit and repayment of loan? If yes, is the repayment detail entered by the District Manager in the pass book correctly and regularly? If not, why not?

S.F:- Issue of pass books to SHGs

The pass books has been issued to all benefitted SHGs from the district offices with entry of the extent of assistance made and the date of assistances. The pass book also had the entry from district office on the repayment of installment made. About 11% of SHGs have not maintained the pass book properly but shown the issuance. But the pass book of few SHGS are not available at their disposal and been maintained with the leader of SHG. The SHG have not maintained the pass book to individual beneficiary wise recording their repayments.

EQ 13) What is the amount of loan (year wise) taken by the SHGs/Individuals selected for evaluation? Whether the loan has been repaid timely and completely (if the loan has been waived off then the performance is to be seen as on the date on which the waiver took

place)? If not, what is the payment percentage and what are the reasons for cases of non-payment?

S.F :- a. Extent of assistances.

The extent of assistance flown to sample beneficiaries is presented table 14 below .The annual assistance covered in each year under the study is in lien to coverage of beneficiaries in the sample survey. The survey and FGD reveals awareness amongst the beneficiaries about the scheme and amount of micro-credit assistances. The survey sample had larger number in the sample for those sanctioned during the year 2011-12. 2010-11 and 209-10. Lowest number was from the year 2012-13. Such variation was due to availability of members of SHG for survey.

Table-14 The amount of micro-credit assisted to sample beneficiaries.

Sl no	2008-09	2009-10	2010-11	2011-12t	2012-13	2012-13	2013-14
Nos in the sample	294	320	371	440	228	79	294
micro-credit assistance – amount in lakhs	14.70	16.00	37.10	44.00	342.2	118.2	287.03

S.F :- b Beneficiary Feedback on the quantum of assistances made.

The results in table-15 below show one fourth or 25.63 % of respondents expressing sufficiency of assistance extended to meet their vocational requirement and others felt the assistance was insufficient to meet their capital needs . The demand for additional capital was not from beneficiaries of specific trade/ business or type of activity but rather spread across all activities. Further around 50.90 % of beneficiaries had borrowed additionally either from friends or from SHGs to meet their demand. About 18% of beneficiaries have informed that they had invested out of their saving. The interest paid by 20.85 % of beneficiaries for additional borrowal (from private sector) was at the rate of 2% per month or 24 % per annum and 13.98 % had paid 3 to 4 % of interest per month on their borrowings. This shows that around 34% of beneficiaries still depend on outside borrowings to continue their trade and the scheme could not bring the beneficiaries fully from the clutches of money lenders to continue their trade. Survey shows that

84% of the respondent expressed the need of additional funding from the corporations. Further 61% expressed the need of refinancing once the earlier assistance was returned or refunded.

The district wise analysis show that 75 % beneficiaries from Koppal, Kalaburgi, Mandya, Shivamaga and Bellari district felt the assistance extended was sufficient and those from Bangalore Rural and Bangalore urban districts felt the assistances was insufficient to run their traded. The activity wise analysis show those engaged in selling of milk and skill oriented activity, petty trade etc felt the need of larger funding than those involved in vegetable /flower selling and other activities. This shows the need of developing a system of need based assistance to the beneficiaries.

Table -15: Beneficiaries feedback on the quantum of assistance extended under scheme in % age

Sl no	Particulars	Assistance given is sufficient	in sufficient & borrowed from locally	used own fund to meet deficit	Interest paid on additional borrowing @2% /month	Interest paid on additional borrowing @ 4%/month	Additional/again loan required
1	Beneficiaries feedback on finance management	25.63	50.90	29.85	20.85	13.98	84.24

EQ 14) Is the repayment done by the beneficiaries as prescribed under the scheme? If not, what is the action taken on such beneficiaries who have delayed or defaulted in at doing so? Has any recovery been affected using the authority of collecting the dues as if it were arrears of land revenue?

S.F :-Repayment of Micro-credit by Beneficiaries

The study shows varied level of attitudes of beneficiaries over districts to repay the installments to the SHGs and back to the corporation. All the beneficiaries in Bangalore Rural, Bagalkot, and Mandya district have resorted to pay the installments regularly , while 90% of beneficiaries in Belagavi had repaid their installment. In Davaneger 85 % had paid their installment ad

Bangalore Urban, Kolar and Shivamoga the repayment ratio was 75 %. The beneficiaries in the districts of Vijayapura, Koppal and Kalaburgi had relented to repay the installments. In Chickmagalur, D Kannada, Haveri and Shivamoga district few of the beneficiaries ranging from 25% to 75% have not repaid credit. In FGD there was resentment by few about the loan waiver stating that it had benefitted those who are irregular. But the data on exact amount of repayment made is not available with SHGs, beneficiaries and even in divisional offices.

The survey shows the SHGs of few districts like Shivamoga, Mandya had resorted different tactics of pressuring the defaulters to repay the loan but there was no definite actions taken in this regard in any district. There was no reference on the actions taken by district office against the defaulting beneficiaries and SHGs to improve the recovery from defaulters. The survey revealed that the beneficiaries have not discussed the credit repayment issues in their meetings but 56% of the beneficiaries were repaying their installment. In few SHGs lack of clarity about the installment was also been reported like in Dharwad, Gadag etc. In few districts like in Bidar, Raichur, the members were being told by the leaders that the assistance is subsidy components and they were not told about the repayment issues.

EQ 15) Government has announced loan waiver scheme recently. Whether the beneficiaries who have availed the loan before 13.05.2013 are aware this?

And

EQ 16) What is the amount of loan and interest which was waived by government after the loan waiver scheme was announced? What has been the impact of the loan waiver for beneficiaries and the repayment schedule compliance? Is there reliable indication to suggest that this may result in unwarranted or unintended consequences like willful default?

S.F :- Feedback on Loan Waiver;

The feedback on loan waiver has been collected in the survey. This e shows beneficiaries are knowing about the loan waiver and no one is committed to repay the loan component. Further loan waivering mixed opinions with 79% beneficiaries accepting this as good but 21% had expressed that instead of waiver it could have been better if the corporation comes up providing second assistances under the scheme to those who repaid earlier dues to get capital at lower cost for improving the business. The study showed that the loan waiver had resulted in reduction of

recovery of outstanding dues but did not add much to the improvement of the trade by the beneficiaries.

The beneficiaries do not have the details of loan and interest portion waived from their account. The beneficiary wise waiver details is not available at SHG level .The loan portion as outstanding from members is not available with the SHGs. In Tumkur the assistance of micro-credit loan for the year 2013-14 was released just prior to declaration of loan waiver. The beneficiaries are not able to provide the exact amount of loan and interest part waived out of the borrowed commitment since they do not maintained the exact amount of balance outstanding in their accounts.

EQ 17) Is there any development in the business activity undertaken under this scheme? If so, are they getting better profit from the business? If not, why not?

S.F :- Utilization Pattern of Loans.

The sample survey shows that 94.39 % of beneficiaries have utilized the scheme assistances to start or to expand the desired vocations and 5.41 % of the beneficiaries had not started any trade/business after availing the assistances, which means these beneficiaries, had not utilized the credit given to them. The reason given by a few of these beneficiaries is insufficient amount of assistances extended to meet the requirements. Few respondents indicated untimely assistance had disenabled them to start the trade they proposed. A few beneficiaries had discontinued their business after starting with assistances. The sustainability of trade has been reported only in % of the beneficiaries. Thus, survey reveals the need of follow up for ensuring the utilization of credit or even by the SHGs. Further no SHG had taken steps against those members who had not utilized the loans or diverted the credit to other activities than the one to which, this was extended. The beneficiaries were vocal in FGDs in few districts but not much in few district like Bider, Koppal Gadag Haveri etc .In these districts the assistance did not help to come up socially to fight for their rights.

EQ 18) Has the monthly/annual income of the SHGs members increased? If so, to what extent? Give details with few examples of increase/decrease in income.

S.F :- 17 Beneficiary feedback on the scheme and its impact.

The scheme envisaged beneficiaries to make good in their living with the assistance and continue the economic activity with improvements over years. This study has made an attempt to test this hypothesis. The survey unfolds the status of continuation the business by the beneficiaries with activity to which they had assistances and resulted improvement in their living standard. The survey depicts 70.23 % of respondents expressing the improvements in their living after the extension of assistances. About 8.41% of beneficiaries expressing on sending their children to schools and 3.19% having family function after the extension of assistances. The beneficiaries who invested in housing connected activities are 14.85% and 25 % had gone for the purchase of household goods. Interestingly every beneficiary is aware of loan waiver and closer of her/his commitment towards the assistances.

Table 16. Beneficiaries feedback on the living after scheme -in %ages

Sl no	Particulars	Improve ment in standard of living	Family having increased School going of children	Beneficiaries had marriages in their house	Beneficiaries Invested on housing	Beneficiaries purchased house hold goods
1	feedback on impact of scheme standard	70.23	5.41	3.19	14.85	25.03

S.F :- Satisfaction status about the scheme by beneficiaries

The feedback records satisfaction of 67 % of respondents about the scheme and 14.89 % had expressed their partial satisfaction and 19.65% are dissatisfied. The partial satisfaction was due to delay in extension of assistance and also due to interferences. The dissatisfied beneficiaries are on account of lower quantum of assistances. Majority expressed their dissatisfaction for political interference and indicated the selection be held transparently and publicly in Gramasabha. There was complaint that selection of beneficiaries by MLA has lead to running around and causing of expenditure on getting the assistances. This has been vocally told by beneficiaries in all districts

in the Focus Group discussions. 15 % expressed the need of Training or organizing camps to highlight scheme and on the potential activities.

Table17 -: Impact of scheme on the satisfaction level of beneficiaries about scheme.(%age)

Sl no	Particulars	Satisfied from scheme	Partially Satisfied from scheme	Not stratified	Had knowledge on loan use	Need training from corporation
1	Beneficiaries expression on the scheme impact.	67.00	14.89	19.65	56.13	14.97

At few had dissatisfaction due to confusion on the credit component and subsidy part. Many of beneficiaries had feeling that the entire portion is the part subsidy/ assistances and they are not clear on the repayment schedule. The beneficiaries were also informed that even SHGs don not have clarity. Beneficiaries expressed that the assistances given is much lesser than required to run the level of their business and needed increase in the assistances. These expressions were reported by the beneficiaries who had benefitted during the study period and those at different geographical locations. In the FGD few also expressed the need of adopting varied level of assistance considering the need of their business proposition.

In Bangalore rural (Doddaballapur Taluka) the assistance during the year 2013-14 was extended to 10 members of SHG against its members 20. The SHG had divided the availed assistances amongst all members equally. With this they could not get full benefit of investment made. This shows the need of covering all the needy beneficiaries in an SHG to ensure optimum use.

The beneficiaries have expressed that they have got assistances sanctioned through the leader of SHG/. It is told that in Kodagu , Tumkur the expenditure to get the applications ready varied from Rs 500 to Rs 1000.This amount has been collected to meet the cost of collection of records and travel cost for getting the approval from the MLA.

S.F :- Post assistances status of SHGs through which assistance has been extended.

The micro-credit loan scheme is oriented to support the members of matured SHGs in terms of transactions i.e, who were collectively functioned for more than 3 years. The study analyzed the status of the SHGs after the implementation of scheme or extension of assistances. The study reveals that 91% of SHGs are continuing as active with 18.73% of the SHG are holding meeting weekly, 46.69 % hold meetings monthly and 25.71 % hold meeting whenever necessary. Around 8.87 % of SHGs are either closed or not meeting after the assistances. It is observed that in 25 % of SHGs in Bangalore rural and 27 % of SHGs in Kalaburgi district have not met or conducted their meeting after the assistances. In other districts they found meeting regularly. In Chamarajanager and Hassan district followed by Koppal districts the SHGs are reported meeting weekly at regular days. Full participation of members is found in 43.47% of SHGs and partial participation is in 48.83 % of SHGs. Recording minutes of meeting are found in 43.13% of SHGs. The demand of members is recorded in 9.73% of SHGs. It is informed by the SHGs that no official or NGO representative had visited the SHG’s meeting either to guide them or inform on various norms of SHG or inform about facilities available for their welfare. The feedback indicates the saving pattern in SHGs at rate ranging from Rs 50 to Rs 100 per month in 78% of SHGs which shows the continuation of SHG functioning.

The SHGs were given the pass book indicating the amount of micro-credit sanctioned and released to them at the time of release of the assistances. The pass book entry were seen whenever they repay the loan components. But in many districts the pass books are found without entry or even the due components. This also due to lack of follow up by corporation after the release of loans. The district office attributes the lack of staff for taking follow up activities.

Table-18; Schedule of meeting of members SHG through which credit extended (%ages),

Sl no	Particulars on meeting interval	Holdin g meeting /weekly	Holdin g meeting monthl y	whenev er required	Participa tion of member s-all	Participat ion of members –partly	Recordin g of minutes	Demand of members recorded
1	SHGs particulars	18.73	46.69	25.71	43.47	48.83	43.13	9.73

EQ. 19) Has the economic condition of the beneficiary families improved? (Evaluator to Create indicators for measuring this and then report on its basis. If not, give details.

S.F: Economic condition of beneficiaries at pre and post scheme periods.

The economic conditions at post project period of the beneficiaries has been analyzed and assessed with various parameters linked to living conditions since they could not provide the exact income at post and pre scheme periods. The assessment has been made on the housing systems, communication support they have, assets they own and increase after the scheme, social function they celebrated etc. These aspects are discussed in the following paras.

S.F .a :- Assets Status with beneficiaries .

The study analyzed the status of assets owned by the beneficiaries to unravel the living standard. The study showed that almost 99 % of beneficiaries have housing and majority of them are living in tiled house. Around 9.35 % of respondent beneficiaries own casted houses and 89.21 % live in tile roof houses. The families living under thatched house are only 0.43 % and living in rented house are 0.85 % who are migrant families and yet to get established themselves. It is also revealed that 32 % of the respondent beneficiaries own two wheelers and 0.41 % own three wheeler mainly rickshaws used for their profession and 2.47 % own 4 wheelers like tempos and cars. It is interesting to know that 36.94 or 37% of the respondents own the dairy animal such as cow and buffaloes and around 5 % own the small ruminants such as goat and even pigs.

The assets owned by them in other words indicate the standard of living of beneficiaries. This shows the beneficiaries after the assistance could improve their living.

The index has been created about the beneficiaries who have investment made and resulted improvement on Housing, owning of vehicles and investment on special aspects. The expenditure on this at pre-scheme period and post scheme period has taken into considerations. This shows the 61 % of beneficiaries have improved living with project and investment on housing and communication has improved. The productive assets base has shows an increase with 21% of beneficiaries after the scheme implementation which is result of increased investment on the livestock after the scheme period.

Table-19 : Assets owned by the sample beneficiaries during pre-scheme period .

Sl no	Particulars	Type of housing owned by sample beneficiaries-%ages				beneficiaries having vehicles- %ages			Those having livestock-%ages	
		casted roof	Tile d roof	Thatche d one	rented house	2 wheeler	3 wheeler	4-wheeler	big ruminants	small ruminants
1	Assets level in sample beneficiaries	7.1	83.2	8.3	1.85	16.05	0.11	2.1	26.94	7.4

Index on development impacted by scheme

The study made an index of livelihood development occurred on implementation of scheme. The index has been calculated on the investment made on housing, vehicles, schooling and animal assets they are having after the assistances.

Table 20; Assets owned by the beneficiaries after the scheme (post scheme period)

Sl no	Particulars	Type of housing owned by sample beneficiaries-%ages				beneficiaries having vehicles- %ages			Those having livestock-%ages	
		casted roof	Tile d roof	Thatche d one	rented house	2 wheeler	3 wheeler	4-wheeler	big ruminants	small ruminants
1	Assets level in sample beneficiaries	9.35	89.21	0.43	0.85	32.05	0.41	2.47	36.94	9.94

Index of infrastructure improvement as a measure of improvement in the standard of living is computed to assess the impact of scheme on beneficiaries. For the indexing the values for each components assessed are given as follows.

Sl no	Assets	value
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1	The casted houses-	10
2	Tiled house	5
3	Thatched house	5
4	Rented house	5
5	Owning Two wheeler	5
6	Owning Three and Four wheelers	10
7	Big ruminants	5
8	Small ruminants	3

The infrastructure index calculated for both pre scheme period and post scheme period shows the improvement with the implementation of scheme. The pre scheme indices was 711.05 to which stood increased to 937.9 at post scheme period or with implementation of scheme. This shows an increase by 28.18 % in the infrastructure facility available with the beneficiaries after the implementation of scheme.

S.F :- Beneficiaries feedback on the scheme

The study has exposed to both positive and negative impact out of scheme implementations. The success is found in all type of activities from the SHG members' location spatially part and availed the assistance at different years. In the sample survey and during the FGD the beneficiaries came out few suggestions which may improve the scheme impact. The suggestions are

- a. Beneficiaries in all the FGDs suggested to make selection of SHGs in Gramasabha to avoid mis-utilization of the scheme assistance and avoid middlemen influences.
- a. 78.93 % of beneficiaries suggested the need of increasing quantum of assistances as the assistance is not sufficient to meet their investment demand. They expressed the need of increasing the facility at least upto Rs 25000/-.
- b. Few suggested that the Corporation should adopt the system of refunding those SHGs and beneficiaries who closes the earlier loans. They preferred the corporation loan since the interest portion is much lesser.
- c. 15.83 % of beneficiaries suggested to include the training component before extension of assistances. This demand found more in the Districts of Chitradurga, Udipi, Vijayapura.

Extension of training on entrepreneurship, marketing etc may capacitate the beneficiaries to identify suitable trade and market as well as to take risk in case of eventualities.

- d. 6.43 % suggested to support them with market place to set up their vending units.

Table 21; Details of suggestion of the beneficiaries in %age

Sl no	Particulars	Suggestion of beneficiaries (%age)			
		increased assistances	Training	market place	Other
1	Beneficiaries feedback	78.93	15.80	6.43	0.00

EQ.20) Document 3-4 outstanding examples of success under the scheme which is worthy of emulation and being flagged as case studies. Similarly, are there some examples of failure that result in learning for future?

V. Case studies

The study reviews 5 case studies of which 2 are successful cases, one is just functioning at the same level and two are of failure cases. These are from different districts and assistances made at different years.

The successful case studies are made out of the SHG assisted one in Maddur Taluka of Mandya district where the entire SHG members are successfully improved their vocation and another is from the individual beneficiary of an SHG where members had taken the assistance for different vocations. The member who borrowed and continued the vocation without much improvement is from Bagalkot .She had assistance for milk vending. There are two failure cases one from Raichur district where all members of SHG had been assisted for Fish vending activity which could not be implemented due to untimely delivery of assistances and they diverted the credit assistances. Another SHG from Tumkur district where the beneficiaries have started but did not continue the vocation to which assistance are made. These five case studies are not representative and unique .The success and failure amongst them is due to the different reasons which are dissected case by case.

Case of Successful SHG

This is a case of SHG from Maddur Taluka in Mandya district which has women members. The SHG has 18 women members of whom 16 members are surveyed for evaluation. All 16 members had taken assistances for different purposes but all of them resorted to making and selling gram floor papads, as a household industry. Women of these group are traditionally in the business of papad manufacturing and been at micro-scale and the assistance has enabled them to improve the business and income. The beneficiaries say they used to manufacture hardly 2000 to 3000 papads in a month which they could increase by 5 time after the assistance and earn gross income of around 20000 per month. The net income of the papad is said to be RS 6000 to Rs 10000 per month after the assistance.

The group has repaid their installment regularly and also been saving at the rate of Rs 100 per month in SHG account. The SHG meet regularly on each month

The SHG had expressed the need of support on following aspects

1. They need second assistance or re-assisting of micro-credit loan after clearing the first loan. They want this as this since the scheme assistances carries lower interest rate and subsidy component.
2. Few SHG members informed they are not for waiver of the loan component.
3. The SHG members need the marketing support for their products, with which they can not only increase the production and earning.
4. They wanted to have training and guidance on packaging and marketing ideas.

Case Study-2Case of Individual member successful in her Vocation

The second study is of smt Sharada W/o Annu Pujari Nural bettu village, Karkala Taluka and member of Sri Padmavathi srishakthi group Edu Village from Udupi district. The SHG has 10 members and 9 of them had availed the micro-credit loan assistances of Rs 5000/. Smt Sharada of the group who is in the trade of Jasmine / flower vending gone for back ward integration by growing of Jasmine flowers in the backyard and small area available around their house. Beneficiary was in the vocation of buying jasmine buds and making garland of buds and selling. To ensure regular supply and take benefit of seasonal demand and price benefit she had gone for

cultivation of Jasmine over areas of about 0.15 acres surrounding her house. The jasmine is cultivated and been managed. The beneficiary harvest Jasmine buds in the evening and prepares the garland during late in the evening and even in the night and markets next morning. She expressed that this enabled her to increase and stabilize the income four times and presently the annual income crosses Rs 100000. The beneficiary is happy and repaid the installment.

Beneficiary View on the scheme.

1. She wants the Corporation to advertise of the scheme more widely to enable more and more people know about the scheme.
2. She also suggested that the selection of beneficiaries be made through Grama- sabha to ensure the selection of needy and to check double assistances.
3. Also suggested that the selection be made by the office of Corporation and political interference be avoided

Case-3 Failure case in Chickkanayakanahalli in Tumkur district

In Chicknayakanahalli of Tumkur district the Srishakthi group has been assisted the micro-credit assistances for the business of Papad making. All the members of the group had taken assistances for the same vocations . the members who take the assistance in the year July 2012. The Srishakthi is of members residing Karimanagundi palya and behind Chicknayakanahalli bus stand and the beneficiaries are

- 1.Smt. Ashwinin W/o Lakshmana
2. Smt. Shailaja w/o Chandrappa
- 3.Smt.Netravathi W/o Veerabdaraih
- 4.Smt.Suma manjunathw/o Manjunath
5. Smt. Saraswati W/o Late Lakkanna
- 6.Smt. LAlithamma w/o Gangadaraih
- 7.smt. Kamamma W/o Jayaramaih

8.Smt. SudhamaniW/o Eswaraih

9.smt. NAgaratnamma W/o RAngadasappa

10. smt.JAyamma W/o Shakarappa

These members had the assistance to the Tune of Rs 10,000 each in the month July 2102 and they indicated that local leaders supported them for getting the required documents. After getting the assistances they started the papad making but they could market the produces. But these beneficiaries are engaged in alternative activities than the purpose to which the assistance are taken.

The discussion revealed that SHG members were told of the scheme and the entire application process was prepared by SHG leader along with politician and got the assistance released. The beneficiaries were told to take the vocations of papad making in by leader of SHG who arranged the records and assisted them to get the assistances. The beneficiaries were given micro-credit loan assistances of Rs 10000 and they informed they met with an expenditure of Rs 2000 for getting this assistances.

After availing the assistances a few members of the group had gone for papad making but could not succeed due to lakh of experiences in manufacture and marketing. Thus they faced failure in the vocation and discontinued it.

This shows the need of scrutiny on beneficiaries expertise on the trade selected by them and market potential for their products as well as post release follow up by corporation.

Case study IV -on failure of scheme from Raichur

In Raichur district the women SHG at LBS nager has been assisted 2009-10 for running the trading of fish vending. 16 members of the SHG were funded under this scheme. The assistance from the corporation to the SHG was released on 5th of April 2010 and SHG in turn released to beneficiaries on 28th of May 2010. These beneficiaries were assisted at rate of Rs 5000 under the scheme as per its norms. The beneficiaries have also informed they had incurred an expenditure of Rs 400 for getting the assistance. The beneficiaries are members of Srishakthi group residing in LBS nager of Raichur and names of the beneficiaries are .

1. Smt. Rangamma w/o of Mahadevappa

2. Smt.Jayamma W.o Mahadevappa
3. Smt.Vengamma w/o Thimmappa
4. Smt.Manjula w/o Shivappa
5. Smt.Thimulamma w/o Suresh
6. Smt.Lakshmi w/o Ramachandra
7. Smt.Mallamma W/o Hanumanthraya
8. Smt.Anjanamma W/o Lakshna
9. Smt.Shivamma w/o Dodda hanumanth
- 10 Smt.Jindamma w/ Lakshman
11. Smt.Laksmi w/o Narsappa
- 12 Smt.Anjenamma w/o Ragava
13. Smt.Yellamma W/o Sanna Hanumantha
- 14 Smt.Nagmma W/o Huligappa
- 15 Smt..Lakshmi W/o driver Hanumantha

The survey showed that beneficiaries were assisted much delay than their season and hence not started the trade to which they funded . The beneficiaries informed that they were given the assistance to the tune Rs 5000 which was insufficient to take up the trade proposed and the assistances flown much later than the fishing season. Hence they could not start the vocation.

9. Conclusion and Reflection

M/s D. Devaraj Urs Backward Classes Development Corporation Ltd Bangalore is implementing the micro-credit loan scheme from the year 2008-09 to 2013-14, by extending small financial assistance to skilled and unskilled persons from BPL families belonging to backward classes, for the purposes of taking up small business/vending activities (which does not require trained skills) like fruit, vegetable and flower vending, Tea stall etc. The scheme was initiated in the year 2007-08 with assistance of Rs 5000 which subsequently increased to Rs 10000 and Rs 15000 during the year 2010-11. The scheme provides financial assistance of Rs.15,000/- per beneficiary including Rs.5,000/- subsidy and Rs.10,000/- as loan at 4% interest per annum. This scheme is implemented through matured SHGs and completed a minimum of 12 months of formation and members meet weekly/monthly and been mobilizing the savings. The corporation under the scheme had assisted 52314 beneficiaries with Rs 33.12 crores during last 7 years.

Karnataka Evaluation Authority on the suggestion of Corporation intended to carry out the evaluation of micro-credit scheme to assess reliability in delivery of desired services for comprehensive understanding of potentiality in continuation of scheme and its Sustainability Framework to address the needs and take corrective action in implementation of scheme. This evaluation study is based participative survey of 60 scheme beneficiaries' and Focus group discussions from each district and covered the beneficiaries of scheme from all the sub groups of Backward Classes living in different spatial horizon.

To implement the programmes of D.Devraj Us Backward classes Development corporation, GOK had constituted decentralized set up with offices at district level and Selection Committee with Member of the Legislative Assembly as Chairman to ensure local participation in selection of beneficiaries for the scheme. The Selection committees in all districts are found active in selection of beneficiaries but not much active in conducting follow up after sanction for monitoring for ensuring the utilization aspects by beneficiaries. The selection are as per the scheme outlines and the beneficiaries are belonging to Back ward classes and live in BPL. The scheme assistance was made to unskilled persons and a few partially skilled like Tailores, and unskilled persons. The sanction status shows lower rejection of application at about 17.5 % of

application received. The time gap from collection to release of assistance is considerable at 226 days to 300 days and there is scope for reducing this time lag and reduction of time lag would help the beneficiaries. Length of this period can be reduced by re-approaching for selection through Grama Sabha where selection committee can approve on spot, coordinate with department for issue of records and the SHG be told of scheme in details and through early according the sanction from HO. It is gratifying to note that 86 % of the beneficiaries are women and they are independently managing the affairs of the trading activity.

The corporation has formed the Project Development Committees at each district for building the capacity of borrowers through IEC or training to beneficiaries which they are supposed to build awareness amongst the beneficiaries about the scheme and the conditions. Any developmental scheme needs sufficient IEC to highlight the scheme details prior to the scheme implementation followed by timely monitoring at post implementation period. This PDC is not much active in the districts. The district office of corporation has distributed the assistances through cheque and it was made to full amount.

Presently the SHGs are told about the scheme while issue of assistances through cheques but the beneficiaries were not properly been appraised on the condition of credit component and hence they shown confusion on the part credit component and its repayment. In fact the study suggests to provide a play card showing the scheme condition, repayment schedule and suggest the SHGs to hang the same in their meeting place to remind them on scheme features and its condition. The SHGs may be advised to discuss about scheme condition and repayment status at all meeting after the assistances.

The micro credit scheme is found encouraging those who already had business activity to improve the scale of their activity and encouraged to take up activities of back ward integration to improve scale of their trade. The micro credit assistances had boosted their working capital and given moral boost for improving the scale of business. The scheme encourage about 64% beneficiaries to improve their business and their risk taking ability. The utilization Pattern of scheme is found to be good and only 5.41% had not started their trade. No action has been initiated either by District office of corporation or by SHGs against those mis-utilized the assistances. Around 35% of beneficiaries who had started the trade without prior experience could realize profit and income out of business and remaining of them have closed the business activity

The scheme has impacted to increase the income for those who had gone for vocations like dress designing, petty shops, flower vending and those taken up backward integration for activities like animal husbandry, jasmine cultivation. For those gone for fish trading, papad making etc had marginal increase in income. The repayment of loan as prescribed is made by lesser number of beneficiaries. Little efforts has been noticed by District offices to recover the loan components. The repayment status varied in different districts with considerable better status in few districts like Chamraj nager, Bangalore rural Udupi, UK districts. The non monetized activity like issue of pass books indicating the sanction, release and repayment schedule are found better in all districts. But post issue aspects like recovery status are not recorded. The economic condition of beneficiaries as reflected through improvement in the living such as improved housing, improved investment on household goods, repair of houses, celebrating social function reduction private debt of beneficiaries shows improvement in 70.23 % beneficiaries after the business.

The survey of beneficiaries and FGD conducted with beneficiaries and non-beneficiaries of villages reflects that the scheme has been utilized by the beneficiaries and been able to support the desired benefit to the assisted to Backward classes families. The beneficiaries has been able to improve their income as well as improve their living with better household gadgets, repair and construction of housing, owning f vehicles and productive assets such as animals. The utilization of assistance extended to the targeted vocations also very high level.

Vegetable, fruit and flower vending is the preferred trading activity which was taken up by beneficiaries followed by trading in Kambals (woolen weaved bed sheets), milk business, papad making, bangle trading followed by skill oriented activities like tailoring, agarbathi making, More than half of beneficiaries are engaged their business activity at their villages and 26.63 % at the sub urban or hobli level where they are living. None of the beneficiaries had moved out of their place of living for taking up or expansion of business after taking the micro credit loan.

The beneficiaries have taken the assistances of SHG leader or GP members to get the proposal done and get it approved by the MLA Few indicate their expenditure to get assistances sanction varied from Rs 500 to Rs 1000 to pay the leader for collection of records and running for getting the approval from the MLA. The beneficiaries had mixed opinion on the sufficiency of scheme assistance to meet their requirement while 50.90 % of beneficiaries had borrowed additionally either from friends or from SHGs to meet their demand and 18% invested the required additional

fund from own savings. The interest paid by beneficiaries for additional borrows ranged from 2% to 4 % per month on their borrowings. Study shows that around 34% of beneficiaries still depend on outside borrowings to continue their trade. Further, 84% of respondents expressed the need of increased funding and 61% expressed the need of refinancing once the earlier assistance was returned.

The study clearly reveals that the scheme could not relived beneficiaries who belong to backward classes' community from going or depending on private or local borrowings. The study reveals that all SHGs of all assisted beneficiaries are matured as per the norms and been transacting regularly before section for assistances. At post assistance period SHGs are holding meeting either weekly or monthly or whenever necessary. Only 8.87 % of SHGs are either closed or did not held meeting after the assistances. Participation of members is reported and recording of the minutes of meeting are reported in less than half of the SHGs. This shows the need of post sanction monitoring of SHGs to activate the SHGs and participation of its members as well as to guide the scheme beneficiaries on the vocations.

More than two-third beneficiaries expressed their satisfaction on the scheme and partial satisfaction was due to lay in extension of assistance and also due to interferences and dissatisfaction was is on account of lower quantum of assistances and for political interference in the selection. Beneficiaries preferred selection to be held through Gramasabha and increase the quantum of assistances to Rs 25000/- and providing second assistances to those SHGs and beneficiaries who closes the earlier loans.

M/s D. Devraj Urus Backward Classes Development Corporation Ltd Bangalore has decentralized administrative system with district office having District Manager, Development Officer, Assistant Development Officer and 6 staff members. But district offices are found acute shortage of staff, which affected their extension activities such as organizing of pre-sanction IEC and post sanction follow up for better monitoring the implementations and serving the community on their needs and doubts.

The micro-credit loan scheme implemented by the Corporation is found effective and useful to improve the vocation and income of beneficiaries. To make it more effective the corporation may put some more staff at district level for monitoring of scheme and take more IECs. The impact of scheme could be improved with changes brought in implementation of schemes.

This study therefore suggests the Corporation and Government of Karnataka to take a few actions to improve the function of scheme which includes ,a) Corporation needs to suggest the PDC at district to organize the meeting of concerned departments at the selection committee meetings and issue the records to the selected SHG members there itself to SHGs to reduce the cost of getting the assistance to beneficiaries and also speed up the implementation; b)The preference in assistances may be given to those who already run small vocations and those helps to link backward to their/ his/her existing tiny activity or those wants and expansion of existing trade which helps to utilization of assistance, sustainability of trade impact and faster upcoming eligible persons rather by the person without expertise where the rate of failure if found higher; c) Corporation should adopt the procedure of post sanction follow up through more vigorously through dedicated staff and defaulters should be handled firmly to improve the scheme performance and show the credibility of scheme, and Corporation must provide the PLAY CARD depicting the silent features of scheme, loan component and repayment issues for hanging at the office of SHG/ meeting hall to remind the members to make repayment and utilization of loan to high light that the scheme is not entirely subsidy but given to improve their trade and business.

There is need to increase the staff at district offices of corporation for ensuring proper IEC, processing of assistance and extending post release follow up; b) the assistances provided under the scheme is said to be insufficient for many vocations / activities and hence assistance could be increased and made activity specific, c) Pre-assistance Training on entrepreneurship, skill development, business organization etc be made one of the necessary condition, and the selection of beneficiaries be made in Gramasaba by explaining the silent features of scheme and making notifying the name of beneficiaries in the presence of Chairman of selection committee Suitable guidelines are required from Government to the district office of Corporation to ask the SHG to directly submits application to Committees in Gramasabha rather getting through third party.

The study shows that the scheme is well received, implemented and lead comparatively better results of improving the standard of living among the beneficiaries of backward classes community. The scheme reflects the need of few improvements such as reducing the time gap between the application receipt and release of assistances, pre sanction IEC, post release monitoring and guiding the SHGs in regulating meeting and recording the proceedings and improving the recovery of credit part of schemes.

10.Recommendations

The study makes two categories of recommendation as suggested. First is the recommendation for immediate implementation by the corporation and the other for the attention of State for implementation as policy direction.

Recommendation for implementation by corporation.

1. It has been revealed by survey that beneficiaries incurred an expenditure of around Rs 500 to Rs 1000 for getting the papers and to meet other expenditure for getting the assistance. Hence the corporation may suggest the PDC to organize the meeting of concerned departments and issue the records to the beneficiaries of selected SHGs at the meeting venue itself. This would reduce the cost of getting the assistance to beneficiaries and also speed up the implementation.
2. The proposal of beneficiaries which helps to link backward to their/ his/her existing tiny activity and expansion of existing trade be given priority in extending the assistance as it helps to utilization of assistance, sustainability of trade impact and faster upcoming eligible persons rather by the person without expertise where the rate of failure if found higher. Eg; In Udupi, the activity such as Jasmine cultivation and Dairy farming, petty trading by traditional beneficiaries are found with better impact and sustaining.
3. While extending the assistance all members of SHG should be considered equally for assistances. Assisting part of SHG members forces them to share the assistances with others thereby leading to part financing and creation of difference of opinion amongst the members leading to non functioning of the SHG.
4. The Corporation should adopt the procedure of post sanction follow up through more vigorously through dedicated staff. The defaulter should be handled firmly to improve the scheme performance and show the credibility of scheme.
5. The corporation must provide the PLAY CARD depicting the silent features of scheme, loan component and repayment issues for hanging at the office of SHG/ meeting hall to remind the members to make repayment and utilization of loan. The copies of play card be given to each member to exhibit this in their houses to remind them about the scheme. This should high light that the scheme is not entirely subsidy but given to improve their trade and business.

Recommendation for adoption- to get implemented by GOK

2. The district office of corporation be positioned with required staff for ensuring proper IEC, processing of assistance and extending post release follow up.
3. The assistances provided under the scheme is said to be insufficient for many vocations / activities and hence assistance could be increased and made activity specific.
4. Pre-assistance Training on entrepreneurship, skill development, business organization etc be made one of the necessary condition. The lack of training is one of the factor for failure of enterprise which are skill intensive. Many beneficiaries have expressed that they are not aware of activity to which they are assisted. The activities like Agarbathi manufacture in Chickmagalur had discontinued due to lack of market and skill in the trade.
5. There was also voice that few persons who are members in two SHGs got double assistances. Thus to avoid such duplicities, the selection of beneficiaries be made in Gramasaba by explaining the silent features of scheme and making public of the scheme beneficiaries in the presence of Chairman of selection committee Hence suitable guidelines are required from Government to the district office of Corporation to ask the SHG to directly submits application to Committees in Gramasabha rather getting through third party. The beneficiaries have expressed that presently with involvement of third person requires them to run around for getting selection process completed.

11. Annexure – Tables on District wise details.

Table-1(a): Duration involved in processing of application at district offices. .

Sl no	District	Inviting applications	For sanction of loans	for release of loans	%age of beneficiaries yet to start trade
1	Bangalore Rural	NA	NA	NA	NA
2	Bangalore- urban	NA	NA	NA	NA
3	Bagalkot	NA	NA	NA	NA
4	Belagavi	40	0	60	-
5	Bellary	43	130	45	-
6	Bider	NA	NA	NA	NA
7	Vijayapura	NA	NA	NA	NA
8	Chamarajnager	45	120	60	23.6
9	Chickballapur	45	120	60	
10	Chickmagalur	45	120	60	63/
11	Chitradurga		41	44	NA
12	Kodagu	NA	NA	NA	NA
13	Dharwad	NA	NA	NA	NA
14	Davangere	NA	NA	NA	NA
15	D.kannada	60	60	60	-
16	Gadag	60	100	60	NA
17	Kalaburgi	NA	NA	NA	NA
18	Hassan	NA	NA	NA	NA
19	Haveri	NA	NA	NA	NA
20	Koppal	NA	NA	NA	NA
21	Kolar	NA	NA	NA	NA
22	Mandya	43	130	30	-

23	Mysore	43	130	30	-
24	Ramanager	43	175	NA	
25	Raichur	NA	NA	NA	NA
26	Shimoga	175			
27	Tumkur	NA	NA	NA	NA
28	U.Kannada	60	60	90	-
29	Udupi	60	60	60	-
30	Yadgir	NA	NA	NA	NA

Table-2(a): Number of application rejected during last 6 years in district offices. .

Sl no	District	Application rejected in %s		
		total rejected in 6 years	at reception level	while scrutiny
1	Bangalore Rural	NA	NA	NA
2	Bangalore- urban	NA	NA	NA
3	Bagalkot	NA	NA	NA
4	Belagavi	799	NA	NA
5	Bellary	148	1	2
6	Bider	NA	NA	NA
7	Vijayapura	NA	NA	NA
8	Chamarajnager	135	6	4
9	Chickballapur	NA	NA	NA
10	Chickmagalur	0		
11	Chitradurga		41	44
12	Kodagu	NA	NA	NA
13	Dharwad	-	-	-
14	Davangere	NA	NA	NA
15	D.kannada	-	-	-
16	Gadag	-	-	-
17	Kalaburgi	NA	NA	NA
18	Hassan	NA	NA	NA
19	Haveri	10		
20	Koppal	NA	NA	NA
21	Kolar	NA	NA	NA
22	Mandya	305	10	15
23	Mysore	231	15	10
24	Ramanager	NA	NA	NA
25	Raichur	NA	NA	NA

26	Shimoga	50	all	
27	Tumkur	NA	NA	NA
28	U.Kannada	10	10	
29	Udupi	-	-	-
30	Yadgir	NA	NA	NA

Table 3(b) -Time taken for release the scheme assistances to beneficiaries by SHGs .

Sl no	District	Time taken to release the assistance to beneficiaries after the release by the corporation.			
		in a week	within 2-3 week	took a month	more than a month
1	Bangalore-rural			100	
2	Bangalore-urban			100	
3	Bagalkot				than a month
4	Belagavi				100
5	Bellary				
6	Bider		100		
7	Vijayapura		88	12	
8	Chamarajnager				
9	Chickballapur				
10	Chickmagalur				100
11	Chitradurga				
12	Kodagu				
13	Dharwad				100
14	Davangere				
15	D.kannada				100
16	Gadag				100
17	Kalaburgi				
18	Hassan		50	50	
19	Haveri			100	
20	Koppal			100	
21	Kolar			100	
22	Mandya				100
23	Mysore				
24	Ramanager				100

25	Raichur				100
26	Shimoga				100
27	Tumkur				100
28	U.Kannada				100
29	Udupi			100	
30	Yadgir				

Table -4(a): Temporal distribution of sample beneficiaries in the survey, district wise.-% ages.

Sl no	Name of district	beneficiaries in 2008-09	beneficiaries in 2009-10	beneficiaries in 2010-11	beneficiaries in 2011-12	beneficiaries in 2012-13	Beneficiaries of 13-14
1	Bagalkot		40		25	25	
2	Bangalore	22	28	25	25		
3	Bangalore-urban		33.3	25	42.7		
4	Bellari	16	12		27	-	45
5	Belagavi		25	10	25		40
6	Bidar	33.33	16.6	16.6		33.3	
7	Vijayapura		10	19	20	12	8
8	Chamarajanagera		33.33	25	18.4	23.4	
9	Chickballapur			12	50	30	
10	Chickmagalur	18.4	30		28,4	26.8	
11	Chitradurga	16.66		30	35	16.66	
12	Kodagu	10	23.4	58.4		11.6	
13	Dakshina Kannada	75		25			
14	Davanger	16,6		41.6	25	15.6	

15	Dharwad	16	44		18		22
16	Gadag	40	10	16	17	17	
17	Kalaburgi				70	30	
18	Hassan			28	72		
19	Haveri		21.6	56.8	21.6		
20	Kolar	20	15	53.2		11.2	
21	Koppal	57.2	16.4		26,4		
22	Mandya	25	33.3	33.3	8.4		
23	Mysore	2.5	-	-	44.5	53	
24	Ramanager		43.2	16.66	25		16.32
25	Raichur		16.66	83.44			
26	Shivamoga		16.66	10	54.33	9	
27	Tumkur		20	16.66	36.66	26.66	
28	Yadgir	70			30		
29	U.kannada	45		16		39	
30	Udupi	23	45		32		

Table -6: Selection process followed in the districts for the sample beneficiaries.

Sl no	Name of district	%of application sectioned on Recommendation of – MLA	%of application sectioned on Recommendation of – GP president	%of application sectioned on Recommendation of –Others
1	Baglkot	100		
2	Bangalore-rural	100		
3	Bangalore-urban	100		
4	Bellari	96		4
5	Belagavi	100		
6	Bidaer	86		14
7	Vijayapura	82	18	
8	Chamaraja nager	100		
9	Chickballapur	100		
10	chickmagalur	100		
11	Chitradurga	100		
12	Kodagu	100		
12	Dakshina Kannada	100		
13	Davanger	100		
14	Dharwad	100		

15	Gadag	100		
16	Kalaburgi	100		
17	Hassan	100		
18	Haveri	96		
19	Kolar	100		
20	Koppal	100		
21	Kustagi	100		
22	Mandya	100		
23	Mysore	100		
24	Ramanager	100		
25	Raichur	100		
26	Shivamga	100		
27	Tumkur	100		
28	yadgir	100		
29	Udupi	91.6		
30	Uthara Kannada	100		

Table -6(a): Religion and Group wise representation of beneficiaries in the sample - % age.

Sl No	District	religion of beneficiaries (%age)	Groups out of OBC in surveyed beneficiaries(%age)				
			1	1A	2A	3A	3B
		Hindu					
1	Bagalkot	100			58.4	1.6	40
2	Bangalore	100		10	56.6		34.4
3	Bangalore-urban.	100			88	12	
4	Bellari	100		31.66	43.33	25	
5	Belagavi	100			80		20
6	Bider	100	88.6(c1)		1.6	6.3	4.5
7	Vijayapura	100	36(c1)		59		5
8	Chamarajanaer	100		55			45
9	Chickballapur	100			5	45	50
10	Chickmagalur	100	68.34		16.6		15
11	Chitradurga				78		22
12	Kodagu		20		26.6	32.4	20

13	D Kannada	100				100	
14	Davanger			3.2	71.8		25
15	Dharwad	100		1.5	83.5		15
16	Gadag	100		1.5	83.5		15
17	Kalaburgi	100	3		64		33
18	Hassan	100			100		
19	Haveri	100			50	41.2	8.4
20	Kolar				44.4	50	4.6
21	Koppal	100	13(1) 40(c1)		40		7
22	Mandya	100			50	41.44	6.56
23	Mysore	100		25	59.23	14.5	
24	Ramanager	100		56	44		
25	Raichur	100	33.5(c1)			40	7
26	Shivamoga	100	2.5	21.3	51.0	25	
27	Tumkur	100			75	25	
28	Yadgir	100	25(c1)		50		25
29	Udupi	100			91		9
30	Uthara Kannada	100		50	22.5		7.5

Table-7 (a) : Family size wise distribution of sample beneficiaries in % age –District wise.

Sl no	District /Family size	single Member family	2 Members family	3 Members family	4 Members family
1	Bangalore Rural	1.6	8.4	36.6	53.4
2	Bangalore-urban		1.6	13.4	85
3	Bagalkot	1.6	3.2	8.4	86.8
4	Belagavi	3.3	1.6	13.6	81.5
5	Bellary	3	8	12	77
6	Bider	1.6	5	18.4	74
7	Vijayapura	3	10	20	67
8	Chamarajnager		6.6	18.4	75
9	Chickballapur		5	18	77
10	Chickmagalur	1.6	11.4	15	72
11	Chitradurga	3.2	6.6	21.6	68.4
12	Kodagu	8.4	10	18.4	63.2
13	Dharwad	1.6	11.6	15	73
14	Davangere	3.2	8.4	15	76.4
15	D.kannada		3.2	30	66.8
16	Gadag	3	10	14	77
17	Kalaburgi	4.5	7	9.5	80
18	Hassan	14	10	18	58
19	Haveri		1.6	6.8	91.6
20	Koppal	5	8.4	11.6	77
21	Kolar	1.6	11.6	16.66	69.2
22	Mandya		5	11.4	83.6
23	Mysore	1.6	16	42	41.4
24	Ramanager		11.6	28.4	60
25	Raichur	4.2	10	20	65.6

26	Shimoga	-	20	30	50
27	Tumkur	-	3	12	85
28	U.Kannada		5	26	69
29	Udupi		6	20	74
30	Yadgir		2	12.5	83.5

Table -8(a);Details on Economic and family status of sample beneficiaries - District wise in % ages

Sl No	District	Economic status of sample beneficiaries (%age)			Family type(in %age)		Member in society /GP(%age)
		BPL families	APL families	other	joint	Nucleus	
1	Baglkot	100			3.2	96.8	
2	Bangalore-rural	100				100	nil
3	Bangalore-urban	100					
4	Bellari	85	11.2	3.8	1.5	88.5	-
5	Belagavi	100			5	95	
6	Bidar	100			2	98	2
7	Vijayapura	100				100	-
8	Chamaraja nager	100				100	
9	Chickballapur	100			3.2	96.8	
10	Chickmagalur	100				100	
11	Chitradurga	100			1.6	98.4	
12	Kodagu	100				100	
13	D. Kannada	100				100	
14	Davanger	100				100	

15	Dharwad	100			3	97	
16	Gadag	90	10		3	97	-
17	Kalaburgi	100			3	97	
18	Hassan	100			5	95	
19	Haveri	100			4.4	95.6	
20	Kolar	100				100	
21	Koppal	100			5	95	
22	Mandya	100				94.6	
23	Mysore	93.75	6.3	-	15	85	-(none)
24	Ramanager	100				97	3
25	Raichur	100				100	
26	Shivamoga	88	10	2	1.53	97.	1.5
27	Tumkur	90	1.5	8.5	1.5	98.5	-
28	yadgir	100			3.2	96.8	
29	Udupi	97		3	97	3	-
30	Uthara Kannada	100			95	5	

Table -9(a) Details on activities by sample beneficiaries –in % ages .

Sl no	Name of district	Trading textile/ utensil etc	Petty trade	milk business	Flower & Veg trading	Skill oriente d	Tea stall	others
1	Baglkot	3.2	13.2	36.6	25	6.4	3.2	8.4
2	Bangalore-rural	0	30	28	38.4	3.6		
3	Bangalore-Rban	28.	3.2	13.4	41.6	5	6.4	5
4	Bellari	5	15	5	45	5		22.5
5	Belagavi	45		33.33		21.6		
6	Bidaer	10	16.6	23.6	35.3	23.33		
7	Vijayapura	15	13	13	40	13		8
9	Chamaraja nagar			5	48.4	11.6		35
10	Chickballapur	6.6		30	23.6			39
11	Chickmagalur	-	18.4	10	27.8	18.6		23.4
12	Chitradurga	3.2	6.4	8.4	38.4	3.2		45
13	Kodagu	6.7	1.6	15	70			6.7
14	D Kannada	-	15	21	10	20		34

15	Davanger	6.66	13.2	25	40	1.6	8.4	15
16	Dharwad	1.6		16	26	10		45
17	Gadag	33	24		14	15	14	
18	Kalaburgi				41	15		44
19	Hassan	10	26	14	20	10	2	18
20	Haveri	18.6	1.6	35	16.6	1.6	1.6	23
21	Kolar	6.6	28.4	11.6	58.4	3.2		1.6
22	Koppal	1.5	20	11.5	12.5	11.5	3	42
23	Mandya		3.2	13.3	63.2	1.6	1.6	1.6
24	Mysore	22.5	15		35	5		22.5
25	Ramanager			3.2	60.6	3.2		36.66(fish trading)
26	Raichur				25	15		60(fish trading)
27	Shivamga	15	30	10	30	15		10
29	Tumkur	15	30	-	30	15		12.6
28	yadgir			73		7		14
29	Udupi	40		16.6		15		28.4
30	Uthara Kannada	5	56		10	12	15	60

Table -10(a): Details on pre-scheme experience and locations of business by beneficiaries trade-
% ages .

Sl no	Name of district	Beneficiaries having earlier experience in their trade	Location where sample beneficiaries run their business.			
			village	hobli	Urban centers	Vocation not started
1	Bagalkot	75	60	40		
2	Bangalore	100	66	34		
3	Bangalore-urban	60	55	45		
4	Bellari	72	66.6	10	20	3.3
5	Belagavi	66.66				
6	Bidaer	25		25		
7	Vijayapura	31	12		88	1
8	Chamarajanaer	45	75	25		
9	Chickballapur	50	50	30	20	
10	Chickmagalur	25	75	25		
11	Chitradurga	50	75	25		
12	Kodagu	65	85	15		5
13	Dakshina Kannada	66	35	50		
14	Davanger	50	100			
15	Dharwad	67			12	
16	Gadag	75	85	15		
17	Kalaburgi	44			25	
18	Hassan	85	60	40		

19	Haveri	50	65		12	
20	Kolar	75	20	15	65	
21	Koppal	63		45	20	35
22	Mandya	66	60	40		
23	Mysore	100	67	15	32	8
24	Ramanager	100				
25	Raichur	95	65	20		15
26	Shivamga	70	75	25		
27	Tumkur	50	50	25		25
28	Yadgir	66.66	65	25		10
29	Udupi	75	50	50		
30	Uthara Kannada	66.6	65	35		

Table-11(a): Details on Beneficiaries having Housing and basic transportation facilities.

Sl no	Districts	housing condition of sample beneficiaries in %ages				beneficiaries having vehicles in %ages			beneficiaries having livestock in %ages	
		caste d roof	Tiled roof	Thatc hed one	rente d hous e	2 wheel er	3 wheel er	4- wheel er	big rumin ants	small ruminants
1	Bnagalore_ R	30	70			33.2			60	20
2	Bangalore- U	16	84			40			20	11.6
3	Bagalkot	3.2	95.8		1.6	33			45	20
4	Belagavi	10	90			37		8	15	10
5	Bellary	43	55	2		37			25	
6	Bider	1.6	97.6	1.6		40			23	10
7	Vijayapura	6.6	88.4	5		8.5			13.6	15
8	Chamarajna ger	16.6	83.4			46.6			40	21.6
9	Chickballa pur	6.6	93.4			11.6		5	50	30
10	Chickmaga lur	1.6	98.4	-		26		1.6	60	5
11	Chitradurg a	3.2	96.8			40		5	51.6	10
12	Kodagu	8.7	91.3			51.6	1.6	6.4	35	5
13	Dharwad	9	91			56		1.6	66	
14	Davangere	8.4	91.6			20		6.6	51.6	10

15	D.kannada	1.6	88.4			48.4		1.6	56.8	8.4
16	Gadag	6	92		2	6				
17	Kalaburgi	1.5	94		4.5	52			52	16
18	Hassan	6	94			26			78	20
19	Haveri	2	98			46		10	33	10
20	Koppal	6.6	92		1.4	43.2			1.6	1.6
21	Kolar	18.4	81.6			35			18.4	1.6
22	Mandya	21.6	78.4			38.4			45	8.4
23	Mysore	12	88		14				88	8
24	Ramanager	5	95			32.3	1.6	5	20	13.8
25	Raichur		98		2	20		16	14	1.2
26	Shimoga	17.5	82.5			31.5	9		27.5	5
27	Tumkur	16.6	73.33			16.6			32	
28	U.Kannada		100			37		6		
29	Udupi		97	3		32			53	3
30	Yadgir	1.25	97.5	1.25		16.6		1.25	33	33

Table 12(a)- Showing the beneficiaries who made repayment before loan waiver in % age

Sl no	District	repayment status of beneficiaries out different years of assistance in %ages					
		2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
1	Bangalore-Rural	100	85	100	75		
2	Bangalore-urban		90	80	80		
3	Bagalkot		100		100	100	
4	Belagavi	100	100		partly paid		-
5	Bellary						
6	Bider	0	0		0	0	
7	Vijayapura		0	0	0	0	0
8	Dharwad	0	0	0	0		
9	Chamarajanager		100	100	80		
10	Chickballapur						
	chickmagalur		90	87			
11	Chitradurga						
12	Kodagu	66.66	50		25		
13	Dharwad	16.66	1.66	25	25	17	
14	Davangere						
15	D.kannada		85	90			
16	Gadag		67				
17	Kalaburgi				0	0	
18	Hassan			100	100		
19	Haveri	50	36	-	-		
20	Koppal				0	0	
21	Kolar	0	0			0	

22	Mandya	100	100				
23	Mysore						
24	Ramanager			90	94		
25	Raichur	0	0	0		0	
26	Shimoga	25		5	53.2		16.7
27	Tumkur						
28	U.Kannada		85		12		
29	Udupi		56				
30	Yadgir	0	0		0		

Table 13(a); Status (age)of SHGs at the time of extension of assistances and post assistance meeting schedules.

Sl no	District	Age of SHGs prior to assistances in %ages			meeting schedules of SHGs in %ages			
		1to2yrs	2-3 yrs	3 yrs &above	weekly	monthl y	fortni ghtly	whenever required
1	Bangalore-Rural			100		75		25
2	Bangalore-urban			100			75	25-Closed
3	Bagalkot							
4	Belagavi	15% are less than 6 months	20	65		90		
5	Bellary							
6	Bider			100		66.6		33.4
7	Vijayapura		100			10	90	
8	Dharwad							
9	Chamarajnager		20	80				
10	Chickballapur							
	chckmagalur			100	15	75		10
11	Chitradurga			100			75	25
12	Kodagu							
13	Dharwad		10	90		80		10
14	Davangere			100		60		40
15	D.kannada			100				
16	Gadag			100	25	63		12
17	Kalaburgi			100				80(20% no

								meeting held for 1 year)
18	Hassan	28		72	100			
19	Haveri			100		75	15	10
20	Koppal			100				88 & 12% not held recently
21	Kolar	100						
22	Mandya	100						
23	Mysore							
24	Ramanager	75		25				
25	Raichur	25	30	45				
26	Shimoga		20	80		100		
27	Tumkur							
28	U.Kannada			100		69	21	10
29	Udupi			100		25	30	45
30	Yadgir		54	46				

Table -14(a): Beneficiaries Feedback on the quantum of assistance extended in- % ages.

Sl no	Name of district	Micro-credit loan amount - sufficient	Micro-credit loan amount in sufficient	used own additional own fund	Interest rate paid on local borrowings -2% /month	Interest rate paid on local borrowings 4%/month	Additional/ again loan required
1	Baglkot	10	60	30	20	40	755
2	Bangalore®		100	25	50		
3	Bangalore-U		100	30		30	92
4	Bellari	75	13.3	2		13.3	92
5	Belagavi	15	50	35	36	25	75
6	Bidaer		100	50	25	25	90
	Vijayapura	22	45	33	45		75
7	Chamaraja nagaer		90	30		16	82
8	Chickballapur	23.4	75	50	25		75
9	Chickmagalur	18	50	32	30	20	80
10	Chitradurga	18.4	66.6	50	50		75
12	Kodagu	10	50	40		50	90
12	Dakshina Kannada	10	60	30	30	30	75
13	Davanger	15	85	20	10	10	66.66
14	Dharwad	20	60	40		20	75
15	Gadag	20	30	50	50		80
16	Kalaburgi	75	20		13	7	100
17	Hassan	15	85	45	25		75
18	Haveri	40	60	30		36	100

19	Kolar	90					66.6
20	Koppal	100		25	25		75
22	Mandya	80	20		20		50
23	Mysore	-33	67	66.6	8	32	68
24	Ramanager		100	44	30		75
25	Raichur	40	60	25	50	10	75
26	Shivamga	72	29		32	32	50
27	Tumkur	-	16	78	11.5	13	22
28	yadgir	60	10	30		10	90
29	Udupi	50	45	5	40		50

Table –15(a) The feedback on improvement of Standard of living of Beneficiaries after the Assistances

Sl no	District	Feedback of beneficiaries – respondents in %ages			Reason for non improvement- %ages of respondents		
		standard of living improvd	Partially improve d	Not improve d	lesser capital	lack of experience	inadequate support
1	Bangalore-Rl	80	20				
2	Bangalore-urba	41	36				
3	Bagalkot	66	30	4	60	18	
4	Belagavi	90	10				
5	Bellary						
6	Bider	75	25				
7	Vijayapura	36	17	48	90		
8	Chamarajnager	66	20	14			
9	Chickballapur						
10	Chickmagalur	73.4	18	8.4	60		
11	Chitradurga	100					
12	Kodagu						
13	Dharwad	75	15	10	60		
14	Davangere	80	15	5			
15	D.kannada	78.4	10	11.6			
16	Gadag	100					
17	Kalaburgi	45	55				
18	Hassan	100					
19	Haveri	60	30	10	75		

20	Koppal	18					
21	Kolar	80	20				
22	Mandya	100					
23	Mysore						
24	Ramanager	100					
25	Raichur						
26	Shimoga	60	25				
27	Tumkur						
28	U.Kannada	25	75				
29	Udupi	66	12	12			
30	Yadgir	36		64			

Table-16; Details on repayment status of loans by beneficiaries before loan waivers

Sl no	District	paying installments	partially paying	not paying
1	Bangalore-Rural	100		
2	Bangalore-urba	75		
3	Bagalkot	100		
4	Belagavi	90	10	
5	Bellary			
6	Bider	0		
7	Vijayapura	0	0	100
8	Dharwad			
9	Chamarajnager			
10	Chickballapur			
11	Chickmagalur	25		75
11	Chitradurga			
12	Kodagu			
13	Dharwad	25		
14	Davangere	85		
15	D.kannada	45	15	40
16	Gadag	50	45	
17	Kalaburgi			100
18	Hassan			
19	Haveri	36	15	50
20	Koppal			100
21	Kolar	75	25	
22	Mandya	100		
23	Mysore			
24	Ramanager			

25	Raichur			
26	Shimoga	75		25
27	Tumkur			
28	U.Kannada	75	15	
29	Udupi	66		
30	Yadgir	0		

Table-17(a); Details on beneficiaries expression on further support – in % age .

Sl no	District	increased assistances	Training	market place	other
1	Bangalore-Rural	100	25		
2	Bangalore-urba	90	18		
3	Bagalkot	100			
4	Belagavi	66	25	18	
5	Bellary	75	33		
6	Bider	100	75		
7	Vijayapura	75		18	
9	Chamarajnager	66			
10	Chickballapur	75	15		
	Chickmagalur	60	53	13	publicity 50
11	Chitradurga	90	25		
12	Kodagu	80	15		
13	Dharwad	66	12		
14	Davangere	100			
15	D.kannada	50	33	25	
16	Gadag	75	35		
17	Kalaburgi	90	0	0	publicity
18	Hassan	100			
19	Haveri	60		15	
20	Koppal	100			
21	Kolar	90		18	
22	Mandya	86			
23	Mysore	90	25	25	
24	Ramanager	100			
25	Raichur	35			

26	Shimoga	50	33	33	
27	Tumkur	35		12	
28	U.Kannada	72	20		
29	Udupi	92	32	16	
30	Yadgir	100			

Table -18(a): Details on the starting and continuation of Vocations in % age of beneficiaries..

Sl no	Name of district	Continuing existing trade	Starting business after 1 week of loan	Starting trade in a month	Not Started	Beneficiaries continuing trade	Business ha improved
1	Baglkot	36		64		56.6	30
2	Bangalore-rural	66		36		100	75
3	Bangalore-urban	4.6		12		40	40
4	Bellari	80.23	1.5	13	5.22	92	84
5	Belagavi	50		45	5	66	45
6	Bidaer	10	15		75		25
7	Vijayapura		25	30	45	50	50
9	Chamaraja nagaer	10	40	50		46.6	42
9	Chickballapur	75		25		60	40
10	chickmagalur	36	50	50	14	60	50
11	Chitradurga	15	15	40	10	15	
12	Kodagu	35		50	15	60	50
13	Dakshina Kannada	66.6	10	20	3.4	72	50
14	Davanger	18	7	75		82.6	60
15	Dharwad	20	15	45	20	60	30
16	Gadag	36	15	45	4	66	50
17	Kalaburgi	66	25	12		15	15
18	Hassan	75		22	3	66	66
19	HAveri	60		30	10	60	60
20	Kolar	10		89.4	1.6	65	46.6
21	Koppal	45		30	15	60	
22	Mandya	51.6			8.6		
23	Mysore	66.66	27.7	5.66	5.6	100	86

24	Ramanager	75				94	
25	Raichur	45		30	25	50	50
26	Shivamga	50		35	15	66	50
27	Tumkur	10	80	10	5	10	90
28	yadgir	25		50	25	20	10
29	Udupi	76.6	15	75	6.6	82	66.6
30	Uthara Kannada	66.66		15	18	60	50

Table 19(a)-: Feedback on the living standard after the assistances- % age of beneficiaries.

Sl no	Name of district	Improve ment in standard of living	School going	No of beneficiaries had marriages in their house	Beneficiaries Invested on housing	Beneficiaries preached house hold goods
1	Baglkot	60	15	-	20	25
2	Bangalore®	80	60	3.4	21	32
3	Bangalore-Rban	75	15	1.6	25	25
4	Bellari	85	12	2	5	65
5	Belagavi	75	12		15	30
6	Bidaer	50	6	1.6	8.4	20
7	Vijayapura	25		2	12	15
8	Chamaraja nagaer	60			15	25
9	Chickballapur	66	3		5	25
10	chickmagalur	75	12	-	15	36
11	Chitradurga	75			3	18
12	Kodagu	75		3.2	5	20
13	Dakshina Kannada	75		3	12	24
14	Davanger	80				
15	Dharwad	66	36	5	36	50
16	Gadag	60	5	-	15	30
17	Kalaburgi	60	5	1.6	15	25
18	Hassan	85		5	15	
19	Haveri	60		9	15	30
20	Kolar	75	5	3.2	20	30
21	Koppal	74	6		20	12
22	Mandya	90		5	9	21
23	Mysore	65		20	no	No
24	Ramanager	100		-	27	45

25	Raichur	75	3.2		15	25
26	Shivamga	75	12	7	10	20
27	Tumkur	75		12	27	
28	yadgir	66	15	3	36	33
29	Udupi	75	20	5	21	45
30	Uthara Kannada	50	10	3.2	3.2	25

Table19(a) -: Schedule of meeting held in the assisted SHGs-% ages

Sl no	Name of district	Holding meeting /weekly	monthl y	whenever required	Participat ion of members -all	Participatio n of members – partly	Recording of minutes	Demand of members recorded
1	Bagalkot		75	25		100	100	80
2	Bangalore rural		75	25	50	25	66	
3	Bangalore-urban		75	25% closed	60	40	60	
4	Bellari	-	85		85	15	82	82
5	Belagavi		75	25	75	25	50	
6	Bidaer			100		100	-	-
7	Vijayapura		22	78	2	67	33	
8	Chamaraja nagaer	55	45		100		100	
9	Chickballapur		72	28	50	50	50	
10	Chickmagalur		75	18.4	50	36	50	
11	Chitradurga							
12	Kodagu	80		20	75	25	50	
13	Dakshina Kannada	50	40	10	50	50	66	
14	Davanger		60	34				
15	Dharwad		80	10	60	30	50	
16	Gadag		80	15	50	45	50	
17	Kalaburgi			73 (in 27% meeting is not held for one year)	10	63	10	

18	Hassan	100				100		
19	Haveri		60	30	10			
20	Kolar		100		100		100	
21	Koppal	90						
22	Mandya		100		75	25	100	
23	Mysore	87	13		100		100	100
24	Ramanager		55	25	50	35	100	
25	Raichur							
26	Shivamga		20	75	66	25	71	30
27	Tumkur	100			66	35	82	
28	yadgir		100					
29	Udupi		28.6	70	75	23	50	
30	Uthara Kannada		60	15	45	20	45	

Table -19(a): Details on level of beneficiary participation in the SHGs after assistances. In %ages.

Sl no	Name of district	average Weekly saving –	Weekly saving upto 200	monthly saving	SHG has pass book
1	Bagalkot				
2	Bangalore®			100	
3	Bangalore-Rban			100	
4	Bellari			100	100
5	Belagavi			50	50
6	Bidaer			100	
7	Vijayapura			100	100
8	Chamaraja nagaer			80	
9	Chickballapur			100	
10	chickmagalur			40	60
11	Chitradurga				
12	Kodagu				
13	Dakshina Kannada			75	60
14	Davanger				
15	Dharwad			50	75
16	Gadag			75	
17	Kalaburgi	10			
18	Hassan		100		
19	HAveri			100	
20	Kolar			100	
21	Koppal			100	
22	Mandya			100	
23	Mysore				
24	Ramanager	100			
25	Raichur				

26	Shivamga			100	
27	Tumkur				
28	yadgir				
29	Udupi			100	
30	Uthara Kannada			50	50

12.Proceedings of the FGDs held at district level.

1. FGD in Bellary: In the FGD held in Bellary beneficiaries had expressed the need of changing the selection from MLA centered to Gramasabha oriented. They suggested that selection could be done with involvement of officers and MLA through gramasabha. The indicated need of increasing the quantum of assistance and refinancing be made for those repay the earlier loans. They also felt that the SHG be graded before assisting and time gap be reduced. Few voiced on the need of taking components for the public to understand scope for taking new activities.
2. FGD in Udupi :Then beneficiaries in Udupi suggested to select the SHGs based on evaluation by officers about performance or grading for extension assistance. They suggested to give more advertisement about the scheme, transparency in selection process by doing in gramasabha and increasing the assistances. The beneficiaries felt it is good scheme for the weaker sections. Few suggested to include training component to the scheme.
3. FGD at Dharwar: Respondents of Dharwar district expressed on the need of increasing the quantum of assistance and reduce the influence of middle men. The beneficiaries stressed the need of evaluating the SHGs and direct selection of the SHGs for assistances. They expressed the need of larger advertisement and propagating about the scheme and also develop transparency systems. Few expressed that the selection to be done by offices through gramasabha and to avoid the MLAs interventions. It is also suggested to conduct the training camps about the scheme and activities.
4. FGD in Uthara Kannada district: The FGD with selected beneficiaries of Karwar district suggested that officers of Corporation should directly communicate with SHGs and selection of SHGs for assistance be done after grading of SHGs. Enough publicity about the scheme be given and selection be done more transparently. A training /awareness workshop be organized before selection process for the scheme. The selection should be done in gramasabha to avoid the second assistance to same beneficiaries. The quantum of assistance be increased.
5. FGD of Chickmagalur district; The beneficiary respondents have expressed the need of increasing the quantum of credit and the corporation should directly correspond with

beneficiaries and their SHGs. They indicated that the political intervention should be reduced. Few of them suggested grading of the SHGs before selection of SHGs for assistances.

6. The FGD in Belthangadi Taluka of Dakshina Kannda district;

The respondents demanded for additional funding under the schemes once they repay prior assistances and they suggested that Corporation should grade the SHGs before assisting with specific evaluation models. They are against interference of the Politicians in selection and sanction. It also suggested that the corporation office should visit the SHGs in their meeting and develop interactions. The selection has to be done through gramasabha with transparent way. It is also suggested in one of the FGDs that corporation may need to have Taluka level officer to guide and monitor the scheme implementations.

7. FGD held in Belagavi beneficiaries expressed the need of increasing the assistance under the scheme. He beneficiaries expressed that the officers of the corporation should village level meeting explain the scheme and select the SHGs based on merit. Holding the gramasabha and selection may check the extension repeated assistances to same members in different SHGs. A few suggested that the political intervention should be avoided in selection of the beneficiaries. The beneficiaries indicated they marking support through specific space may be provided along with certain licenses for town panchayat /municipalities.

8. FGD held in Gadag the beneficiaries said that corporation should give wider publicity about the scheme and the interference of middlemen and politicians need to be reduced. The beneficiaries also informed that the corporation should hold camps at Hobli level to canvas on the scheme and mobilize the applications. The indicated that the reduction in middlemen and direct selection would speed up the sanction and reduce the cost to the beneficiaries.

9. FGD of Shivamoga district it is narrated by the beneficiaries that the scheme is good and more beneficial if the loan amount is increased to the extent to meet capital requirements. They are also vocal to reduce the political influence in getting the assistance. The beneficiaries felt the assistance should be flown by direct selection from the corporation through camps or gramasabha. The other suggestion was the activities indicated by the beneficiaries need to checked about their capacity to take to avoid mis-utilizations. The

beneficiaries also informed that the Corporation should make visit to beneficiaries to check the status of business and monitor in their progress.

10. FGD held in Koppal district insist on the need of guidance through visit to SHGs for maintaining the unity in the Group and highlight the need of utilization and repayment to SHGs. Lack of proper guidance on the scheme and scheme details made the community to utilize the assistance as free loan. The beneficiaries feel the need of organizing camps in the villages and tell about the assistance details. The community is totally not aware of the scheme details.
11. The FGD of Yadgir suggested that the corporation should organize the training camps on the scheme benefits and scope on the available opportunities. They also felt that the disturbances from the middle men should be avoided and sanction and release be more transparent. The Community felt the corporation should give more publicity about the scheme.
12. In the FGD held at Bagalkot, the beneficiaries felt the need of training dairying and other activities to which the area offers scope. They suggested that the political interference be avoided and selection be done based on grading of SHGs in gramasabha. They also indicated the assistance offered is small and be increased. The respondents are not much for loan waiver but not against for the one done.
13. In Chamarajanagar the beneficiaries suggested to include the component of renewal of assistance for those who paid cleared and earlier liabilities. It is come that the corporation should explain the scope for various activities at different localities so that the beneficiaries can diversify into other activities. They suggested increasing the coverage of assistance to more number SHGs.
14. Hassan FGD comes out with suggestion to increase the coverage and amount of assistance under the scheme. They also opinioned on the need of building awareness on the scheme to help more number of people.
15. The FGD of Ramanagar like that of Hassan revealed the need of increasing awareness on this scheme as well as other government scheme along with need of increased assistances.
16. The respondents of Bangalore rural suggested that the corporation should publish the scheme details well in advance to make more transparent and interference in sanction be avoided. It also suggested to cover all the members in an SHG and extend marketing training to enable them to get better market and income.

**14. Field
Photos**



Women beneficiaries of Ramnager district in FGD



Women beneficiaries of Chamarajanger district FGD



Primary Survey in Tumkur district





Primary survey in Kolar District



Women members of SHG beneficiaries running dress making unite in Ramnager district



Women beneficiaries of Mandya District in FGD



Women beneficiaries of Mandya district in FGD with District manager and survey staff

15. Schedule for primary survey

ಕರ್ನಾಟಕ ಸರ್ಕಾರ

ಕಿರು ಸಾಲ ಬಿಡುಗಡೆಯ ಉಸ್ತುವಾರಿ ಮತ್ತು ಮೌಲ್ಯ ಮಾಪನದ

ಸಮೀಕ್ಷೆಯ ಪ್ರಶ್ನಾವಳಿ:

ಸಮೀಕ್ಷೆಯ ಉದ್ದೇಶ: ಕರ್ನಾಟಕ ಸರ್ಕಾರದ ದೇವರಾಜ್ ಆರನ್ ಅಭಿವೃದ್ಧಿ ಸಂಸ್ಥೆಯಿಂದ ಕಿರು ಸಾಲ ಯೋಜನೆಯಡಿಯಲ್ಲಿ ಸ್ವಸಹಾಯ ಸಂಘದ ಸದಸ್ಯರುಗಳಿಗೆ ಸಾಲ ಸೌಲಭ್ಯವನ್ನು ಒದಗಿಸುತ್ತಿದ್ದು ಈ ಸಾಲ ಯೋಜನೆಯ ಬಿಡುಗಡೆಯ ಉಸ್ತುವಾರಿ ಮತ್ತು ಸಾಲದಿಂದ ಆದಂಶದ ಅಭಿವೃದ್ಧಿ ಇತ್ಯಾದಿಗಳ ಮೌಲ್ಯ ಮಾಪನದ ಸಲುವಾಗಿ ಕೆಲವು ಆಯ್ದ ಪರಾನಿಭವಿಗಳಿಂದ ಮೂಲ ಮಾಹಿತಿಯನ್ನು ಸಂಗ್ರಹಿಸುವ ಸಂಬಂಧ ಈ ಸಮೀಕ್ಷೆಯನ್ನು ಕೈಗೊಳ್ಳಲಾಗುತ್ತಿದೆ. ಅದುದರಿಂದ ತಾವು ದಯಮಾಡಿ ಮುಕ್ತ ಮಾಹಿತಿಯನ್ನು ನೀಡಬೇಕಾಗಿ ಕೇಳಿಕೊಳ್ಳುತ್ತೇವೆ.

1. ಸಾಮಾನ್ಯ ಮಾಹಿತಿ

ಪರಾನಿಭವಿಯ ಹೆಸರು: _____ ಸಮೀಕ್ಷೆಯ ದಿನಾಂಕ: _____

ಗ್ರಾಮದ ಹೆಸರು : _____ ತಾಲೂಕು: _____ ಜಿಲ್ಲೆ: _____.

ವಯಸ್ಸು : _____ ಶಿಕ್ಷಣ: _____

ಪೂರ್ಣ ವಿಳಾಸ: ಮನೆ ನಂ. _____

ದೂರವಾಣಿ / ಮೊಬೈಲ್ ನಂ. : _____ ಇ ಮೇಲ್: _____

2. ಕುಟುಂಬದ ಮೂಲ ಮಾಹಿತಿ :-

1	ಧರ್ಮ	1. ಹಿಂದೂ	2. ಮುಸ್ಲಿಂ	3. ಕ್ರಿಶ್ಚಿಯನ್	4. ಇತರೆ
2	ವೌಕ	1.ಎಸ್.ಸಿ	2.ಎಸ್.ಟಿ	3.ಓ.ಬಿ.ಸಿ	4.ಇತರೆ
3	ಕುಟುಂಬ ಪರಿಚರ ಚೀಟಿ	1. ಬಿಪಿಎಲ್	2. ಎಪಿಎಲ್	3. ಯಾವುದು ಇಲ್ಲ	
4	ಕುಟುಂಬದ ವಿಧ	1. ಅಡಿಭಕ್ತ	2. ವಿಭಕ್ತ		
5					
6					

7					
8					
9					
10					
11					

ನೀವು ಯಾವುದಾದರೂ ಸಂಘ / ಸಂಸ್ಥೆಗಳ / ಗ್ರಾ .ಪಂ ಸದಸ್ಯರಾಗಿರುವಿರ ?

ಹೌದು / ಇಲ್ಲ

ಹೌದಾದಲ್ಲಿ ವಿವರ:

3. ಮೂಲ ಮಾಹಿತಿ (ಯೋಜನೆಗೆ ಸಂಬಂಧಿಸಿದಂತೆ) :-

1. ನಿಮ್ಮ ಕಿರು ಸಾಲ ಯೋಜನೆಯ ಗುಂಪು ಪ್ರಾರಂಭವಾದ ದಿನಾಂಕ:
2. ಸಂಘಕ್ಕೆ ಸಾಲ ಬಿಡುಗಡೆಯಾದ ದಿನಾಂಕ:
3. ಸಂಘದಿಂದ ನಿಮಗೆ ಸಾಲ ಬಿಡುಗಡೆಯಾದ ದಿನಾಂಕ:
4. ಸಾಲ ಪಡೆದ ಉದ್ದೇಶ:
5. ನೀವು ಸಾಲಕ್ಕಾಗಿ ಯಾವುದಾದರೂ ಮುಖಂಡರಿಂದ ಶಿಫಾರಸ್ಸು ಮಾಡಿಸಿದ್ದೀರಾ? ಹಾಗಾದರೆ ಯಾರಿಂದ?
6. ಈ ಕೆಳಗಿನ ವಿಷಯಗಳ ಬಗ್ಗೆ ತರಬೇತಿಯಲ್ಲಿ ತಿಳಿಸಲಾಗಿದೆಯೇ?
 1. ಮಾರುಕಟ್ಟೆಯ ಆವಕಾಶ
 2. ಸಾಲ ಸೌಲಭ್ಯದ ಸ್ಥಿತಿ
 3. ಸಾಲ ಮರು ಪಾವತಿಯ ವಿವರ
 4. ಸಹಾಯಧನ ಮತ್ತು ಇತರೆ ವಿಷಯಗಳು.
7. ಈ ಚಟುವಟಿಕೆ ಕೈಗೊಳ್ಳಲು ಇಲಾಖೆ ಪಡೆಯಿಂದ ನಿಮಗೆ ಯಾರಾದರೂ ಬೆಂಬಲ ನೀಡಿರುವರೆ? ನೀಡಿದರೆ ಯಾವ ರೀತಿ?
8. ಸಾಲ ಪಡೆಯಲು ನಿಮಗೆ ಹಣ ಕಾನು ಖರ್ಚಾಗಿದೆಯೇ?
9. ನಿಮಗೆ ಮಂಜೂರಾದ ಸಾಲದ ಮೊತ್ತದಲ್ಲಿ ಹಣ ಕಡಿತಗೊಳಿಸಿ ನೀಡಿದ್ದಾರೆಯೇ?
10. ಹೌದಾದಲ್ಲಿ ಎಷ್ಟು ರೂ. _____ ಮತ್ತು ಕಾರಣ

4. ಸಾಮಾಜಿಕ:

1. ಕುಟುಂಬದಲ್ಲಿರುವವರ ಸಂಖ್ಯೆ: _____ ಗಂ _____ ದೆ _____ ಮಕ್ಕಳು _____

2. ಶಾಲೆಗೆ ಹೋಗುತ್ತಿರುವ ಮಕ್ಕಳ ಸಂಖ್ಯೆ:

3. ಹೆಸರು: _____ ನೇ ತರಗತಿ: _____

4. ಪಠ ಸಂಪಾತ್ತು: _____ ಹಸು/ಎಮ್ಮೆ _____ ಕುರಿ/ಆಡು _____

5. ತರಬೇತಿ:

1. ನೀವು ಉದ್ಯೇಶಿಸಿರುವ ತರಬೇತಿ.

2. ನಿಮಗೆ ದೊರೆತ ತರಬೇತಿ ಏನು? ಮತ್ತು ಎಲ್ಲಿಂದ?

3. ಈ ಚಟುವಟಿಕೆಯಲ್ಲಿ ನಿಮಗೆ ಈ ಮೊದಲು ಅನುಭವವಿತ್ತೇ ?

4. ಈ ಚಟುವಟಿಕೆಯನ್ನು ಎಲ್ಲಿ ಪ್ರಾರಂಭಿಸಿರುವಿರಿ?

5. ಈ ಸ್ಥಳವನ್ನು ಏಕೆ ಆಯ್ಕೆ ಮಾಡಿಕೊಂಡಿರುವಿರಿ.

6. ಹಣಕಾಸು/ಆರ್ಥಿಕ

1. ನೀವು ಯೋಜಿಸಿರುವ ಅಂದಾಜು ಎಷ್ಟು ರೂ. _____ ಮತ್ತು ಎಷ್ಟು ಸಾಲಕ್ಕೆ ಅರ್ಜಿ ಸಲ್ಲಿಸಿದ್ದೀರಿ

2. ನಿಮಗೆ ದೊರೆತ ಸಾಲ ಎಷ್ಟು:

3. ಕೊರತೆ ಬಿದ್ದ ಹಣವನ್ನು ಹೇಗೆ ಹೊಂದಿಸಿದಿರಿ.

4. ಆ ಹಣಕ್ಕೆ ಬಡ್ಡಿ ದರ ಎಷ್ಟು

5. ಸಾಲ ಮರುಪಾವತಿಯು ಹಣಕಾಸಿನ _____ ವರ್ಷ

6. ಎಷ್ಟು ದಿನಗಳಲ್ಲಿ ನಿಮಗೆ ಸಾಲ ದೊರೆಯಿತು.(ದಿನಾಂಕ)_____

7. ಸಾಲ ಸಿಗಲು ವಿಳಂಬವಾಗಿದೆಯೇ ? ಅದಕ್ಕೆ ಕಾರಣ ?

8. ನೀವು ಸಾಲ ಮರುಪಾವತಿ ಮಾಡುತ್ತೀರಾ? ಹೌದು/ ಇಲ್ಲ

ಇಲ್ಲವಾದಲ್ಲಿ ಯಾಕೆ ಮಾಡಿಲ್ಲ?

10. ಮರುಪಾವತಿಯ ಮೊತ್ತ ಪಾಸ್ ಪುಸ್ತಕದಲ್ಲಿ ನಮೂದಿಸಲಾಗುತ್ತದೆಯೇ: ಹೌದು / ಇಲ್ಲ

11. ಸಾಲ ಮರು ಪಾವತಿಯ ಪ್ರತಿ ತಿಂಗಳ ಕಂತು : ಸದ್ದದ ಬಾಕಿ.

12. ನಿಮಗೆ ಪುತ್ರವು ಸಾಲದ ಅವಶ್ಯಕತೆ ಇದೆಯೇ? ಇದೆಯಾದರೆ ಎಷ್ಟು ಬೇಕು?

13. ಎಲ್ಲಿಂದ ಪಡೆಯಲು ಯೋಚಿಸಿರುವಿರಿ.

7. ವ್ಯವಹಾರ:

1. ಸಾಲ ದೊರಕ ಎಷ್ಟು ದಿನದ ನಂತರ ನೀವು ವ್ಯವಹಾರ ಪ್ರಾರಂಭ ಮಾಡಿದಿರಿ

2. ವ್ಯವಹಾರ ಹಾಗೇ ಮುಂದುವರಿಯುತ್ತಿರುವಿರಾ? ಹೌದು/ ಇಲ್ಲ

3. ವ್ಯವಹಾರದ ಅಭಿವೃದ್ಧಿಗೆ ಪುತ್ರವು ಬಂಡವಾಳ ತೊಡಗಿಸಿರುವಿರಾ? ಹೌದು/ ಇಲ್ಲ

4. ನಿಮ್ಮ ವ್ಯವಹಾರ ಕಡಿಮೆಯಾಗುತ್ತಿದೆಯೇ? ಹೌದು/ ಇಲ್ಲ

5. ಸಾಲ ಮನ್ನಾ ಆಗಿರುವ ವಿಷಯ ನಿಮಗೆ ತಿಳಿದಿದೆಯೇ? ಹೌದು/ ಇಲ್ಲ

6. ನಿಮ್ಮ ಸಾಲ ಮನ್ನಾ ಆಗಿದೆಯೇ? ಹೌದು/ ಇಲ್ಲ

7. ಇಲ್ಲವಾದಲ್ಲಿ ಏಕೆ? ಹೌದು/ ಇಲ್ಲ

8. ಸಾಲ ಮನ್ನಾ ಮಾಡಿರುವ ಬಗ್ಗೆ ನಿಮ್ಮ ಅಭಿಪ್ರಾಯವೇನು.

8. ಜೀವನ ಮಟ್ಟ:

1. ಸಾಲ ದೊರೆತ ನಂತರ ನಿಮ್ಮ ಜೀವನ ಮಟ್ಟ ಸುಧಾರಿಸಿದೆಯೇ? ಹೌದು/ ಇಲ್ಲ
2. ಹೌದಾದಲ್ಲಿ ಹೇಗೆ ವಿವರಿಸಿ
3. ಇಲ್ಲವಾದಲ್ಲಿ ಏಕೆ ವಿವರಿಸಿ
4. ಸಾಲ ದೊರೆತ ನಂತರ ನಿಮ್ಮ ಮಕ್ಕಳು ಶಾಲೆಗೆ ಹೋಗುತ್ತಿದ್ದಾರೆಯೇ?
5. ಸಾಲ ದೊರೆತ ನಂತರ ನಿಮ್ಮ ಮನೆಯಲ್ಲಿ ಮದುವೆ ಮಾಡಿರುವಿರಾ?
6. ಸಾಲ ದೊರೆತ ನಂತರ ಮನೆ ಕಟ್ಟಲು ಹಣ ತುಂಬಿಸಿರುವಿರಾ
7. ಸಾಲ ದೊರೆತ ನಂತರ ಗೃಹೋಪಯೋಗಿ ವಸ್ತುಗಳನ್ನು ಖರೀದಿ ಮಾಡಿರುವಿರಾ? ಹೌದಾದಲ್ಲಿ ಯಾವ ವಸ್ತುಗಳು.

9. ಸಾಂಸ್ಕೃತಿಕ ಸ್ವಸಹಾಯ ಸಂಘ/ಗ್ರಾಪಂಚಾಯತಿ

1. ನಿಮ್ಮ ಸಂಘ ಎಷ್ಟು ದಿನಗಳಿಗೊಮ್ಮೆ ಸಭೆ ನೇರುತ್ತದೆ.
1. ಪ್ರತಿ ತಿಂಗಳು 2. ಅವಶ್ಯಕತೆ ಇದ್ದಾಗ 3. ಮೀಟಿಂಗ್ ನಡೆಯುತ್ತಿಲ್ಲ.
ಮೀಟಿಂಗ್ ನಡೆಯುತ್ತಿಲ್ಲವೆಂದಾದಲ್ಲಿ ಕಾರಣ ಕೊಡಿ
2. ಸ್ವಸಹಾಯ ಸಂಘಗಳಲ್ಲಿ ಎಲ್ಲಾ ಸದಸ್ಯರುಗಳು ಭಾಗವಹಿಸುವರಾ ? ಪೂರ್ಣ ಪ್ರಮಾಣ/ ಬಾಗಶಃ
3. ಸ್ವ ಸಹಾಯ ಸಂಘದ ನಡವಳಿಗಳನ್ನು ದಾಖಲಿಸಲಾಗುತ್ತಿದೆಯೇ? ಪೂರ್ಣ ಪ್ರಮಾಣ/ ಬಾಗಶಃ/ ಮಾಡುತ್ತಿಲ್ಲ
4. ನಿಮ್ಮ ಸಂಘದಲ್ಲಿ ಸಾಲದ ಬೇಡಿಕೆಯನ್ನು ತಯಾರಿಸಲಾಗುತ್ತಿದೆಯೇ? ಹೌದು / ಇಲ್ಲ
5. ಸಂಘವು ಸದಸ್ಯರ ಸಾಲದ ಪರಿಶೀಲನೆ ಮಾಡುತ್ತದೆಯೇ? ಹೌದು / ಇಲ್ಲ
6. ಹಣ ಕಟ್ಟಿದವರ ವಿರುದ್ಧ ಸಂಘವು ಕ್ರಮ ಕೈಗೊಳ್ಳುತ್ತದೆಯೇ? ಹೌದಾದಲ್ಲಿ ವಿವರಿಸಿ
7. ನಿಮ್ಮ ಸಂಘದಲ್ಲಿ ಸಾಲ ಮತ್ತು ಮರುಪಾವತಿಯ ದಾಖಲೆಗಳನ್ನು ನಿರ್ವಹಿಸಲಾಗುತ್ತಿದೆಯೇ? ಹೌದು / ಇಲ್ಲ
8. ಸಂಘದ ಚಟುವಟಿಕೆಗಳನ್ನು ನಿರ್ವಹಿಸುವವರು ಯಾರು

9. ಜಿಲ್ಲಾ ಮಟ್ಟದ ಅಧಿಕಾರಿಗಳು ಸಭೆಯಲ್ಲಿ ಬಾಗುವಹಿಂಸುತ್ರರೆಯೇ?

10. ಸಂಘದಲ್ಲಿ ಪ್ರತಿ ತಿಂಗಳು ಪ್ರತಿ ಸದಸ್ಯರು ಉಳಿತಾಯ ಮಾಡುವ ಹಣ. ರೂ.

11. ನಿಮ್ಮ ಸಂಘದಲ್ಲಿ ಯಾವುದಾದರೂ ಸಾಮಾಜಿಕ ಚಟುವಟಿಕೆ ಕೈಗೊಳ್ಳಲಾಗಿದೆಯೇ? ಹೌದು/ಇಲ್ಲ

ಹೌದಾದಲ್ಲಿ ಯಾವ ಚಟುವಟಿಕೆ

ಇದಕ್ಕಾಗಿ ವೆಚ್ಚವಾದ ಹಣ ಎಷ್ಟು ರೂ. _____

12. ನಿಮ್ಮ ಸಂಘಕ್ಕೆ ಪ್ರತ್ಯೇಕ ಬ್ಯಾಂಕ್ ಪಾಸ್ ಪುಸ್ತಕ ಇದೆಯೇ? ಹೌದು/ಇಲ್ಲ

13. ಸಂಘದ ಖಾತೆಗಾಗಿರುವ ಸಾಲದ ಬಾಕಿ ಮೊತ್ತ ರೂ. _____

10. ವಲಾಸಿತವಿಯ ಅಭಿಪ್ರಾಯ/ ಅನಿಸಿಕೆ

1. ಈ ಸಹಾಯದ ನಂತರ ನಿಮ್ಮ ಈವರೆಗೆ ಮಟ್ಟ ಸುಧಾರಿಸಿದೆಯೇ? ಹೌದು / ಇಲ್ಲ

2. ಈ ಯೋಜನೆಯ ನೆರವು ನಿಮಗೆ ಹೃದಯ ನೀಡಿದೆಯೇ? ಸಂಪೂರ್ಣ / ಸಾಧಾರಣ / ಅತ್ಯಲ್ಪ

3. ನಿಮಗೆ ಬರುವ ಸಾಲ ಹೇಗೆ ಬಳಸಿಕೊಳ್ಳಬೇಕೆಂಬ ಬಗ್ಗೆ ನಿಮಗೆ ತಿಳಿದಿದೆಯೇ? ಹೌದು / ಇಲ್ಲ

4. ನಿಮಗೆ ನೀಡಿದ ತರಬೇತಿಯಿಂದ ಯೋಜನೆಯ ಯಶಸ್ಸಿಗೆ ಅನುಕೂಲವಾಗುತ್ತದೆಯೇ?

ಕೆರು ಸಾಲ ಯೋಜನೆಯ ಸೌಲಭ್ಯಗಳು ಇನ್ನೂ ಸರಿಯಾಗಿ ತಲುಪುವಂತಾಗಲು ಸುಧಾರಿಸಲು ತಮ್ಮ ಸಲಹೆಗಳು

ಪ್ರಾಮುಖ ವಿಷಯ / ಸಮಸ್ಯೆ ಮತ್ತು ಸಲಹೆಗಳು

ಕ್ರ. ಸಂಖ್ಯೆ	ಮುಖ್ಯ ವಿಷಯ ಮತ್ತು ಸಮಸ್ಯೆಗಳು	ಪರಿಹಾರಕ್ಕೆ ನಿಮ್ಮ ಸಲಹೆಗಳೇನು?
01		
02		
03		

04		
05		

2. ಪಲಾನುಭವಿಯ ಸದ್ಯದ ಜೀವನ ಆಧರಿಸಿ ಸಮೀಕ್ಷೆ ಮಾಡುವವರ ಅಭಿಪ್ರಾಯ)

1.

2.

3.

4.

ಸಂದರ್ಶಕರ ಹೆಸರು ಮತ್ತು ಸಹಿ:

ದೂರವಾಣಿ ಸಂಖ್ಯೆ:

ಯುಟಿಆರ್‌ಎಂಐ -2

ಜಿಲ್ಲಾ ಮಟ್ಟದ ಕಛೇರಿಯಲ್ಲಿ ಸಂಗ್ರಹಿಸಬೇಕಾದ ಮಾಹಿತಿಗಳು:

1. ಜಿಲ್ಲಾ ಮಟ್ಟದಲ್ಲಿನ ಸಿಬ್ಬಂದಿಗಳ/ ಅಧಿಕಾರಿಗಳ ವಿವರ ಹಾಗೂ ಪಲಾನುಭವಿಗಳ ಉಸ್ತುವಾರಿ ಮತ್ತು ನಿರ್ವಹಣೆಗೆ ಲಭ್ಯವಿರುವ ಕ್ಷೇತ್ರ ಮಟ್ಟದ ಕಾರ್ಯಕರ್ತರ ವಿವರ.
2. ಪಲಾನುಭವಿಗಳ ಆಯ್ಕೆ ಸಮಿತಿಯು ಕಾರ್ಯ ನಿರ್ವಹಿಸುವ ವಿಧಾನ
3. ಆಯ್ಕೆ ಸಮಿತಿಯ ಸದಸ್ಯರ ವಿವರ

4. ಅರ್ಜಿಗಳನ್ನು ಕರೆದ ಮತ್ತು ಆಯ್ಕೆ ಮಾಡಿದ ದಿನಾಂಕ

5. ಕಳೆದ 5 ವರ್ಷಗಳಲ್ಲಿ ತಿರಸ್ಕರಿಸಲ್ಪಟ್ಟ ಅರ್ಜಿಗಳ ಸಂಖ್ಯೆ ಮತ್ತು ಶೇಕಡಾವಾರು ಅರ್ಜಿಗಳ ವಿವರ ಮತ್ತು ತಿರಸ್ಕರಿಸಲು ಕಾರಣ

6. ಯಾವ ಹಂತದಲ್ಲಿ ಅರ್ಜಿಗಳನ್ನು ತಿರಸ್ಕರಿಸಲಾಯಿತು ಮತ್ತು ಶೇಕಡಾವಾರು

ಕ್ರ.ಸಂಖ್ಯೆ	ಯಾವ ಹಂತದಲ್ಲಿ ತಿರಸ್ಕರಿಸಲಾಯಿತು	ಸಂಖ್ಯೆ ಮತ್ತು ಶೇಕಡಾವಾರು	ತಿರಸ್ಕರಿಸಲು ಕಾರಣ
1	ಅರ್ಜಿ ಸ್ವೀಕರಿಸಿದ ಸಂದರ್ಭದಲ್ಲಿ		
2	ಅರ್ಜಿಗಳ ಪರಿಶೀಲನೆ ಸಂದರ್ಭದಲ್ಲಿ		
3	ಸಾಲ ಮಂಜೂರಾದ ನಂತರ		

7. ಸಾಲ ಮಂಜೂರಾತಿಗೆ ತೆಗೆದುಕೊಂಡ ಸಮಯ

ಕ್ರ.ಸಂಖ್ಯೆ	ಹಂತ	ತೆಗೆದುಕೊಂಡ ಅವಧಿ/ ದಿನಗಳಲ್ಲಿ
1	ಅರ್ಜಿಗಳನ್ನು ಕರೆಯಲು	
2	ಸಾಲ ಮಂಜೂರಾತಿಗೆ	
3	ದಾಖಲಾತಿ ಮತ್ತು ಸಾಲ ಮಂಜೂರಾದ ನಂತರ ಹಣ ಬಿಡುಗಡೆ ಮಾಡಲು	
4	ಬೆಳುವೆಲೆಗೆ ಪ್ರಾರಂಭಿಸಲು	

8. ಸಾಲ ಮಂಜೂರಾದ / ಪಡೆದ ನಂತರ ಚಟುವಟಿಕೆಗಳನ್ನು ಪ್ರಾರಂಭ ಮಾಡದೇ ಇರುವ ಫಲಾನುಭವಿಗಳ ಸಂಖ್ಯೆ ಮತ್ತು ಶೇಕಡಾವಾರು.

ಈ ರೀತಿ ಚಟುವಟಿಕೆ ಪ್ರಾರಂಭ ಮಾಡದಿರಲು ಯಾವುದಾದರೂ ಕಾರಣ ಇದೆಯೇ

1. ಫಲಾನುಭವಿಗೆ ನೀಡಿರುವ ತರಬೇತಿ

2. ಕಚ್ಚಾ ವಸ್ತುಗಳ ಶೇಖರಣೆ ಮತ್ತು ವ್ಯವಹಾರ ಪ್ರಾರಂಭ

3. ಇತರೆ ಸಂಸ್ಥೆಗಳೊಂದಿಗೆ ಸಂಪರ್ಕ ಕಲ್ಪಿಸಲಾಗಿದೆಯೇ

4. ಸಹಾಯ ಮತ್ತು ಅನುಸರಣೆ ಕಾರ್ಯಕ್ರಮಗಳು

5. ಜಿಲ್ಲಾ ಮತ್ತು ತಾಲೂಕು ಮಟ್ಟದಲ್ಲಿ ಫಲಾನುಭವಿಗಳ ಬಗ್ಗೆ ಮಾಹಿತಿ/ ದಾಖಲೆಗಳನ್ನು ನಿರ್ವಹಿಸಿರುವ ಬಗ್ಗೆ

6. ಸಾಲ ಮಂಜೂರಾತಿ ಬಗ್ಗೆ ಜಿಲ್ಲಾ ಮಟ್ಟದಲ್ಲಿ ದಾಖಲಾತಿಗಳನ್ನು ನಿರ್ವಹಿಸಿರುವ ಬಗ್ಗೆ

7. ಫಲಾನುಭವಿಗಳಿಗೆ ಸಾಲ ಮತ್ತು ಮರುಪಾವತಿ ಬಗ್ಗೆ ವಿವರವಾಗಿ ತಿಳಿಸಲಾಗಿದೆಯೇ

8. ಫಲಾನುಭವಿಗಳಿಗೆ ಸಾಲದ ಪಾಸ್ ಪುಸ್ತಕ ನೀಡಲಾಗಿದೆಯೇ? ಈ ಪಾಸ್ ಪುಸ್ತಕದಲ್ಲಿ ಫಲಾನುಭವಿಗಳ ಹಣಕಾಸಿನ ವ್ಯವಹಾರವನ್ನು

ನಮೂದಿಸಿ ಜಿಲ್ಲಾ ಮಟ್ಟದ ಅಧಿಕಾರಿ ಸಹಿ ಮಾಡುವರೆ

Experts for the study

Sl no	Experts name	Position & qualifications
1	Dr K.Vishwanath Bhat	Team Leader. He is Phd in Development statistics and has 34 years experience in various fields. He conducted number of studies and been an expert on conducting Sustainability monitoring exercise.
2	Mr Putraju	Community Development Expert having more than 15 years experience.
3	Mr Mallikarju	Field Survey

16. Terms of Reference

For External Evaluation of Microcredit loan Scheme implemented in the period 2008-09 to 2012-13 by the D. Devaraj Urs Backward Class Development Corporation Limited

1. Study Title

The title of the study is “*Evaluation of the Microcredit Loan Scheme Implemented in the period 2008-09 to 2012-13 by the D.Devaraj Urs Backward Class Development Corporation Limited*”.

2. Background Information

Microcredit loan is given to skilled and unskilled persons belonging to backward classes of rural, urban and semi urban areas to take up small business activities and in accordance with a Government of Karnataka order no. SWD/96/SDC/2006 dated: 14.05.2007. Each individual beneficiary is given Rs.5000 at 5% rate of interest (Rs.2500 subsidy and Rs.2500 loan) through SHGs. These schemes are being implemented since 2007-08. As per Government of Karnataka order no.SWD/48/SDC/2011 dated: 04.05.2011, the loan amount (rate of interest 5% on loan portion) has been enhanced from Rs.5000 to Rs.10000, with Rs 5000 as the subsidy.

As per Government of Karnataka order no. BCD/487 BMS 2013 dated: 31.08.2013, the loan amount has been increased to Rs. 10,000 with Rs.5000 being the subsidy (total assistance is Rs 15000). The rate of interest is 4% for the loan amount.

3. Objectives of the Scheme

- (a) To support small business activity of the skilled/unskilled persons belonging to Backward Classes.
- (b) To provide financial support to persons Below Poverty Line (BPL).
- (c) To prevent the backward classes people from going to money lenders to seek financial help at higher interest rates.
- (d) Confidence building among backward classes to face competitive situations.

4 Objectives of the Study

The study will evaluate the extent individual backward class members are empowered economically through SHGs. Whether the benefit of the scheme has prevented the beneficiaries (within SHGs) from going to money lenders to borrow loan at higher interest rates or not will be

verified. Analysis of SHGs/ individual beneficiaries will be done to arrive at conclusion on the following points.

- a) Current status of individual beneficiaries and impact on economic status of individuals.
- b) Awareness created to face competitive situations and make them self employed.
- c) To identify the constraints in implementation and to suggest measures for the improvement of the existing scheme.
- d) To collate suggested measures for improvement of functioning of the scheme,
- e) Bottle necks experienced by beneficiaries in banking transactions.

5 Implementation Process

There is a Selection Committee headed by Hon'ble legislators of the constituency which makes the selection of beneficiaries. The District Manager of the Corporation is the member-secretary of the Selection Committee. The District Manager in turn submits the proposals to Head Office with a request to release loan and subsidy. The proposals received from District Managers are examined in the Head Office and the financial assistance cheques along with sanction orders regarding the SHGs and the members who are to be given the financial assistance. The District Manager gets the required security documents from the SHGs/beneficiaries, and guides the groups for proper utilization and prompt repayment, by conducting Pre disbursement Council (PDC) then releases the cheques along with the pass books in the name of the SHGs, which is mentioned in the sanction order.

6 Scope of the Scheme

The scope of the scheme is the entire State of Karnataka. A backward class person who is not a government/semi government official, with or without skill, is eligible under the scheme. The financial assistance is given for small scale business activities like sale of flowers, fruits, vegetables, milk etc to the SHGs members. Since 2007-08 to 2013-14, the physical and financial progress is as follows-

7. Evaluation Questions

- 1) Whether the Committees meant for selection of beneficiaries are making proper selection? In how many cases (% wise) the selection was found to be faulty?
- 2) Are the beneficiaries selected only of BPL families or have there been any violations to it?

- 3) Whether all eligible beneficiaries selected for assistance (by the Selection Committee) of backward classes and skilled/unskilled members of SHGs are getting the benefit? If not, why not? What is rate of rejection at different stages after being selected and reasons for that?
- 4) What is the average time taken, from the date of selection by Committee to actually getting the loan? Can this time be cut down or the process modified in the interest of more effective implantation of the scheme? How?
- 5) What are the Pre Disbursement Council (PDC) activities in which beneficiaries are trained? Are they enough and complete with regards to the intent of the scheme? Do beneficiaries derive any benefit from it? Does it serve the purpose of informing the beneficiary about what he/she is expected to do with the financial assistance?
- 6) Whether the beneficiaries are made aware of the repayment schedule of the loan received under this scheme? How is that made? Is it effective communication?
- 7) Whether SHGs have given the correct and full amount of loan sanctioned to their members timely and fully? If not, what are the deviations and why? How many Male & female SHGs assisted? What is the ratio of male and female SHGs and Why this difference?
- 8) Whether the SHGs members have undertaken small business after availing the benefit? If so, have they continued the activity? If not, reasons to be furnished.
- 9) Whether the beneficiaries of scheme have continued business activities (as on the date of evaluation) after availing the benefit? If not, give reasons.
- 10) Whether the beneficiaries are utilizing the loan for the purpose for which it was sanctioned? If not, what action is taken in case of misutilisation?
- 11) Has the scheme encouraged the beneficiaries for self development? If yes, to what extent?
- 12) Is the pass book given to each SHG for credit and repayment of loan? If yes, is the repayment detail entered by the District Manager in the pass book correctly and regularly? If not, why not?
- 13) What is the amount of loan (year wise) taken by the SHGs/Individuals selected for evaluation? Whether the loan has been repaid timely and completely (if the loan has been waived off then the performance is to be seen as on the date on which the waiver took place)? If not, what is the payment percentage and what are the reasons for cases of non-payment?

- 14) Is the repayment done by the beneficiaries as prescribed under the scheme? If not, what is the action taken on such beneficiaries who have delayed or defaulted in doing so? Has any recovery been effected using the authority of collecting the dues as if it were an arrears of land revenue?
- 15) Government has announced loan waiver scheme recently. Whether the beneficiaries who have availed the loan before 13.05.2013 are aware this?
- 16) What is the amount of loan and interest which was waived by government after the loan waiver scheme was announced? What has been the impact of the loan waiver for beneficiaries and the repayment schedule compliance? Is there reliable indication to suggest that this may result in unwarranted or unintended consequences like willful default?
- 17) Is there any development in the business activity undertaken under this scheme? If so, are they getting better profit from the business? If not, why not?
- 18) Has the monthly/annual income of the SHGs members increased? If so, to what extent? Give details with few examples of increase/decrease in income.
- 19) Has the economic condition of the beneficiary families improved? (Evaluator to create indicators for measuring this and then report on its basis). If not, give details.
- 20) Please document 3-4 outstanding examples of success under the scheme which is worthy of emulation and being flagged as case studies. Similarly, are there some examples of failure that result in learning for future?

8. Evaluation Sampling Methodology:

- (a) The scheme is being implemented in all the 224 assembly Constituencies of 30 districts of Karnataka. One assembly Constituency per district will be selected at random for the entire evaluation period drawing of sample.
- (b) At least 5 SHGs (one corresponding to each financial year from 2009-10 to 2013-14) to be selected in each constituency in such a way that at least one SHGs is selected from urban area, at least one from semi urban area and one from rural area with totally at least 60 beneficiaries to be selected for evaluation.
- (c) At the rate of 60 beneficiaries in each constituency $30 \times 60 = 1800$ beneficiaries to be selected for evaluation. In case there are less than 60 beneficiaries in a constituency, more beneficiaries to be covered in other constituency or more number of SHGs groups to be selected.

(d) Among the total beneficiaries, physically handicapped, illiterate, women, persons doing business locally, doing business in other places, and those who don't do business to be adequately represented.

(e) District Managers to provide the list of beneficiaries and SHGs to the evaluator.

(f) All the 60 beneficiaries in the constituency to be interviewed regarding microcredit loan scheme and the activities under taken by them and its impact. Detailed reports to be taken from the beneficiaries which substantiate the outcome of the scheme.

(g) FGDs to be conducted with the stake holders at the taluk levels and their views compiled and reported.

9. Qualification of Consultant

Consultants should have and provide details of evaluation team members having technical Qualifications/capability as belowi.

Social Scientist,

ii. Retired Banker,

iii. Statistician, and

iv. Person competent to evaluate small scale industry business.

And in such numbers that the evaluation is completed within the scheduled time prescribed by the ToR. Consultants not having these number and kind of personnel will not be considered as competent for evaluation.

10. Deliverables time Schedule

The Managing Director, D.Devaraj Urs Backward Classes Development Corporation Ltd will provide year wise district/taluk/Gram Panchayat wise list of beneficiaries, activity and loan amount sanctioned etc. The Managing Director, D.Devaraj Urs Backward Classes Development Corporation Ltd will issue necessary instructions to the District Managers of Backward Classes Development Corporation Ltd to co-operate and facilitate for collection of the necessary data during the course of study.

It is expected to complete the study in 6 months time excluding the time taken for approval. The evaluating agency is expected to adhere to the following timelines and deliverables.

1. Work plan submission : One month after signing the agreement.

2. Field Data Collection : Three months from date of work plan approval.

3. Draft report Submission : One month after field data collection.
4. Final Report Submission : One month from draft report submission.
5. Total duration : 6 months.

11. Qualities Expected from the Evaluation Report

The following are the points, only inclusive and not exhaustive, which need to be mandatorily followed in the preparation of evaluation report:-

1. By the very look of the evaluation report it should be evident that the study is that of - D.Devaraj Urs Backward Classes Development Corporation Ltd of the Government of Karnataka, and Karnataka Evaluation Authority (KEA) which has been done by the Consultant. It should not intend to convey that the study was the initiative and work of the Consultant, merely financed by the D.Devaraj Urs Backward Classes Development Corporation Ltd of the Government of Karnataka.
2. The Terms of Reference (ToR) of the study should from the first Appendix or Addenda of the report.
3. The results should first correspond to the ToR. In the results chapter, each question of the ToR should be answered, and if possible, put up in a match the pair's kind of table, or equivalent. It is only after all questions framed in the ToR that is answered, that results over and above these be detailed.
4. In the matter of recommendations, the number of recommendations is no measure of the quality of evaluation. Evaluation has to be done with a purpose to be practicable to implement the recommendations. The practicable recommendations should not be lost in the population maze of general recommendations. It is desirable to make recommendations in the report as follows:-

(A) Short Term practicable recommendations

These may not be more than five in number. These should be such that it can be acted upon without major policy changes.

(B) Recommendations requiring change in/of policy

These are those which will need lot of time, resources and procedure to implement or those which intend to drastically modify the scheme.

12. Cost and Schedule of Budget release

Output based budget release will be as follows.

- a. The first installment of Consultation fee amounting to 30% of the total fee shall be payable as advance to the Consultant after the approval of the inception report, but only on execution of a bank guarantee of a scheduled nationalized bank valid for a period of at least 12 months from the date of issuance of advance.
- b. The second installment of Consultation fee amounting to 50% of the total fee shall be payable to the Consultant after the approval of the Draft report.
- c. The third and final installment of Consultation fee amounting to 20% of the total fee shall be payable to the Consultant after the receipt of the hard and soft copies of the final report in such format and number as prescribed in the agreement, along with all original documents containing primary and secondary data, processed data outputs, study report and soft copies of all literature used to the final report.

Taxes will be deducted from each payment as per rates in force. In addition, the evaluator is expected to pay services tax at their end.

13. Selection of Consultant Agency for Evaluation

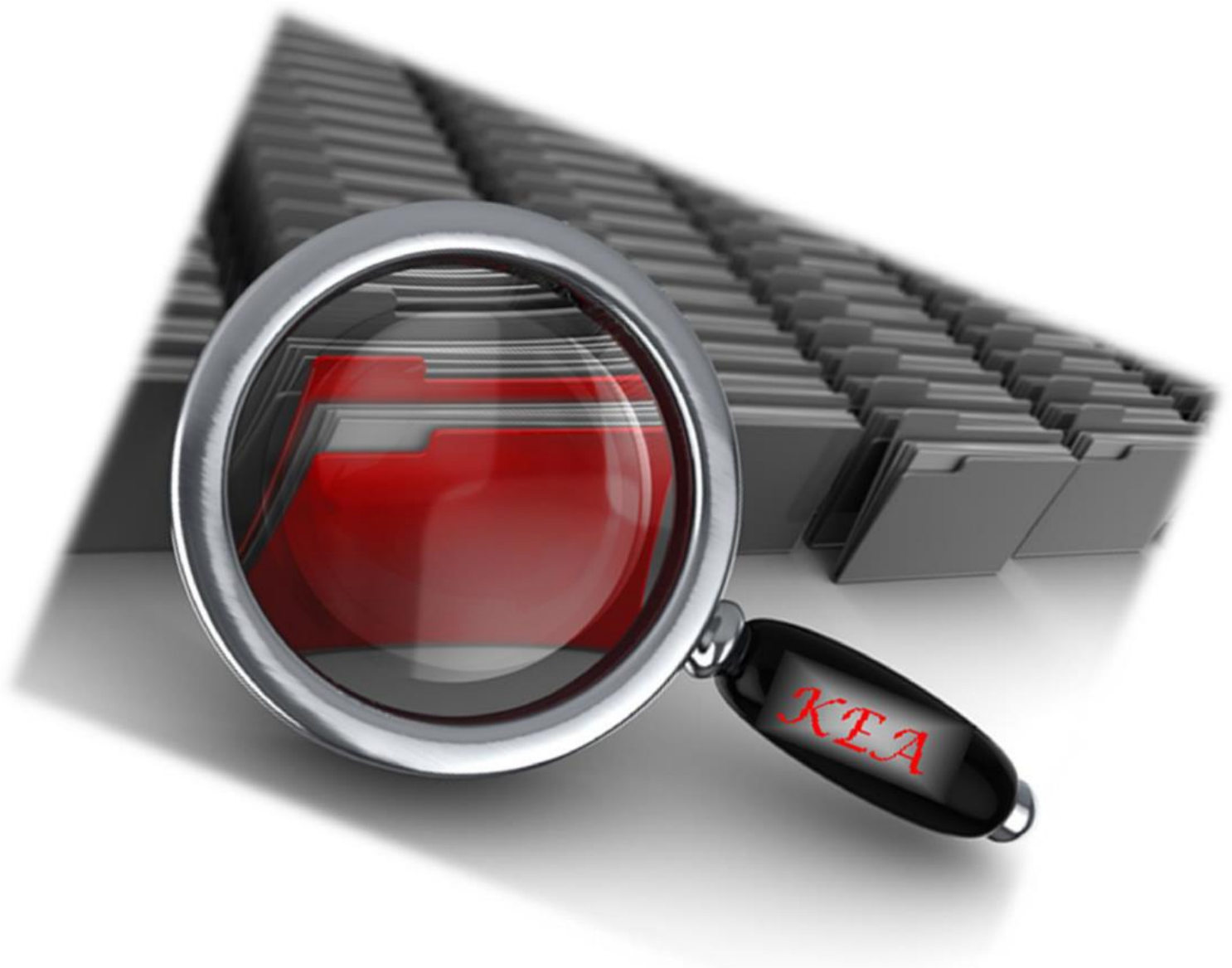
The selection of evaluation agency should be finalized as per provisions of KTPP Act and rules without compromising on the quality.

14. Contact persons to get further details about the study

Dr. U.P.Chandrashekar, MD, D.Devaraj Urs Backward Classes Development Corporation Ltd and Sri.Kotappa, GM (Dev), D.Devaraj Urs Backward Classes Development Corporation Ltd, Ph. No. 080-22374832/834, Email ID-md@dbcddc.in.

The entire process of evaluation shall be subject to and conform to the letter and spirit of the contents of the government of Karnataka order no.PD/8/EVN(2)/2011 dated 11 th July 2011 and orders made there under. This TOR is sanctioned in the 13th meeting of the Technical Committee held on 30th August 2014.

Chief Evaluation Officer
Karnataka Evaluation Authority





ಕರ್ನಾಟಕ ಮೌಲ್ಯಮಾಪನ ಪ್ರಾಧಿಕಾರ
Karnataka Evaluation Authority

EVALUATION STUDY ON **MARGIN MONEY (MICROCREDIT LOAN)**
SCHEME