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INSPECTION OF BENEFICIARIES AND EVALUATION OF NBCFDC SCHEMES IN THE STATE OF PUDUCHERRY

BACKGROUND

National Backward Classes Finance & Development Corporation (NBCFDC) is a Govt. of India Undertaking under the aegis of Ministry of Social Justice and Empowerment. NBCFDC was incorporated under Section 25 of the Companies Act 1956 (Now under Section 8 of Companies Act, 2013) on 13th January 1992 as a Company not for profit with an objective to promote economic and developmental activities for the benefit of Backward Classes (target group) and to assist the poorer section of these classes in skill development and self employment ventures. NBCFDC provides financial assistance through State Channelizing Agencies (SCAs) nominated by the State Governments/UTs and some Regional Rural Banks/ Public Sector Banks with whom NBCFDC entered into a MOU. In the state of Puducherry NBCFDC provides financial assistance to its target groups through state channelizing agency nominated by state government namely Puducherry Backward Classes and Minorities Development Corporation Limited (PBCMDC) No.1, 8th Cross Anna Nagar, Puducherry. NBCFDC also provides Micro Financing through SCAs/ Self Help Groups (SHGs). The Corporation can assist a wide range of income generating activities to assist the poorer section of these classes in skill development and self-employment ventures.

Backward classes are class of people other than SC & ST, living in low socio-economic status because of their low earning occupations. To uplift these marginalized sections of the society, the Central Government and State Governments have taken a lot of efforts by implementing various welfare schemes. In Puducherry, with the help of NBCFDC the PBCMDC were releasing huge amount of funds with the objective to improve the living conditions of these people and bring them above poverty line. But still there is a scope for expansion of schemes offered by NBCFDC. If the Beneficiaries utilize this financial assistance properly, they may improve their status ultimately. Therefore, there is a need to evaluate the impact of NBCFDC schemes and empowerment of these peoples after availing the financial assistance from NBCFDC and further improve system of its implementation in Puducherry. The result of the study will assist in fine tuning the NBCFDC schemes and enhance the empowerment process of backward classes.

After 1947, the Government of India has made various efforts to uplift the development. But some of the peoples in marginalized section are still continuing the low occupations with very low income. Therefore, they unable to fulfill their basic needs then forced to poverty. The Government on the other side takes immense legislative measures for economical, educational, social and political improvement of these peoples. At this juncture, it becomes very important to find out the real impact of NBCFDC schemes on the Beneficiaries life after availing the financial assistance. It is also vital to identify whether the backward classes are aware of these schemes and benefits.

RESEARCH QUESTIONS

In India, NBCFDC taking care of the duty to promote economic and development activities for the benefit of backward classes and implements schemes such as economic assistance to individuals and Self Help Groups to start entrepreneurial activities, skill development training etc. Every year this corporation distributed huge amount has been spent by the government for the economic development. Hence, the cost and benefit will be a measurable one. In this juncture, it is essential to find the answers for following questions:

- Whether the Beneficiaries have improved their socio-economic status after availing themselves the financial assistance?
- What is the level of impact perceived by Beneficiaries through NBCFDC schemes?

To obtain the answer for the above research questions, a study has been conducted by Dr Ambedkar Chair, Annamalai University on behalf of NBCFDC for Beneficiaries assisted in Puducherry from the year 2012 -13 to 2015-16 by Puducherry Backward Class Minorities Development Corporation (PBCMDC).

OBJECTIVES OF THE STUDY

The major objectives of the present study are as follows:

- ❖ To identify the percentage of Beneficiaries utilized the assistance from the SCAs under different schemes of NBCFDC for the intended purpose.
- ❖ To understand the percentage of Beneficiaries who have crossed the poverty line and double poverty line after availing the loan.

- ❖ To examine the socio economic impact of NBCFDC schemes
- ❖ To know performance of Puducherry Backward Classes and Minorities Development Corporation Limited (PBCMDC) based on feedback of Beneficiaries regarding the various aspects relating to business of PBCMDC.
- ❖ To propose suggestions and recommendations for the improvements in the delivery mechanism and also for loan recovery performance.

METHODOLOGY

The main objective of the study is inspection of Beneficiaries and evaluation of NBCFDC schemes in the state of Puducherry. A quantitative research approach is use to achieve the objective of this study. As per the proposed individual variables in the study a field study in a real setting appears most appropriate for this research. The study pre-dominantly depends on Primary data and Secondary data. Primary data was collected by employing a structured questionnaire. It can be deduced that in Puducherry there are more than 50,000 Beneficiaries obtained loan from NBCFDC. Based on the requirement of NBCFDC officials the required sample size for the study shall be $n= 750+100$. So based on the simple sampling technique total of 850 respondents' data will be collected for the study. The number of beneficiaries (Sample size) selected for the study is 850 which includes General Term Loan (GTL), Micro Finance Loan (MFL) and Educational loan categories. The sampling area of study is selected based on constituency wise in the state of Puducherry.

SELECTION OF DISTRICTS AND COVERAGE OF THE STUDY

The total Puducherry is divided into administrative units. These administrative units of Puducherry are classified based on the assembly constituency. There are 28 constituencies in Puducherry and for revenue administration purposes; these thirty two districts are divided into rural and urban. The main objective of the study is inspection of beneficiaries and evaluation of NBCFDC schemes in the state of Puducherry. The sampling area of study is selected based on all constituency wise in puducherry because, to give equal weightage for all areas.

SELECTION OF BENEFICIARIES

The main objective of the study is to evaluate the socio-economic impact of the NBCFDC schemes on the lives of beneficiaries. For answering the objectives the research team collected the list of beneficiaries from Puducherry Backward Class and Minorities Development Corporation (PBCMDC). With the help of list of beneficiaries the research team approached the beneficiaries with the guidance from collection agents of PBCMDC. The managing director directed loan collection agents for meeting beneficiaries. The collection agents of PBCMDFC arranged the beneficiaries for collecting data from General Term Loan scheme, Micro Finance Loan Schemes and Education Loan Scheme

CHAPTER CLASSIFICATION

To get a detailed idea about the above mentioned objectives, a detailed study has been conducted in the study area. The study has been divided into five chapters:

Chapter I: Introduction

Chapter II: Research Methodology

Chapter III: Analysis and Interpretation of Data- Term loan & Micro Finance

Chapter IV: Analysis and Interpretation of Data- Educational loan

Chapter V: Findings, Suggestions and Conclusion

SUMMARY OF FINDINGS - Term-Loan & Micro Finance

1. It is found that 60.1% of respondents are Male and 39.9% of respondents are Female. So, the male respondents dominate the study.
2. It is observed that 3.7% of respondents fall under Illiterate, 11.5% of respondents falls under Ability to sign category, 26.3% of respondents falls under Primary category, 28.5% of respondents falls under Secondary category, 16.1% of respondents falls under Higher Secondary category, 13.1% of respondents falls under Diploma category, and 0.8% of respondents falls under Graduate category. **From the above it is concluded that 86.1% of beneficiaries completed maximum of school level education only. Hence they are the needy peoples for loan amount.**
3. It is found that 43.2% of respondents are living in rural area and 56.8% of respondents are living in urban area. **One of the greatest strength of the research is that the**

urban divide in Puducherry constituency is more, in spite of that constrains nearing fifty percent of the beneficiaries taken from rural areas of Puducherry.

4. It is observed that 94.5% of respondents falls under married category, 3.4% of respondents falls under unmarried category, 2.0% of respondents falls under widow category and 0.1% of respondents falls under divorced category. The interesting conclusion of marital status of respondents is 94.5% of beneficiaries are living with their spouse and children's. **Further it is concluded that married respondents availed more Micro Finance Scheme and GTL offered by NBCFDC because they are having more responsibility to uplift the economic and social growth of the family.**
5. From the collected data it is noted that, 66.9% of the respondent's families are having 4-5 members. 21.6 % of the respondent's families are having 3 members, 7.7 % of the respondents families are having 5-6 members and 3.7 % of respondents family having above 6 members. **So it is concluded that majority of the beneficiaries are living with 4 to 5 members in the family.**
6. Economic status of beneficiaries before and after getting loan is presented in the above Table 3.10(a). From the Table it is found that 30% of beneficiaries are in the status of double below poverty line and 70 % of beneficiaries are in below poverty line before getting loan. It is further identified that after the loan was availed, 12% of respondents are in below poverty line, 23.07% of respondents are in double below poverty line and 64.93% of respondents are above the double the below poverty line. While comparing the number of beneficiaries available in BPL before and after loan period, it is found that, 82.85% of beneficiaries are crossed from the below poverty line. Further, while comparing the no. of beneficiaries available in DPL before and after loan period, it is found that 23.11 % of beneficiaries are crossed from the DPL to above DPL. Hence it is concluded for 64.93% of beneficiaries economic status changed from BPL to above DPL.
7. The monthly family income of beneficiary Before loan is Rs.8,000/- and monthly family income after loan is Rs.12,500/-. It is concluded from the results that, there is an increase of Rs.4,500/- (56%) in the family average income of beneficiaries after they availed the NBCFDC loan. Out of 750 beneficiaries, as far as GTL and MFS schemes are concerned, the monthly family income of GTL beneficiaries (40.40%) before loan is Rs.4,000/- and after getting loan is Rs.10,000/-. It is concluded that

there is a change of income (or) increase of income per month is Rs.6,000/- (150%). The monthly family income of MFS beneficiaries (59.60%) before loan is Rs.6,000/- and after loan is Rs.8,000/-. It is concluded that there is a change in monthly income (or) increase of monthly income is Rs.2,000/- (33.33%).

8. It is observed that the beneficiaries are spending Rs.5,498/- before loan period and Rs.8,283/- after loan period. **It is concluded that about 66% increase in family spending and hence this may be a primary reason for the loan default amount.**
9. It is observed that the beneficiaries are saving Rs.630/- before loan period and Rs.1,100/- after loan period. **It is concluded that there is increase in family savings amount by the beneficiaries.**
10. It is found that 82.53% of respondents are not having any debt after PBCMDC loan and 17.47% of respondents are having some debt after PBCMDC loan. While comparing the beneficiaries status of household debt before and after loan during the study period, it is concluded that there are about 221 beneficiaries are free from debt from other Private Finance.
11. It is found that 59.6% of respondents are availed loan under Micro Finance scheme. 40.4% of respondents availed loan under General Term Loan scheme. **Since the demand is more for Micro Finance scheme, PBCMDC and NBCFDC offered more amount to Micro Finance scheme and hence the research also focused on more beneficiaries from Micro Finance scheme.**
12. From the nature of activity for which assistance is availed by the respondents, it is noted that 1.6 percent of respondents are availed the loan for doing agriculture and allied activity. 90.5 percent of respondents are availed loan for doing small business, 0.7 percent of respondents are availed the loan for doing business in transport sector and 7.2 percent of respondents are availed the loan for service sector. Hence it is concluded that majority of respondents are availed loan under small business type of activities.
13. From the results. **It is observed that Representatives of elected bodies (54.7%) are playing an important role for creating awareness about NBCFDC schemes.** 19.9% of respondents came to know about NBCFDC schemes from the Family /Friends/Relatives. 3.7% of respondents came to know by advertisements, 6.4% of respondents got awareness from SCA officials, only 2.0% of respondents came to know about the NBCFDC schemes from websites and 13.3% of respondents came to know about the NBCFDC schemes from beneficiary.

14. It is known that 37.6% of respondents do not know about the other schemes of NBCFDC. 26.5% of respondents know about other schemes and 35.9% of respondents know about other schemes of NBCFDC to some extent. **Hence it is concluded that nearly three fourth % of respondents doesn't know fully about the other schemes of NBCFDC.**
15. It is observed that 43.5% of respondents expressed that they did not face any problem in getting loan. 56.5% of beneficiaries expressed that they faced some problems while availing loan. **In general, delay in processing and sanctioning of loan amount is the major difficulty faced by the beneficiaries across Puducherry.**
16. From the purpose of loan utilized by the beneficiaries, it is observed that majority of respondents (679) are utilized loan for small business type of activities, 12 beneficiaries utilized the loan for agriculture and allied type of activities, 5 beneficiaries utilized for Transport sector type of activities and 54 beneficiaries utilized for service sector related activities Hence it is concluded that all the beneficiaries (100%) are utilized the loan for the small business type of activities.
17. Type of bank account holding also checked during the study. From the results it is observed that **80.4% of respondents having normal savings bank account and 19.6% of respondents are having Jan Dhan Yojana account and received loan through DBT to his account.** From the results it is also noted that PBCMDC takes 155 days averagely to disbursement the loan amount to beneficiary account through direct bank transfer. Hence the majority of beneficiaries availed loan after waiting around 5-6 months period.
18. It is observed that about 75.7 % were expressed that the loan amount not sufficient according to the need and capacity. About 24.3 % of respondents expressed that the loan amount is sufficient.
19. With regard to loan applied by the beneficiaries it is noted that the average loan applied by the beneficiaries is Rs 48,054. With regard to amount of loan sanctioned it is noted that, the average loan sanctioned to the beneficiaries is Rs 34430. With regard to amount availed by the beneficiaries it is noted that the average loan availed by the beneficiaries is Rs 34038. From the average loan applied and sanctioned it is concluded that PBCMDC is averagely sanctioning 71.65% of amount applied by the beneficiaries. From the average amount availed by the beneficiaries it is concluded that, the beneficiaries are availing almost all the amount sanctioned by the PBCMDC.

20. The details regarding the amount of loan applied, loan sanctioned and loan availed by the beneficiaries is presented in the table 3.30. With regard to loan applied by the beneficiaries it is noted that the average loan applied by the beneficiaries is Rs 122023. With regard to amount of loan sanctioned it is noted that, the average loan sanctioned to the beneficiaries is Rs 89,686. With regard to amount availed by the beneficiaries it is noted the average loan availed by the beneficiaries is Rs 89,636. From the average loan applied and sanctioned it is concluded that PBCMDC is averagely sanctioning 73.49% of amount applied by the beneficiaries. From the average amount availed by the beneficiaries it is concluded that, the beneficiaries are availing almost all the amount sanctioned by the PBCMDC.
21. Out of 750 Beneficiaries surveyed 60% of respondents are not repaying the installments regularly to the SCAs. Balance 40% of respondents are missing some installments due to some financial constrains after taking the loan recovery process through collection agents.
22. It is found that 38.3 % of respondents are missing some installments due to failure of business. This may be due to lack of getting further loan for fund flow for their business. 5.2 % of respondents are missing installments due to diversion of savings, because of seasonal business. 0.8 % of beneficiaries are failure in business, because no proper entrepreneurship training provided for them, that how to star and run a business successfully and how to know the current demand of the people. 15.7 % of respondents are missing some installments due to other reasons.
23. From the results it is observed that 25.6 % of Beneficiaries given employment to others and 74.4 % of beneficiaries does not given employment opportunity with the help of loan amount.
24. It is found that, the beneficiaries are satisfied firstly towards Repayment Period, followed by Loan scheme, Interest Rates, Assistance and guidance provided by PBCMDFC, Size of monthly installments, Easy Query Handling, Activity started with the help of loan assistance, Loan Sanctioning system, Disbursement system, Behaviour of the employees during the lending process, towards Overall services, Fast and Efficient Services of the PBCMDFC and lastly towards Time Taken for Loan approval Hence it is concluded that beneficiaries are highly satisfied towards repayment period and satisfied lastly for Time Taken for Loan approval
25. From the study, it is found that, Better schooling of the children is increased firstly for beneficiaries, followed by Increased involvement with social events, Improvement in

dealing with outsiders, Equally participated with husband in family decisions in the society, Better access to the health faculties, Participation in social service activities, Respect of Socially recognition in the Society and Participation in organized Activities. Hence it is concluded that after NBCFDC loan there is a notable increase in better schooling for beneficiary's children.

26. The results indicate that, Decision making in the family related to monetary matters is improved firstly for beneficiaries followed by Food consumption pattern improved, Improvement in clothing status, standard of living improved, Minimized family indebtedness, Savings rate improved, Asset creation improved, Better access of financial resources.
27. From the results it is observed that all the respondents obtained the loan and it is utilized for the intended purpose. The study also found that out of the total sample of 750 surveyed beneficiaries benefitted under NBCFDC schemes (100%) beneficiaries possessed the assets created with the loan amount.

SUMMARY OF FINDINGS – Educational Loan

1. It is found that 62 % of respondents are Male and 38 % of respondents are Female. So, the Male respondents dominate the study with regard to educational loan.
2. It is found that the majority of beneficiaries i.e. 90 % fall under category of ≤ 20 Years and 10 % fall under category of > 20 years at the time of loan applied. **From the age of the beneficiaries it is concluded that the majority of respondents are obtained the loan for under graduation purpose.**
3. Majority of beneficiaries completed school level education and they applied loan from NBCFDC for studying higher education.
4. It is found that 38 % of respondents are living in Rural area and 62 % of respondents are living in Urban area. **One of the greatest strength of the research is that the real effectiveness of educational loan offered by NBCFDC is assessed because the study is focusing more on urban setting.**
5. Economic status of beneficiaries before and after getting loan is presented in the above Table 4.8(a). From the results it is found that 37% of beneficiaries are in the status of double below poverty line and 63 % of beneficiaries are in below poverty line before getting loan. It is further identified that after the loan was availed, 43% of respondents are in below poverty line, 19% of respondents are in double below poverty line and 38% of respondents are above the double the below poverty line. About 43% of respondents are still in BPL after the loan was availed.

6. From the above result in table 4.8(b) it shows that, while comparing BPL, 31.74% of beneficiaries crossed the Below Poverty Line. Similarly, while comparing DBPL, 48.64 % of beneficiaries crossed the Double Below Poverty Line Overall 38% of respondents are above the BPL and DBPL.
7. The family monthly income of respondents Before loan is Rs.4,500/- and family monthly income of respondents After loan is Rs.5,500/-. It is concluded from the results that, there is an increase of Rs.1,000/- (22.22%) in the family average monthly income of respondents after they availed the NBCFDC loan.
8. It is observed that 3% of respondents' parents falls under Illiterate, 37% of respondents' parents falls under Ability to sign category, 22% of respondents' patents falls under Primary category, 28% of respondents' parents falls under Secondary category, 1% of respondents' parents falls under Higher Secondary category, and 9% of respondents' patents falls under diploma/ Graduate category. It is concluded that 91% of beneficiaries' parents completed maximum of school level education only and they may earn low salary. Hence they are the needy peoples for loan amount for their children's education.
9. It is found that 4% of respondents' parents are farmers, 33 % beneficiaries' parents are doing small business, 25 beneficiaries' parents are working in private sector, 8 beneficiaries' parents are professional and 30 beneficiaries' parents are daily wage earners. **From the beneficiaries parents' occupation it is inferred that based on their occupation the sources of income is very low and hence they obtained education loan from NBCFDC for their children's education purpose.**
10. It is noted that 19% of beneficiaries are obtained in the year 2012-2013, 26 % of beneficiaries are obtained in the year 2013-2014, 31 % of beneficiaries are obtained in the year 2014-2015 and 24 % of beneficiaries are obtained in the year 2015-2016. Hence it is concluded that majority of loan disbursed by PBCMDC is 2014-2015.
11. It is noted that, majority of beneficiaries were completed the education with help of NBCFDC loan from private college (85%). Further it is noted that 1% were completed from deemed university, 4 % completed from state university and central university and 6 % were completed from government college. **It is also observed that 81% of respondents having normal savings bank account and 19% of respondents are having Jan Dhan Yojana account and received loan through DBT to his account.**

The type of course studied by the beneficiaries is presented in the table 4.15. The results indicate that 90 % of beneficiaries are obtained the educational loan from PBCMDC for studying under graduation and 10 % of beneficiaries are obtained the educational loan for studying post graduation. **It is found that 100% of beneficiaries utilized the loan amount only for the purpose of Education.**

12. It is found that 26 % of beneficiaries were selected arts and science, 67 % were selected engineering and 7 % were selected medical field. **Hence it is concluded that the majority of respondents chosen engineering field for their higher education with the help of NBCFDC loan.**
13. It is noted that 20 % of beneficiaries chosen 2 years and 3 years course, 73 % of beneficiaries studied 4 years course and 7 % beneficiaries were chosen 5 years course.
14. With regard to loan applied by the beneficiaries it is noted that the minimum loan amount applied by the beneficiaries is Rs 10,000, maximum amount applied by the beneficiaries is Rs 5,00,000 and the average loan applied by the beneficiaries is Rs 1,04,128. With regard to amount of loan sanctioned it is noted that, minimum loan amount sanctioned to the beneficiaries is Rs 10,000, maximum amount sanctioned to the beneficiaries is Rs 3,87,500 and the average loan sanctioned to the is Rs 68,345. With regard to amount availed by the beneficiaries it is noted that minimum loan amount availed by the beneficiaries is Rs 10,000, maximum amount availed by the beneficiaries is Rs 3, 87,500 and the average loan availed by the beneficiaries is Rs 68,085. **From the average loan applied and sanctioned it is concluded that PBCMDC is averagely sanctioning 68 % of amount applied by the beneficiaries. From the average amount availed by the beneficiaries it is concluded that, the beneficiaries are availing almost all the amount sanctioned by the PBCMDC.**
15. It is noted that 33% of beneficiaries given parents property documents for availing loan, 5% of beneficiaries availed loan because of guarantee given by parents friends, 30% of beneficiaries availed loan because of guarantee given by government employee, 6% beneficiaries availed loan because of guarantee given by neighbors and 26% of beneficiaries availed loan because of guarantee given by relatives.
16. It is noted that 36% beneficiaries availed the loan within 3 months from the data of application; 44% beneficiaries availed the loan during 3- 6 months from the data of application and 20% beneficiaries availed the loan only after 6 months from the data

of application made. Hence the majority of beneficiaries availed loan within 3–6 months period.

17. From the results it is observed that 87% of beneficiaries opined that loan amount is not sufficient to meet the educational expenditure and they expect more amount from the PBCMDC.
18. It is found that the prime reason for availing loan from PBCMDC is parents income is not sufficient followed by Suggestion by others, to avoid dependence on parent, to get Quality education, to achieving prestigious post, for achieving my dream, to create a feeling of commitment and Just to avail loan granted by PBCMDFC. Hence it is concluded that because of insufficient family income, the beneficiaries are availing loan from PBDMDC.
19. It is observed that Representatives of elected bodies (26%) are playing an important role for creating awareness about NBCFDC schemes. 24% of respondents came to know about NBCFDC schemes from the parents. 7% of respondents came to know by Advertisements, 22% of respondents got awareness from his relatives. 17 % of respondents came to know by friends and only 4% of respondents came to know about the NBCFDC schemes from PBCMDC officials.
20. It is found that, while sanctioning loan PBCMDC giving first preference to professional course, secondly sanction based on sureties occupation, thirdly sanction if there is external pressure available for beneficiaries, fourthly sanction if parents are educated and fifthly sanction the loan amount based on parents' occupation. **Hence it is concluded that while sanctioning loan PBCMDC giving first preference to professional course.**
21. From the results it is identified that **majority of respondents expressed that the present income is not sufficient to repay the loan.**
22. It is found that, the beneficiaries are satisfied firstly towards Rate of Interest charged, secondly satisfied towards Repayments schedule, thirdly satisfied towards Margin money demanded by the SCA, satisfied fourthly towards Collateral Security, satisfied fifthly towards Terms of Loan, satisfied sixthly towards Surety demanded, satisfied seventhly towards Documentation procedure, satisfied eighthly towards Amount of loan obtained, satisfied ninthly towards Time taken for loan sanctioned, and lastly satisfied towards Time taken for loan disbursement. Hence it is concluded that beneficiaries are highly satisfied towards Rate of Interest charged and satisfied lastly for Time taken for loan disbursement.

23. From the results it is observed that, 46% of beneficiaries' repaid only less than 10 percentage of loan amount, 10% of beneficiaries repaid 10- 20% of loan amount, 7% of beneficiaries repaid 20-30% of loan amount, 23% of beneficiaries repaid 30-50% of loan amount and remaining 14% of beneficiaries were repaid more than 50% of loan amount. Hence majority of respondents are still repaying the loan amount even after the loan tenure.
24. There are many reasons influence the beneficiaries for delay in repayment of the loan. Based on pilot study results the above mentioned reasons were listed and asked the beneficiaries to give their opinion on a five point rating scale with 1 = strongly disagree, 2 = Disagree 3 = Neutral, 4 = Agree and 5 = strongly agree. The rank was calculated on the beneficiaries score given out of five points. From the average score and rank it is found that, inability to get employment is the first and prime reason for failure to repay the loan, second reason is Insufficient income of mine, third reason is Inadequate family income, fourth reason is Continuation of my higher studies, fifth reason is Excessive family commitment, sixth reason is Shifting of my family to other places, seventh reason is no remainder from the PBCMDFC officials, eighth reason is Lack of counseling that the loan is not a grant and it is required to be repaid fully with interest and ninth reason is Lack of provision of proper surety.
25. It is found that PBCMDC are collecting the loan amount through sending SMS followed by making phone call, sending collection agents, sending remainders by post and informing the beneficiaries' about taking legal action if the loan amount is not repaid.
26. It is identified that, the following suggestions were given from high priority to low priority. Beneficiaries' are expected to increase the awareness of loan scheme, beneficiaries are expecting relaxation of interest for meritorious students, interest rate to be reduced, repayment period should be increased, SCA should concentrate more on educational loan, relaxation of interest for physically handicapped students, expecting subsidy for educational loan, easy and fast documentation procedures to be followed, to remove the collateral security condition and daily educational expensed should be covered in the educational loan.
27. It is found that 8% of the respondents got suitable employment, whereas 85% are under-employed and searching for better jobs. 7% of the students could not complete the course and pursuing to complete the same. This may be due to lack of campus

placement or lower employability of the course or lack of practical knowledge due to insufficient university- industry interface.

28. It is found that 8% of the respondents got suitable employment, whereas 85% are under-employed and searching for better jobs. 7% of the students could not complete the course and pursuing to complete the same. This may be due to lack of campus placement or lower employability of the course or lack of practical knowledge due to insufficient university- industry interface.

FEEDBACK FROM THE BENEFICIARIES

1. The time taken for processing the loan is more than six months. So the time should be minimized as two months. So that the beneficiaries can able to plan their activities according to their time schedule.
2. 75.7 respondents opined that the loan amount sanctioned by PBCMDC is not sufficient for the beneficiaries to do a small scale business. Hence the loan amount can be increased.
3. The beneficiaries who are defaulters are expecting subsidy for PBCMDC loan with regard to interest and principal amount.
4. At present the age limit for the beneficiaries may be extended.
5. The widows and physically challenged members are expecting special privileges like. Low interest, subsidy for the loan amount.
6. In case of widows, if they became widow during the tenure of the loan, the balance loan amount can be totally waived.
7. The documents for getting loan should be simplified and it should be in uniform manner for the entire state.
8. SHG members of all the villages having variety of skills which are untapped. Their skills have to be utilized in a proper way for their economic development. Hence the skill development training can be entertained in all the villages of Puducherry.
9. The financial assistance can be given more because of the more population of the backward classes in all the districts.
10. After repayment of the previous loans, the all the beneficiaries are expecting further loans to improve their business.

RECOMMENDATIONS

1. Skill Development Training is required for the SHG members; women members are more interested to do skill related business activities.
2. As there is no awareness about the NBCFDC and PBCMDC which is the funding agency to provide loans to the Beneficiaries, the Advertisements and Publicity of NBCFDC is required to create awareness among the people.
3. Hoardings of NBCFDC and can be displayed in the premises of Loan holder's shops, houses and PBCMDC premises.
4. The application and their enclosures should be in a uniform and simplified manner which will ease the loan process.
5. Apart from Micro Credit loan, term loan and educational loan other NBCFDC schemes should be entertained in all the districts of Puducherry.
6. Nearly three fourth % of respondents doesn't know fully about other schemes of NBCFDC. Hence state channelizing agencies should give wide publicity by way of advertisement about the schemes of NBCFDC.

List of Actionable points at SCA Level

MFS and GT Loan:

1. **Proper guidance** should be provided to the beneficiaries at the time of filling up loan application form and at the **time of submission a declaration** should be obtained from the beneficiaries that the **loan amount is fully repayable with interest**.
2. The **major difficulty** faced by the beneficiaries across Puducherry is **delay in processing and sanctioning of loan amount**. This may be due to lack of sufficient fund. Hence a **detail mechanism** should be devised by the **PBCMDC to arrange funds** and also to **speed up the processing** and disbursement of the loan in a specific time-line i.e., **a period of maximum three months**.
3. In general there is **no awareness** amongst the beneficiaries about the **NBCFDC schemes**, therefore **SCA should give wide publicity and advertisements** to create awareness among the OBC people. In puducherry, only the Micro credit loan is provided to the beneficiaries. Likewise, **other NBCFDC schemes** like Skill Development, etc. **should be entertained** in all the districts.
4. As per the business requirement of the beneficiaries, **the Entrepreneurial skill training should be provided** for the needy to do their business in a successful manner.
5. From the feedback of the beneficiaries it is noted that the **loan amount** sanctioned by PBCMDC is **not sufficient for the beneficiaries to do their business**, hence the SCA should take **steps to increase the average loan** per beneficiary.
6. SCA should entertain **Self-Help Groups** for availing loan, because **majority of loan amount was given to the individual** members, which hamper recovery. The SCA may also consider **bringing forward more SHG members of all the villages, having variety of skills which remains untapped**. Their skills have to be utilized in a proper way for their economic development. For which, **SCA may give advertisement** in their local newspaper **for registration of SHG** on their portal.
7. The amount of loan sanctioned by NBCFDC is based on the letter of guarantee given by the State Government. So, **SCA** should take steps for **increasing the guarantee amount** given by the state government to **cover up more people**.
8. The beneficiaries are looking forward **to insure for the group members**. In case of Widows, **if they become widow during the tenure of the loan, the balance amount can be totally waived**.
9. Based on the budget of the project proposal, or business plan, the General Term Loan (GTL) **amount can be increased depending upon the market value of the document of immovable property submitted** by the beneficiary.

10. As part of regular follow up, in case of business, SCA may ensure **photographs of Assets creation** just after six months of loan disbursement to beneficiaries and also to **ascertain the current status of business**.
11. The **SCA needs to strengthen University-Industry interface** so that SCA of puducherry should actively collaborate with the Universities **to train the loan beneficiaries in their relevant business skill**, for smooth functioning of their business.
12. There is a need for improvement in the monitoring of utilization of loan amount at SCA level. Regular follow up should be made by the SCA to recover the loan amount. SCA should take necessary action against loan defaulters and issue notices followed with regular visit to remind them in order to strengthen the recovery part at SCA level.
13. SCA should obtain **Project Appraisal Report** as per local need in respect of the business chosen by the beneficiary for **loan amount Rs.2.00 lakh or more**, to do successful business.
14. **Special camps can be organized** to educate the beneficiaries about the **sponsoring agency (PBCMDC & NBCFDC)**. The **Hoardings** of the sponsoring agency should be **displayed in PACCs** and the **name** of the sponsoring agency should be **imprinted in Loan application** and at the **project site of the beneficiary**.
15. The SCA should select the beneficiary based on the recommendation of the committee. The **committee** comprises of members from **SCA, leading bank managers, project managers and a representative from rural development department**.

Education Loan:

1. **Skill Development Training** should be **provided** to the students after completing their education through NBCFDC Educational Loan. The Educational **Loan form should have a separate column** for Skill Development Training and if required, after completion of the course, **beneficiaries can also get job** through the skill training basis.
2. The SCA should **guide the students** of education Loan about the **selection of institute**, keeping in view about the placement status of the institution.
3. From the average loan applied and sanctioned for educational loan, the PBCMDC is averagely sanctioning 68 % of amount applied by the beneficiaries. Hence PBCMDC should sanction more educational loan for increasing the average sanction amount.
4. The present status of **underemployment/job searching is 85 out of 100 nos.** after completion of their Education through NBCFDC loan. In this regard, the SCA should track the students for their present status of employment. In case of

unemployed or underemployed, the SCA may recommend NBCFDC for providing them Skill Development Training of their choice for speedy employment.

5. In Educational Loan after sanctioning one or two installments to the Students, the SCA stopped giving further installments, due to lack of funds. In this situation, the SCA should bring the same to the notice of NBCFDC well in advance of 6 months time, so that the NBCFDC can provide loan amount in correct time for the students to complete their courses without any financial difficulty.

List of Actionable points at NBCFDC level

Sl. No.	Actionable Points
1.	NBCFDC can encourage the PBCMDC by rewarding them with financial and non-financial rewards based on their outstanding performance.
2.	The NBCFDC should collect the Utilization certificate along with the list of beneficiaries with their respective Aadhar numbers through online from PBCMDC.
3.	The occupation classification of beneficiaries before and after loan for term loan and micro finance loan clearly indicate that NBCFDC loan scheme drastically changed the quality of life of beneficiaries and also increased the socio economic status of the beneficiaries. Hence NBCFDC can allocate more loans to PBCMDC after recovering previous dues; hence more untapped beneficiaries can be utilized through the scheme.
4.	The NBCFDC officials should encourage the successful MFS and TL beneficiaries to participate in mela stalls at Chennai or nearby places
5.	For educational loan, all the beneficiaries were paid 5 % of loan amount as margin money for their educational loan. If margin money is increased we can expect more commitment from the beneficiaries for their repayment.
6.	NBCFDC should consider maintaining regular flow of Education Loan to the SCA, even if there is temporary default in repayment of dues of the SCAs in respect of other schemes. NBCFDC can separately earmarked guarantee amount for education, out of the total available with it. This would help the students to complete their course, without the any borrowing from private financiers.
7.	In the recent past, many central government schemes were implemented through nationalized banks. With this in mind, NBCFDC may decide to implement its schemes through nationalized banks for reaching the nook and corners of the country.
8.	It is suggested to NBCFDC to implement the schemes through multiple SCAs in Puducherry. For example, the NBCFDC can implement the loan schemes through PACCS, Cooperative banks, etc.
9.	Awareness about Loan Scheme and Skill Development Training Schemes of NBCFDC in the State was found to be lacking. Therefore, more number of awareness camps should be held.
10.	Regarding the interest for the term loan, it is suggested that NBCFDC may give concession to widow and physically challenged beneficiaries. This may give strong impact on the livelihood.

INSPECTION OF BENEFICIARIES AND EVALUATION OF NBCFDC SCHEMES IN THE STATE OF PUDUCHERRY

CHAPTER – I

INTRODUCTION

1.1 BACKGROUND

National Backward Classes Finance & Development Corporation (NBCFDC) is a Govt. of India Undertaking under the aegis of Ministry of Social Justice and Empowerment. NBCFDC was incorporated under Section 25 of the Companies Act 1956 (Now under Section 8 of Companies Act, 2013) on 13th January 1992 as a Company not for profit with an objective to promote economic and developmental activities for the benefit of Backward Classes (target group) and to assist the poorer section of these classes in skill development and self employment ventures. NBCFDC provides financial assistance through State Channelizing Agencies (SCAs) nominated by the State Governments/UTs and some Regional Rural Banks/ Public Sector Banks with whom NBCFDC entered into a MOU. In the union territory of Puducherry NBCFDC provides financial assistance to its target groups through state channelizing agency nominated by union territory government namely Puducherry Backward Classes And Minorities Development Corporation Limited (PBCMDC)No.1, 8th Cross Anna Nagar, Puducherry. NBCFDC also provides Micro Financing through SCAs/ Self Help Groups (SHGs). The Corporation can assist a wide range of income generating activities to assist the poorer section of these classes in skill development and self-employment ventures.

1.2 VISION

To play a leading role in upliftment of economic status of the target group of the Backward Classes.

1.3 MISSION

To provide concessional financial assistance to the eligible members of the Backward Classes for Self employment ventures and Skill Development Training.

1.4 OBJECTIVES

- ❖ To promote economic & developmental activities for the benefit of Backward Classes.
- ❖ To assist, subject to such income and/or economic criteria as may be prescribed by government from time to time, individuals or groups of individuals belonging to Backward Classes by way of loans and advances for economically and financially viable schemes and projects.
- ❖ To promote self employment and other ventures for the benefit of Backward Classes.
- ❖ To grant concessional finance in selected cases for persons belonging to Backward Classes living below double the poverty line.
- ❖ To extend loans to the Backward Classes for pursuing general/professional/technical education or training at graduate and higher level.
- ❖ To assist in the up gradation of technical and entrepreneurial skills of Backward Classes for proper and efficient management of production units.

1.5 ELIGIBILITY

- ❖ Members of Backward Classes living below double the poverty line are eligible to obtain financial assistance by NBCFDC through State Channelizing Agencies (SCAs) at Concessional rate of Interest.
- ❖ At present persons whose family income is below Rs. 98,000/- per annum in rural areas and Rs.1, 20,000/- per annum in urban areas are considered to be below double poverty line.
- ❖ Caste and the Income Certificates are issued by Competent Authorities in the respective States.

1.6 ACTIVITIES WHICH CAN BE FINANCED

The Corporation can assist a wide range of income generating activities under following broad sectors:

- ❖ Agriculture & Allied Activities
- ❖ Small Business/Artisan & Traditional Occupation
- ❖ Transport Sector & Service Sector
- ❖ Technical and Professional Trades/Educational Loan for professional Courses

The SCAs are to disburse loans for viable projects as per needs and choice of beneficiaries under above mentioned broad sectors.

1.7 HOW TO APPLY

- ❖ Prospective eligible beneficiaries should apply on prescribed form (available with the SCA) to District Office of SCA where he/she normally resides.
- ❖ The applicant should clearly mention his/her felt needs and choice of vocation and training requirements, if any, in the application form.
- ❖ The applicant should fulfill eligibility criteria (should belong to Backward Class and living below double poverty line).
- ❖ Submit documents as a proof of the same such as Caste and Income Certificate issued by Competent Authority like Tahsildar/Sub Divisional Magistrate/District Collector etc.

The loan is sanctioned by SCA to the applicant keeping in view the availability of funds and fulfillment of eligibility criteria by the beneficiaries & completion of required documentation.

1.8 WHOM TO APPLY

Eligible persons desirous of obtaining assistance under NBCFDC schemes should contact the Managing director/Officer of respective SCA's.

1.8.1 OVERVIEW OF NBCFDC SCHEMES

(i) - TERM LOAN SCHEMES

A (i). Term Loan Scheme (For SCAs)

Quantum of Loan Per Beneficiary (Maximum)	Pattern of Finance	Rate of Interest (p.a.)	Maximum Repayment Period
Rs. 10.00 lakh	NBCFDC Loan 85% SCA/ Beneficiary Contribution. 15%	<i>(Upto loan of Rs. 5 Lakh)</i> NBCFDC to SCA 3% SCA to BENE. 6% <i>(Loan above of Rs. 5 Lakh upto Rs 10 lakhs)</i> NBCFDC to SCA 4% SCA to BENE. 7%	10 Years

(ii). Term Loan Scheme (For Banks)

NBCFDC loan will be available upto 100%, however, disbursement will be made as per specific demand of Banks.

B. New Swarnima Special Scheme for Women

C. Educational Loan Scheme

B. New Swarnima Special Scheme for Women

Objectives

Inculcating the spirit of self-dependence among the women of Backward classes living below double the poverty line under Term Loan.

Salient Features

- ❖ The target group of the **New Swarnima** scheme of NBCFDC is the women belonging to Backward Classes living below double the poverty line.
- ❖ The beneficiary women is not required to invest any amount of her own on the projects upto cost of Rs.1, 00,000/.
- ❖ The rate of interest on the amount of loan is less as compared to the general loan scheme of the Corporation.

Eligibility

- ❖ The women belonging to Backward Classes as notified by the Central / State Governments from time to time shall be eligible for loan under this scheme.
- ❖ The annual family income of the applicant should be below Rs.1, 20,000/- p.a. in urban areas and Rs.98, 000/- p.a. in rural areas.

Maximum Loan Amount Rs.1.00 Lakh (Per beneficiary)

Pattern of Financing

NBCFDC Loan 95%

SCA Contribution 05%

Rate of Interest

From NBCFDC to SCA 2% p.a.

SCA to beneficiary 5% p.a.

Repayment

Loan is to be repaid in quarterly installments within maximum 10 years (including the moratorium period of six months on the recovery of principal).

C. Educational Loan Scheme

Objectives

To extend Educational Loan to the members of Backward Classes for pursuing professional or technical education at graduate and higher level.

Eligibility

- ❖ Members of Backward Classes, as notified by Central Government/ State Governments from time to time.
- ❖ The annual income of the applicant's family should be below double the poverty line i.e. Rs.1, 20,000/- p.a. in urban areas and Rs.98, 000/- p.a. in rural areas.
- ❖ The applicant should have obtained admission for any professional courses approved by appropriate authority such as AICTE, Medical Council of India, UGC etc.

Courses Covered

All professional and technical courses at graduate and higher level approved by appropriate authority such as AICTE, Medical Council of India, UGC etc.

Purpose of Loan

Admission Fee & Tuition Fee; Books; Stationery & other instruments required for the course; examination fee; boarding & lodging expenses; insurance premium for policy during the loan period and travel expense/passage money for studying abroad.

Maximum Loan Limit

90% of the expenditure of the course subject to maximum loan limit of Rs.10.00 Lakh per student (for studying within India) & 85% of the expenditure of the course

subject to maximum of Rs.20.00 Lakh per student (for studying abroad), the balance will be borne by student/ SCAs.

Rate of Interest

From NBCFDC to SCA	1.5% p.a. *
SCA to beneficiary	4% p.a. **

* 0.5% rebate on timely repayment of loan by SCAs

** girl students will get Educational Loan at special concessional rate of interest @ 3.5% p.a.

Repayment Period

The moratorium, besides being co-terminus with the course for which loan has been obtained by the students, will have a further six months period for starting repayment after the completion of the course.

Security & Monitoring of Educational Loans

The SCAs would ensure security of loan, tracking of beneficiaries' students and their monitoring during the loan period. The Educational Loan Scheme would envisage providing Educational Loan to the eligible students pursuing their higher professional courses in approved institutions only.

(ii) MICRO FINANCE

(A) Micro Finance Scheme

Objectives

In order to cater to the Micro Finance needs of small entrepreneurs belonging to the target group, the Corporation has introduced a scheme for Micro Financing through nominated Channelizing Agencies. It is desirable to disburse loans through Self-Help-Groups (SHGs) by SCAs under Micro Finance Scheme.

Self-Help-Groups (SHGs)

SHGs is a small economically homogenous and affinity group of poor people voluntarily formed to save and mutually agree to contribute to a common fund to be lent to its members as per group decision.

SCAs may also play a vital role through their field officers, encouraging people of the target group in forming Self-Help-Groups and get financial assistance under Micro Finance Scheme of NBCFDC.

Salient Features of the Scheme

- | | | |
|----|--------------------------------------|--------------|
| 1. | Maximum loan limit per beneficiary | Rs. 50,000/- |
| 2. | Maximum number of persons in one SHG | 20 |

Implementation

The scheme is to be implemented through SCAs in rural and urban areas by way of financing the beneficiaries either directly or through Self-Help-Groups (SHGs) preferably in the areas remained uncovered so far under any of such scheme.

Eligibility of the Beneficiary

Members of Backward Classes as notified by Central / State Govt. and are living below double the poverty line i.e, annual family income of the beneficiary should be less than Rs.1,20,000/- p.a. in urban areas and Rs.98, 000/- p.a. in rural areas. In a SHG 75% of members can be from Backward Classes and remaining 25% members may be from other weaker section like SC / Handicapped etc.

Pattern of Financing

- | | | |
|----|--------------------------|-----|
| 1. | NBCFDC LOAN | 90% |
| 2. | SCA LOAN | 05% |
| 3. | BENEFICIARY CONTRIBUTION | 05% |

Utilization Period

4 months from date of disbursement

Rate of Interest

1. NBCFDC TO SCA 2% P.A
2. SCA TO SHG 5% P.A.

Repayment

Loan is to be repaid in quarterly installments within 48 months (including the moratorium period of six months on the recovery of principal).

(B)MAHILA SAMRIDDHI YOJANA

(Micro Finance Scheme for women)

Objectives

To provide Micro Finance to women Self Help Groups (SHGs) belonging to the target group.

Salient Features of the Scheme

1. Maximum loan limit per beneficiary: Rs.50,000/-
2. Maximum number of women in one SHG: 20

Implementation

The scheme is to be implemented through SCAs in rural and urban areas by way of financing the women beneficiaries either directly or through Self-Help-Groups (SHGs).

Eligibility of the Beneficiary

Women belonging to the Backward Classes as notified by Central / State Govt. from time to time and living below double the poverty line (i.e. annual family income of the beneficiary should be less than Rs.1,20,000/- p.a. in urban areas and Rs.98, 000/- p.a. in rural areas.

Pattern of Finance

1. NBCFDC loan: 95%
2. SCA/Beneficiary contribution : 05%

Utilization Period

4 months from date of disbursement

Rate of Interest

1. From NBCFDC to SCA: 1% p.a.
2. SCA to Beneficiary: 4% p.a.

Repayment

Loan is to be repaid in quarterly installments within 48 months (including the moratorium period of six months on the recovery of principal).

iii- SKILL DEVELOPMENT TRAINING SCHEME OF NBCFDC**1. OBJECTIVES**

To impart Skill Development Training in broad conformance to the Common Norms (relevant extracts enclosed) for upgradation of technical and entrepreneurial skills through Govt./State Govt./SCA / Training Institutes and Sector Skill Councils constituted by Ministry of Skill Development and Entrepreneurship, so that eligible members of Backward Classes may engage in developmental activities by way of self employment or wage employment.

2. ELIGIBILITY

2.1 Members of Backward Classes living below double the poverty line (Presently Rs. 98,000/- per annum in rural areas and Rs. 1,20,000/- per annum in urban areas). The income & caste certificates are issued by the competent authority of respective State Governments. The poverty line will be as defined by Govt. of India notifications issued from time to time.

2.2 In the case of migrant population, Income & Caste Certificates issued by their State of original domicile will be accepted.

3. AGE

The training may be imparted to persons of target group who are of 18 Years and above on date of completion of assessment/certification.

4. DURATION OF TRAINING

As per common norms issued by MSDE from time to time. (As appended)

i) Fresh: Minimum 200 Hrs. (As per common norms notification dated 15.07.2015 & 20.05.2016 issued by Ministry of Skill Development & Entrepreneurship).

ii) Re-skilling or Skill up gradation: Minimum 80 Hrs.

iii) Recognition of Prior Learning: Minimum 32 Hrs.

1.8.2 OVERVIEW OF SCHEMES IMPLEMENTED IN PUDUCHERRY

1. Term Loan Scheme (For SCAs)

Quantum of Loan per beneficiary (Maximum)	Pattern of Finance	Rate of Interest (p.a.)	Maximum Repayment Period
Rs. 10.00 lakh	NBCFDC Loan 85% SCA/ Benefi. Contri. 15%	<i>(Upto loan of Rs. 5 Lakh)</i> NBCFDC to SCA 3% SCA to BENE. 6% <i>(Loan above Rs. 5 Lakh upto Rs 10 lakh)</i> NBCFDC to SCA 4% SCA to BENE. 7%	10 Years

2. MICRO FINANCE

Objectives

In order to cater to the Micro Finance needs of small entrepreneurs belonging to the target group, the Corporation has introduced a scheme for Micro Financing through nominated Channelizing Agencies. It is desirable to disburse loans through Self-Help-Groups (SHGs) by SCAs under Micro Finance Scheme.

Self-Help-Groups (SHGs)

SHGs is a small economically homogenous and affinity group of poor people voluntarily formed to save and mutually agree to contribute to a common fund to be lent to its members as per group decision.

SCAs may also play a vital role through their field officers, encouraging people of the target group in forming Self-Help-Groups and get financial assistance under Micro Finance Scheme of NBCFDC.

Salient Features of the Scheme

- | | | |
|----|--------------------------------------|--------------|
| 1. | Maximum loan limit per beneficiary | Rs. 50,000/- |
| 2. | Maximum number of persons in one SHG | 20 |

Implementation

The scheme is to be implemented through SCAs in rural and urban areas by way of financing the beneficiaries either directly or through Self-Help-Groups (SHGs) preferably in the areas remained uncovered so far under any of such scheme.

Eligibility of the Beneficiary

Members of Backward Classes as notified by Central / State Govt. and are living below double the poverty line i.e, annual family income of the beneficiary should be less than Rs.1,20,000/- p.a. in urban areas and Rs.98, 000/- p.a. in rural areas. In a SHG 75% of members can be from Backward Classes and remaining 25% members may be from other weaker section like SC / Handicapped etc.

Pattern of Financing

- | | |
|-----------------------------|-----|
| 1. NBCFDC LOAN | 90% |
| 2. SCA LOAN | 05% |
| 3. BENEFICIARY CONTRIBUTION | 05% |

Utilization Period 4 months from date of disbursement

Rate of Interest

- | | |
|------------------|---------|
| 1. NBCFDC TO SCA | 2% P.A. |
| 2. SCA TO SHG | 5% P.A. |

- | | |
|--------------------------|---------|
| 1. From NBCFDC to PBCMDC | 2% p.a. |
| 2. PBCMDC to DCCB | 2% |
| 3. DCCB to PACCS | 3% |
| 4. PACCS to Beneficiary | 5% p.a |

Repayment

Loan is to be repaid in quarterly installments within 48 months (including the moratorium period of six months on the recovery of principal).

(B) MAHILA SAMRIDDHI YOJANA

(Micro Finance Scheme for women)

Objectives

To provide Micro Finance to women Self Help Groups (SHGs) belonging to the target group.

Salient Features of the Scheme

1. Maximum loan limit per beneficiary: Rs.50,000/-
2. Maximum number of women in one SHG: 20

Implementation

The scheme is to be implemented through SCAs in rural and urban areas by way of financing the women beneficiaries either directly or through Self-Help-Groups (SHGs).

Eligibility of the Beneficiary

Women belonging to the Backward Classes as notified by Central / State Govt. from time to time and living below double the poverty line (i.e. annual family income of the beneficiary should be less than Rs.1,20,000/- p.a. in urban areas and Rs.98, 000/- p.a.in rural area.

Pattern of Finance

1. NBCFDC loan 95%
2. SCA/Beneficiary contribution 05%

Utilization Period 4 months from date of disbursement

Rate of Interest

1. From NBCFDC to SCA 1% p.a.
2. SCA to Beneficiary 4% p.a.

1. From NBCFDC to PBCMDC 1% p.a.
2. PBCMDC to DCCB 1% p.a
3. DCCB to PACCS 2% p,a
4. PACCS to Beneficiary 4% p.a

Repayment

Loan is to be repaid in quarterly installments within 48 months (including the moratorium period of six months on the recovery of principal).

D. Educational Loan Scheme

Objectives

To extend Educational Loan to the members of Backward Classes for pursuing professional or technical education at graduate and higher level.

Eligibility

- ❖ Members of Backward Classes, as notified by Central Government/ State Governments from time to time.
- ❖ The annual income of the applicant's family should be below double the poverty line i.e. Rs.1, 20,000/- p.a. in urban areas and Rs.98, 000/- p.a. in rural areas.
- ❖ The applicant should have obtained admission for any professional courses approved by appropriate authority such as AICTE, Medical Council of India, UGC etc.

Courses Covered

All professional and technical courses at graduate and higher level approved by appropriate authority such as AICTE, Medical Council of India, UGC etc.

Purpose of Loan

Admission Fee & Tuition Fee; Books; Stationery & other instruments required for the course; examination fee; boarding & lodging expenses; insurance premium for policy during the loan period and travel expense/passage money for studying abroad.

Maximum Loan Limit

90% of the expenditure of the course subject to maximum loan limit of Rs.10.00 Lakh per student (for studying within India) & 85% of the expenditure of the course subject to maximum of Rs.20.00 Lakh per student (for studying abroad), the balance will be borne by student/ SCAs.

Rate of Interest

From NBCFDC to SCA	1.5% p.a. *
SCA to beneficiary	4% p.a. **

* 0.5% rebate on timely repayment of loan by SCAs

** girl students will get Educational Loan at special concessional rate of interest @ 3.5% p.a.

Repayment Period

The moratorium, besides being co-terminus with the course for which loan has been obtained by the students, will have a further six months period for starting repayment after the completion of the course.

Security & Monitoring of Educational Loans

The SCAs would ensure security of loan, tracking of beneficiaries' students and their monitoring during the loan period. The Educational Loan Scheme would envisage providing Educational Loan to the eligible students pursuing their higher professional courses in approved institutions only.

CHAPTER – II

RESEARCH METHODOLOGY

2.1 INTRODUCTION

Other 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, along with Scheduled Castes and Scheduled Tribes (SCs and STs).

The OBCs were found to comprise 52% of the country's population by the Mandal Commission report of 1980, a figure which had been estimated to 41% by 2006 when the National Sample Survey Organization took place.

In the Indian Constitution, OBCs are described as "socially and educationally backward classes", and the Government of India is enjoined to ensure their social and educational development — for example, the eligible OBCs are entitled to 27% reservations in public sector employment and higher education.

Until 1985, the affairs of the Backward Classes were looked after by the Backward Classes Cell in the Ministry of Home Affairs. A separate Ministry of Welfare was established in 1985 (renamed in 1998 to the Ministry of Social Justice and Empowerment) to attend to matters relating to Scheduled Castes, Scheduled Tribes and OBCs. 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]

Financial assistance plays a significant role in economic development of backward classes' life which ultimately leads them to empowerment process. Empowerment indicates the economic, education, political, social, cultural, psychological and environmental development of an individual or a group. Individual empowerment brings the development of the whole community. At this juncture, the need for well being of backward class was

given special attention through financial assistance. When finance becomes easily available, entrepreneurial activities will be initiated which make changes in their socio-economic life. For this purpose, Government of India allotting funds for socio-economic development activities of backward class families. In Puducherry, the Puducherry backward class and minorities development corporation has implemented various welfare schemes with the support of national backward classes' finance and development corporation, New Delhi for the benefit of these peoples.

This evaluation study is an attempt to expose the various term loans, microfinance and educational schemes of PBCMDC and to reveal the perceived impact and empowerment process among the backward in selected constituency of Puducherry. The findings of the study will be of immense use to the planners, policy makers, NBCFDC people and researchers to design plans and execute suitable strategies for the weaker sections in the society.

2.2 NEED OF THE STUDY

Backward classes are class of people other than SC & ST, living in low socio-economic status because of their low earning occupations. To uplift these marginalized sections of the society, the Central Government and State Governments have taken a lot of efforts by implementing various welfare schemes. In Puducherry, with the help of NBCFDC the PBCMDC were releasing huge amount of funds with the objective to improve the living conditions of these people and bring them above poverty line. But still there is a scope for expansion of schemes offered by NBCFDC. If the beneficiaries utilize this financial assistance properly, they may improve their status ultimately. Therefore, there is a need to evaluate the impact of NBCFDC schemes and empowerment of these peoples after availing the financial assistance from NBCFDC and further improve system of its implementation in Puducherry. The result of the study will assist in fine tuning the NBCFDC schemes and enhance the empowerment process of backward classes.

2.3 IMPORTANCE OF THE STUDY

After 1947, the Government of India has made various efforts to uplift the development. But some of the peoples in marginalized section are still continuing the low

occupations with very low income. Therefore, they are unable to fulfill their basic needs and are then forced into poverty. The Government on the other side takes immense legislative measures for economical, educational, social and political improvement of these peoples. At this juncture, it becomes very important to find out the real impact of NBCFDC schemes on the beneficiaries' life after availing the financial assistance. It is also vital to identify whether the backward classes are aware of these schemes and benefits.

2.4 STATEMENT OF THE PROBLEM

In India, NBCFDC is taking care of the duty to promote economic and development activities for the benefit of backward classes and implements schemes such as economic assistance to individuals and Self Help Groups to start entrepreneurial activities, skill development training etc. Every year this corporation distributed huge amount has been spent by the government for the economic development. Hence, the cost and benefit will be a measurable one. In this juncture, it is essential to find the answers for following questions:

- Whether the beneficiaries have improved their socio-economic status after availing themselves the financial assistance?
- What is the level of impact perceived by beneficiaries through NBCFDC schemes?

To obtain the answer for the above research questions, a study has been conducted by Dr.Ambedkar Chair, Annamalai University on behalf of NBCFDC for beneficiaries assisted in Puducherry in the year 2012 -13 to 2015-16 by Puducherry Backward Class and Minorities Development Corporation (PBCMDC).

2.5 OBJECTIVES OF THE STUDY

The purpose of the study is to evaluate the Socio-economic Impact of the NBCFDC schemes on the lives of Beneficiaries in Puducherry. Through the current research, finding answers to the following objectives is useful for better understanding. The major objectives of the present study are as follows:

- ❖ To identify the percentage of beneficiaries utilized the assistance from the SCAs under different schemes of NBCFDC for the intended purpose.
- ❖ To understand the percentage of beneficiaries who have crossed the poverty line and double poverty line after availing the loan.
- ❖ To examine the socio economic impact of NBCFDC schemes
- ❖ To know performance of Puducherry Backward Class and Minorities Development Corporation (PBCMDC) based on feedback of beneficiaries regarding the various aspects relating to business of PBCMDC.
- ❖ To propose suggestions and recommendations for the improvements in the delivery mechanism and also for loan recovery performance.

2.6 RESEARCH APPROACH

Commonly, a quantitative research approach is appropriate for a study if (i) the research model extends beyond descriptive analysis; (ii) hypotheses testing is required and (iii) the constructs are unobservable in nature. This research is consistent with prior research on evaluation of loan schemes. In addition to that the research model theoretically developed extends beyond descriptive analysis; and the hypotheses of the study require hypothesis testing; and the constructs are latent (i.e. unobservable) in nature. Therefore, a quantitative research approach is considered a suitable methodology to achieve the objective of this study.

Exploration, description and explanation are the three common natures of research in social science. Researchers generally conduct exploratory research for studying initial rough understanding of some phenomenon whereas conducting descriptive research for describing the precise measurement and reporting the characteristics of some population or phenomenon under study. An explanatory research is called as hypothesis testing (analytical and predictive) research, is generally conducted to discover and report some relationships among different perspectives of the phenomenon under study. This study is an explanatory research because potential drivers of evaluation have been identified above and

the aim of this study is to evaluate the influences of these drivers on performance of the schemes.

2.7 RESEARCH DESIGN

Research design enables researchers to answer research questions as validly, objectively, accurately and economically as possible. There are four natures of design commonly applied by empirical studies: case studies, field studies, field tests (quasi-experimental), and laboratory studies (experimental). As per the proposed individual variables in the study a field study in a real setting appears most appropriate for this research. A field study is usually to be the most feasible and economical method to examine a complicated phenomenon and it produces relatively strong effects of independent variables on as per the proposed individual variables in the study a field study in a real setting appears most appropriate for this research. Dependent variables and thus enhances the statistical conclusion of the results.

2.8 SOURCE OF DATA

2.8.1 PRIMARY DATA

When collecting data and information for investigation the research objectives, the interview schedule will be as the primary data tool. This is because of the intricate nature of the research area. Hence, interview schedule becomes the natural way of gathering primary data. Primary data formed the core of the research study.

2.8.2 SECONDARY DATA

Compared to primary data, secondary data is fairly inexpensive. The literature research was collected from the office of the state channelizing agencies at Head Office.

2.9 DATA COLLECTION METHOD

There are mainly four data collection methods for research in social science: interview, questionnaire, observations, and document inspection. The choice of method commonly depends on the circumstances of the research. For this study self-administered

interview schedule was adopted as the method. This study was conducted on the street in the selected districts in Puducherry.

2.10 POPULATION AND SAMPLING

2.10.1 UNIT OF ANALYSIS

A unit of analysis refers to the primary empirical object, individual or group that a researcher wants to study. For this study, the unit of analysis is beneficiaries in selected districts of Puducherry, who have availed the loan under any schemes from SCAs of NBCFDC namely PBCMDC.

2.10.2 POPULATION

The population of interest of this study is NBCFDC beneficiaries in Puducherry. The population of the study defined from the utilization certificate submitted by SCAs to NBCFDC. Thus, it can be deduced that in Puducherry there are about 1,54,555 beneficiaries obtained loan from NBCFDC. Hence it was decided to select 750 beneficiaries from micro finance (men and women) and 100 beneficiaries from educational loan scheme for performing the evaluation study.

2.10.3 SAMPLING AREA OR ZONE WISE ASSESMENT OF BENEFICIARIES IN PUDUCHERRY

The total Puducherry is divided into administrative units. These administrative units of Puducherry are classified based on the constituency. There are 28 constituencies in Puducherry and for revenue administration purposes; these thirty two districts are divided into rural and urban. The main objective of the study is inspection of beneficiaries and evaluation of NBCFDC schemes in the state of Puducherry. The sampling area of study is selected based on all constituency wise in Puducherry because, to give equal weightage for all areas.

2.10.4 SELECTION OF DISTRICTS

For the purpose of the study, the research team made a preliminary discussion with the managing director of PBCMDC, after the discussion it is identified the needed peoples

can approach loan from office of the PBCMDFC with proper application. The collected application was scrutinized and then they can sanction the loan. After sanction the funds goes to Ultimate beneficiary. So the research team decided to approach the beneficiary through the loan recovery agent channel. It was decided to select all constituencies in Puducherry

Scheme Wise, Year Wise and Area Wise Questionnaires (Beneficiaries) Needed for NBCDFC Evaluation studies at Puducherry

	Scheme(s)	Micro Finance Scheme				Term Loan				Education Loan			
		Year(s)	12-13	13-14	14-15	15-16	12-13	13-14	14-15	15-16	12-13	13-14	14-15
	Year wise total	33	264	83	170	12	30	24	134	12	47	31	10
Sl. No.	Area Name												
1	Mannadipet	1	10	3	6	1	1	1	5	1	2	1	1
2	Thirubuvanai	1	9	3	6	-	1	-	5	-	1	1	-
3	Ossudu	1	10	3	6	-	1	1	5	-	1	1	-
4	Mangalam	1	10	3	6	1	1	1	5	1	1	1	-
5	Villianur	2	10	3	6	1	1	1	5	1	3	1	1
6	Ozhukarai	1	9	3	6	-	1	1	4	-	1	1	-
7	Kadirkamam	2	9	3	6	1	1	1	5	1	3	1	1
8	Indira Nagar	1	9	3	6	-	1	1	5	-	1	1	-
9	Thattanchavady	2	9	3	6	1	1	1	5	1	2	1	1
10	Kamaraj Nagar	1	9	3	6	-	1	1	5	-	1	1	-
11	Lawspet	2	9	3	7	1	1	1	5	1	2	2	1
12	Kalapet	1	9	3	6	-	1	1	5	-	1	1	-
13	Muthialpet	1	10	3	6	1	1	1	5	1	2	1	1
14	Raj Bhavan	1	10	3	6	-	1	1	4	-	1	1	-
15	Oupalam	1	9	2	6	-	1	-	5	-	1	1	-
16	Orleampeth	1	10	3	6	-	2	1	5	-	1	2	-
17	Nellithope	2	10	3	6	1	1	1	5	1	3	1	-
18	Mudaliarpeth	1	9	3	6	1	1	1	5	1	2	1	1
19	Ariankuppam	1	9	3	6	-	1	1	4	-	1	1	-
20	Manavelly	1	9	3	6	-	1	-	5	-	1	1	-
21	Embalam	1	10	3	6	1	1	1	5	1	3	1	1
22	Nettapakkam	1	9	3	6	-	1	1	5	-	3	1	-
23	Bahour	1	10	3	6	1	1	1	5	1	1	1	1
24	Nedungadu	1	9	3	6	-	1	1	4	-	2	1	-
25	Thirunallar	1	10	3	6	1	1	-	5	1	2	1	1
26	Karaikal North	1	9	3	7	-	2	1	5	-	1	2	-
27	Karaikal South	1	9	3	6	-	1	1	5	-	2	1	-
28	Neravy T R Pattinam	1	10	3	6	-	1	1	5	-	1	1	-

2.10.5 SAMPLING TECHNIQUE

For the study simple random sampling method was used for collecting necessary primary data. A sample of 850 respondents (750 from Microfinance/Term loan and 100 from educational loan) was collected from selected districts of Puducherry to do inspection of beneficiaries and to evaluate the NBCFDC schemes.

2.10.6 SAMPLE SIZE

The sample size refers how many respondents need to collect data in order to get the results that reflect population as precisely as needed. Based on the requirement of NBCFDC officials the required sample size for the study shall be $n= 750+100$. So based on the simple sampling technique total of 850 respondents' data will be collected for the study. The number of beneficiaries (Sample size) selected for the study is 850 which includes General Term Loan (GTL), Micro Finance (MF) categories and Educational loan

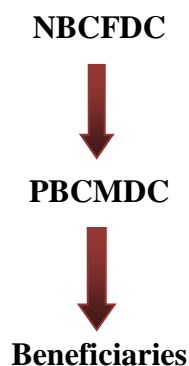
.1.	Term Loan	303 Beneficiaries
2.	Micro Finance Scheme	447 Beneficiaries
3.	Educational Loan	100 Beneficiaries

The number of beneficiary under microfinance is more in sample because PBCMDC avails most loans under micro finance scheme as compared to Term Loan scheme.

2.11 SELECTION OF BENEFICIARIES

The main objective of the study is to evaluate the socio-economic impact of the NBCFDC schemes on the lives of beneficiaries. For answering the objectives the research team collected the list of beneficiaries from Puducherry Backward Class and Minorities Development Corporation (PBCMDC). With the help of list of beneficiaries the research team approached the beneficiaries with the guidance from collection agents of PBCMDC. The managing director directed loan collection agents for meeting beneficiaries. The collection agents of PBCMDFC arranged the beneficiaries for collecting data from General Term Loan scheme, Micro Finance Schemes and Educational Loan Scheme

FLOW OF LOAN AMOUNT FROM NBCFDC TO BENEFICIARY



2.11.1 LOAN SANCTIONING SYSTEM

The loan applications for availing NBCFDC Loan are available in PBCMDC Office at free of cost. The beneficiaries may submit their applications at the office of the Puducherry Backward Class and Minorities Development Corporation. After scrutiny and ensuring the viability of the schemes and credit worthiness of the applicant, the applications are being placed before the Screening Committee. Beneficiaries are being selected by the Screening Committee. After the receipt of Memorandum of Agreement cum-Provisional Sanction Order accepting the terms and conditions, release order along with cheque and repayment schedule will be sent to the PBCMDC. **For sanctioned amount of loan will go to beneficiaries through Direct Bank Transfer (DBT) only in Normal savings account or Jan Dhan Account.** NBCFDC transfers the loan to PBCMDC bank account and the same bank account is used by the beneficiaries for repaying the loan amount.

2.11.2 KYC DOCUMENTS FOR LOAN PROCESSING

1. Community and Income Certificate
2. Ration Card
3. AADHAR card
4. Purpose of loan (details of Trade)
5. Project Report (In case of Big Projects)
6. Driving License (For Transport Vehicles)
7. Other documents as required by the SCA

CHAPTER – III

ANALYSIS AND INTERPRETATION – TERM LOAN AND MICRO FINANCE

Table 3.1 Male and Female Percentage of Beneficiaries

Gender	Number of Beneficiaries	Percentage
Male	451	60.1
Female	299	39.9
Total	750	100.0

The Gender is an important variable which influences the socio economic conditions of the family. Hence, it is important to study the Gender distribution of beneficiaries. From the Table3.1, it is found that 60.1% of respondents are Male and 39.9% of respondents are Female. So, the male respondents dominate the study.

Table 3.2 Loan pattern for Male and Female

		Name of the scheme in which assistances availed		Total
		General Term loan	Micro Finance Scheme	
Gender	Male	188	263	451
	Female	115	184	299
Total		303	447	750

From the above Table3.2 it is found that, 188 Male beneficiaries and 115 Female beneficiaries got loan from General Term Loan scheme. 263 Male beneficiaries and 184 Female beneficiaries got loan from Micro Finance Scheme.

Table 3.3 Age Classification of beneficiaries

Age Classification	Number of Beneficiaries	Percentage
<30 yrs	56	7.5
30-40 years	320	42.7
41-50 years	261	34.8
> 50 years	113	15.0
Total	750	100.0

Physical and Psychological development of an individual is related to his or her age. It thus influences the interest and needs of an individual. It also plays a vital role in deciding future goals and expectations. From the Table3.3, it is found that the majority of

respondents i.e. 42.7% falls under category of 30 – 40 years, 34.8% of respondents falls under the category of 41-50 years, 15.1% of respondents falls under >50 years and only 7.5% of respondents falls under < 30 years category. So, it is concluded that the majority of respondents are in 30 – 40 years category.

Table 3.4 Educational Status of Beneficiaries

Educational Status	Number of Beneficiaries	Percentage
Illiterate	28	3.7
Ability to sign	86	11.5
Primary	197	26.3
Secondary	214	28.5
Higher Secondary	121	16.1
Diploma	98	13.1
Graduate	6	.8
Total	750	100.0

Various categories of Education included in the study are Illiterate, Ability to sign, Primary, Secondary, Higher Secondary, Diploma, ITI and Graduate. From the above Table3.4, it is observed that 3.7% of respondents falls under Illiterate, 11.5% of respondents falls under Ability to sign category, 26.3% of respondents falls under Primary category, 28.5% of respondents falls under Secondary category, 16.1% of respondents falls under Higher Secondary category, 13.1% of respondents falls under Diploma category, and 0.8 % of respondents falls under Graduate category. From the above Table it is concluded that 86.1 % of beneficiaries completed maximum of school level education only. Hence they are the needy peoples for loan amount.

Table 3.5 Beneficiaries Place of Residence

Place of Residence	Number of Beneficiaries	Percentage
Rural	324	43.2
Urban	426	56.8
Total	750	100.0

From the Table3.5 it is found that 43.2% of respondents are living in rural area and 56.8% of respondents are living in urban area. One of the greatest strength of the research

is that the urban divide in Puducherry constituency is more, in spite of that constrains nearing fifty percent of the beneficiaries taken from rural areas of Puducherry.

Table 3.6 Type of Residence living

Type of Residence	Number of Beneficiaries	Percentage
Own House	581	77.5
Rental House	169	22.5
Total	750	100.0

From the Table3.6 it is found that 77.5% of respondents are living in own house and 22.5 % of respondents are living in rented house.

Table 3.7 Marital status of Beneficiaries

Marital status	Number of Beneficiaries	Percentage
Married	709	94.5
Unmarried	25	3.4
Widow	15	2.0
Divorced	1	0.1
Total	750	100.0

Various categories of Marital status included in the study are Married, Unmarried, Widow and Divorced. From the Table 3.7, it is observed that 94.5% of respondents falls under married category, 3.4% of respondents falls under unmarried category, 2.0% of respondents falls under widow category and 0.1% of respondents falls under divorced category. The interesting conclusion of marital status of respondents is 94.5% of beneficiaries are living with their spouse and children's. Further it is concluded that married respondents availed more Micro Finance Scheme and GTL offered by NBCFDC because they are having more responsibility to uplift the economic and social growth of the family.

Table 3.8 Nature of the Family of Beneficiaries

Nature of the family	Number of Beneficiaries	Percentage
Joint	175	23.3
Nuclear	575	76.7
Total	750	100.0

Family type differentials may also have effect. So, it is important to know the family type distribution of respondents. From the Table 3.9, it is found that 76.7% of respondents are from nuclear family category and 23.3% of respondents are from joint family category.

Table 3.9 Size of the Family of Beneficiaries

Size of the Family	Number of Beneficiaries	Percentage
Upto 3 members	162	21.6
4 – 5 members	502	66.9
5-6 members	58	7.7
above 6 members	28	3.8
Total	750	100.0

From the Table3.10 it is found that, 66.9% of the respondent’s families are having 4-5 members. 21.6% of the respondents families are having 3 members, 7.7% of the respondents families are having 5-6 members and 3.7 % of respondents family having above 6 members. So it is concluded that majority of the beneficiaries are living with 4 to 5 members in the family.

Table 3.10 (a) Economic status of beneficiaries before and after getting the loan

Economic status before loan	Number of Beneficiaries	%	Economic status after loan	Number of Beneficiaries	Percentage
BPL	525	70	BPL	90	12.00
DBPL	225	30	DBPL	173	23.07
Total	750	100.0	Above DBPL	487	64.93
			Total	750	100

Economic status of beneficiaries before and after getting loan is presented in the above Table 3.10(a). From the Table it is found that 70% of beneficiaries are in the status of below poverty line and 30 % of beneficiaries are in double below poverty line before getting loan. It is further identified that after the loan was availed, 12% of respondents are in below poverty line, 23.07% of respondents are in double below poverty line and 64.93% of respondents are above the double the below poverty line.

Table 3.10 (b) Variations of families crossing BPL & DBPL after availing loan

Sr. No.	Economic Status	Beneficiaries			
		Before Loan	After Loan	No. of beneficiaries, who crossed BPL & DPL	% variation
1	Upto BPL	525	90	435	82.85
2	Above BPL upto DPL	225	173	52	23.11
	Overall	--	--	487	64.93

From the above table 3.10(b) it shows that, while comparing BPL, 82.85% of beneficiaries crossed the Below Poverty Line. Similarly, while comparing DBPL, 23.11 % of beneficiaries crossed the Double Below Poverty Line, Overall 64.93% of respondents are above the DBPL.

The monthly family income of beneficiary Before loan is Rs.8,000/- and monthly family income after loan is Rs.12,500/-. It is concluded from the results that, there is an increase of Rs.4,500/- (56%) in the family average income of beneficiaries after they availed the NBCFDC loan.

Out of 750 beneficiaries, as far as GTL and MFS schemes are concerned, the monthly family income of GTL beneficiaries (40.40%) before loan is Rs.4,000/- and after getting loan is Rs.10,000/-. It is concluded that there is a change of income (or) increase of income per month is Rs.6,000/- (150%). The monthly family income of MFS beneficiaries (59.60%) before loan is Rs.6,000/- and after loan is Rs.8,000/-. It is concluded that there is a change in monthly income (or) increase of monthly income is Rs.2,000/- (33.33%).

Table 3.11 Nature of House Occupied by Beneficiaries

Nature of House Occupied	Number of Beneficiaries	Percentage
Hut	55	7.3
Concrete Roof	564	75.2
Sheet Roof	20	2.7
Tile Roof	111	14.8
Total	750	100

From the above Table 3.12 it is found that 2.7 % of respondents are living in sheet roof. 75.2% of respondents are living in concrete roof. 7.3% of respondents are living in huts. 14.8 % respondents are living in tile roof.

Table 3.12 Aadhar card Status of Beneficiaries

Aadhar card status	Number of Beneficiaries	Percentage
Yes	738	98.4
No	12	1.6
Total	750	100.0

From the above Table 3.13 it is found that 98.4% of respondents are having Aadhar card and 1.6% of respondents are not having Aadhar card.

Table 3.13 (a) Monthly expenditure of beneficiaries before and after loan

Spending status		Average Expenditure
Pair 1	Monthly Expenditure of your House hold Before loan	5,497.7333
	Monthly Expenditure of your House hold After loan	8,283.0667

The monthly expenditure of beneficiaries before and after loan was presented in the above table. From the results it is observed that the beneficiaries are spending Rs.5,498/- before loan period and Rs.8,283/- after loan period. It is concluded that about 66 % increase in family spending and hence this may be a primary reason for the loan default amount.

Table 3.13 (b) Size of Monthly Household savings before and after loan

		Average savings
Pair 1	Size of the Household savings Before loan	629.5027
	Size of the Household savings After loan	1099.1935

The monthly size of house hold savings of beneficiaries before and after loan was presented in the above table. From the results it is observed that the beneficiaries are saving Rs.630/- before loan period and Rs.1,100/- after loan period. It is concluded that there is increase in family savings amount by Rs.470/- per month and for annual it was Rs.5,640/-.

Table 3.14 Status of Household Debt before PBCMDC Loan

Having household debt except PBCMDC before loan	Number of Beneficiaries	Percentage
Yes	352	46.9
No	398	53.1
Total	750	100.0

The status of respondents having household debt except PBCMDC before loan was presented in the above Table 3.14. From the results it is found that 46.9% of respondents are not having any debt before PBCMDC loan and 53.1% of respondents are having some debt after PBCMDC loan.

Table 3.15 Status of Household Debt after PBCMDC loan

Having Household Debt after PBCMDC loan	Number of Beneficiaries	Percentage
Yes	131	17.47
No	619	82.53
Total	750	100.0

The status of respondents having household debt except PBCMDC after loan was presented in the above Table 3.15. From the results it is found that 82.53 % of respondents are not having any debt after PBCMDC loan and 17.47% of respondents are having some debt after PBCMDC loan. While comparing the beneficiaries status of household debt before and after loan during the study period, it is concluded that there are about 221 beneficiaries are free from debt from other Private Finance.

Table 3.16 Type of Bank Account of Beneficiaries

Type of Account having	Number of Beneficiaries	Percentage
Jan Dhan Yojana	147	19.6
SB Account	603	80.4
Total	750	100.0

Type of bank account holding also checked during the study. From the above Table3.16 it is observed that 80.4% of respondents having normal savings bank account and 19.6% of respondents are having Jan Dhan Yojana account and received loan through **DBT to his account.**

Table 3.17 Status of Aadhar link with Bank account

Status of Aadhar link with Bank	Number of Beneficiaries	Percentage
Yes	714	95.2
No	36	4.8
Total	750	100.0

Government of India taking more initiatives to link Aadhar number with bank account, it is also measured during the study. The positive impact of that initiative is observed from the study because from the above Table3.17, it is observed that 95.21 % of respondents had linked their Aadhar with bank account and remaining 4.8% of respondents did not linked their Aadhar with bank account.

Table 3.18 The scheme in which assistance is Availed

Name of the scheme in which assistance is availed	Number of Beneficiaries	Percentage
General Term loan	303	40.4
Micro Finance Scheme	447	59.6
Total	750	100.0

There are seven categories of NBCFDC schemes available for the benefits of backward peoples but only the General Term Loan and Micro Finance schemes have been concentrated in Puducherry. From the Table 3.18, it is found that 59.6% of respondents are availed loan under Micro Finance scheme. 40.4 % of respondents availed loan under General Term Loan scheme. Since the demand is more for Micro Finance scheme, PBCMDC and NBCFDC offered more amount to Micro Finance scheme and hence the research also focused on more beneficiaries from Micro Finance scheme.

Table 3.19 Nature of activity for which assistance is availed

Nature of activity for which assistance is availed	Number of Beneficiaries	Percent
Agriculture and allied type of activities	12	1.6
Small business type of activities	679	90.5
Transport sector type of activities	5	0.7
Service sector	54	7.2
Total	750	100.0

Nature of activity for which assistance is availed by the respondents is measured. From the results in the table 3.19, it is noted that 1.6 percent of respondents are availed the loan for doing agriculture and allied activity. 90.5 percent of respondents are availed loan for doing small business, 0.7 percent of respondents are availed the loan for doing business in transport sector and 7.2 percent of respondents are availed the loan for service sector. Hence it is concluded that majority of respondents are availed loan under small business type of activities.

Table 3.20 Previous experiences towards PBCMDC loan

Have you ever applied loan from PBCMDC?	Number of Beneficiaries	Percentage
Yes	535	71.3
No	215	28.7
Total	750	100.0

Previous experience level about loan from PBCMDC was asked among respondents. From the results in the Table 3.20, it is observed that about 71.3% of respondents availed loan from PBCMDC previously and 28.37% of respondents applied and got the loan first time. From the Table figures it is concluded that nearly one third of the beneficiaries are applying the loan for first time.

Table 3.21 Sources of Awareness about NBCFDC

Sources of Awareness about NBCFDC	No. of Beneficiaries	Percentage
Advertisement	28	3.7
Family /Friends/Relatives	149	19.9
From SCA officials	48	6.4
Website	15	2.0
Beneficiary	100	13.3
Representatives of elected bodies	410	54.7
Total	750	100.0

It is found from the study NBCFDC is taking greater efforts for creating awareness about its scheme by updating in its Webpage, Advertisement, and Toll free number in

application form. Sources of awareness about NBCFDC schemes were asked among the respondents. From the results in the Table 3.21, it is observed that Representatives of elected bodies (54.7%) are playing an important role for creating awareness about NBCFDC schemes. 19.9% of respondents came to know about NBCFDC schemes from the Family /Friends/Relatives. 3.7% of respondents came to know by Advertisements, 6.4% of respondents got awareness from SCA officials, only 2.0% of respondents came to know about the NBCFDC schemes from websites and 13.3 % of respondents came to know about the NBCFDC schemes from beneficiary.

Table 3.22 Awareness Level about other schemes

Awareness level about other schemes	Number of Beneficiaries	%
Yes	199	26.5
To some extent	269	35.9
No	282	37.6
Total	750	100.0

Sources of awareness about other NBCFDC schemes were asked among the respondents. From the results in the Table 3.22, it is observed that 37.6 % of respondents do not know about the other schemes of NBCFDC. 26.5% of respondents know about other schemes and 35.9% of respondents know about other schemes of NBCFDC to some extent. Hence it is concluded that nearly three fourth % of respondents doesn't know fully about the other schemes of NBCFDC.

Table 3.23 Awareness about Unit cost and Pattern of Assistance

Awareness about Unit cost and Pattern of Assistance	Number of Beneficiaries	Percentage
Yes	519	69.2
No	231	30.8
Total	750	100.0

Sources of Awareness about Unit cost and Pattern of Assistance of NBCFDC schemes were asked among the respondents. From the results in the Table 3.23, it is

observed that, majority of respondents (69.2 %) know about Unit cost and Pattern of Assistance of NBCFDC schemes.

Table 3.24 Difficulties faced in getting Loan

Difficulties faced in getting Loan	Number of Beneficiaries	Percentage
Yes	424	56.5
No	326	43.5
Total	750	100.0

Difficulties faced in getting loan were also checked among respondents. From the results in the Table 4.24, it is observed that 43.5 % of respondents expressed that they did not face any problem in getting loan.56.5% of beneficiaries expressed that they faced some problems while availing loan. In general, delay in processing and sanctioning of loan amount is the major difficulty faced by the beneficiaries across Puducherry.

Table 3.25 Year wise loan obtained

Loan obtained year	Number of Beneficiaries	Percentage
2012-13	141	18.8
2013-14	178	23.7
2014-15	161	21.5
2015-16	270	36.0
Total	750	100.0

The period in which the respondents obtained loan was presented in the Table 3.25. Among 750 respondents, 141 obtained in the year 2012-13,178 obtained in the year 2013-14,178 obtained in the year 2013-14 and161 obtained in the year 2014-15. Hence it is concluded that the majority of loan amount given by the PBCMDC in the year 2015-16.

Table 3.26 Purpose of loan Utilized

Nature of activity for which assistance is utilized	Number of Beneficiaries	Percent
Agriculture and allied type of activities	12	1.6
Small business type of activities	679	90.5
Transport sector type of activities	5	0.7
Service sector	54	7.2
Total	750	100.0

The purpose of loan utilized by the beneficiaries is presented above table 3.26. From the results it is observed that majority of respondents (679) are utilized loan for small business type of activities, 12 beneficiaries utilized the loan for Agriculture and allied type of activities, 5 beneficiaries utilized for Transport sector type of activities and 54 beneficiaries utilized for service sector related activities Hence it is concluded that majority of respondents (100%) are utilized the loan for the small business type of activities.

Table 3.27 Utilization of Loan for the Intended Purpose

Have you Utilized the loan for the intended purpose?	Number of Beneficiaries	Percentage
Yes	750	100
Total	750	100.0

From the Table 3.27, it is observed that all the respondents obtained the loan and it is utilized for the intended purpose. The study also found that out of the total sample of 750 surveyed beneficiaries benefitted under NBCFDC schemes (100%) beneficiaries possessed the assets created with the loan amount.

Table 3.28 No. of days taken by PBCMDC for disbursement of loan

Details	Average days
Time taken by the PBCMDC for disbursement of loan	155

The success of loan scheme is depending upon days taken by the organization to disburse. The details regarding the number of days taken by PBCMDC for disburse the term loan and micro finance is presented in the table, From the results it is noted that PBCMDC takes 155 days averagely to disbursement the loan amount to beneficiary account through direct bank transfer. Hence the majority of beneficiaries availed loan after waiting around 5-6 months period.

Table 3.29 Sufficient of Loan amount

Is the loan amount is sufficient according to you needs/ capacity?	Number of Beneficiaries	Percentage
Yes	568	75.7
No	182	24.3
Total	750	100.0

Sufficiency of loan amount is presented in the above Table 3.29. From the results, it is observed that about 75.7 % were expressed that the loan amount not sufficient according to the need and capacity. About 24.3 % of respondents expressed that the loan amount is sufficient.

Table 3.30 Rate of interest for your Loan amount

What is the rate of interest for your loan amount?	Number of Beneficiaries	Percentage
5.00 %	303	40.4
6.00 %	447	59.6
Total	750	100.0

The rate of interest charged by the SCAs to the beneficiaries was presented in the above Table 3.30. From the results it is found that 40.4% of respondents got the loan at 5% interest. 59.6% of respondents got the loan at 6% interest. During the data collection stage it is found that some of the beneficiaries are not having awareness about the interest rate.

Table 3.31 Details of loan applied, loan sanctioned and loan availed by the beneficiaries (Term loan)

Details	Average amount (Rs)
Amount of loan applied by the beneficiaries	122023
Amount of loan sanctioned to the beneficiaries	89686
Amount Availed by the beneficiaries	89636

The details regarding the amount of loan applied, loan sanctioned and loan availed by the beneficiaries is presented in the table 3.31. With regard to loan applied by the beneficiaries it is noted that the average loan applied by the beneficiaries is Rs 122023. With regard to amount of loan sanctioned it is noted that, the average loan sanctioned to the beneficiaries is Rs 89,686. With regard to amount availed by the beneficiaries it is noted the average loan availed by the beneficiaries is Rs 89,636. From the average loan applied and sanctioned it is concluded that PBCMDC is averagely sanctioning 73.49% of amount applied by the beneficiaries. From the average amount availed by the beneficiaries it is concluded that, the beneficiaries are availing almost all the amount sanctioned by the PBCMDC.

Table 3.32 Details of loan applied, loan sanctioned and loan availed by the beneficiaries (Micro Finance)

Details	Average amount (Rs)
Amount of loan applied by the beneficiaries	48054
Amount of loan sanctioned to the beneficiaries	34430
Amount Availed by the beneficiaries	34038

The details regarding the amount of loan applied, loan sanctioned and loan availed by the beneficiaries for micro finance is presented in the table 3.32. With regard to loan applied by the beneficiaries it is noted that the average loan applied by the beneficiaries is Rs 48054. With regard to amount of loan sanctioned it is noted that, the average loan

sanctioned to the beneficiaries is Rs 34430. With regard to amount availed by the beneficiaries it is noted that the average loan availed by the beneficiaries is Rs 34038. From the average loan applied and sanctioned it is concluded that PBCMDC is averagely sanctioning 71.65% of amount applied by the beneficiaries. From the average amount availed by the beneficiaries it is concluded that, the beneficiaries are availing almost all the amount sanctioned by the PBCMDC.

Table 3.33 Status of Loan repayment

Status of loan repayment	Number of Beneficiaries	Percentage
Regular	300	40.0
Irregular	291	38.8
Defaulted	159	21.2
Total	750	100.0

The status of loan repayment is presented in the Table 3.33. Out of 750 Beneficiaries surveyed 60 % of respondents are not repaying the installments regularly to the SCAs. Balance 40 % of respondents are missing some installments due to some financial constraints after taking the loan recovery process through collection agents.

Table 3.34 Reasons for Delay in repayment

Reasons	Number of Beneficiaries	Percentage
Failure of Business	287	38.3
Diversion of savings	39	5.2
Lack of Training	6	.8
Others	118	15.7
Total	450	60.0
Non Defaulters	300	40

Reasons for irregular repayments of installments were presented in the Table 3.34. It is found that 38.3 % of respondents are missing some installments due to failure of business. 5.2 % of respondents are missing installments due to diversion of savings, because of seasonal business. 0.8 % of beneficiaries are failure in business, because no proper entrepreneurship training provided for them, that how to start and run a business

successfully and how to know the current demand of the people. 15.7 % of respondents are missing some installments due to other reasons.

Table 3.35 Surety given for getting loan

Surety given for getting loan	Number of Beneficiaries	Percentage
Collateral security	3	.4
Mortgage of land / property	7	.9
Govt employees' surety	233	31.1
Others	507	67.6
Total	750	100.0

Surety or documents given for loan is presented in the Table 3.35, It is found that 1.3 % of respondents are given bonds and property documents of his assets or family property.31.1% of respondents given government employees surety and 67.6 % of respondents given other type of surety for getting loan amount.

Table 3.36 Employment opportunities with help of loan amount

Employment status	Number of Beneficiaries	Percentage
Yes	192	25.6
No	558	74.4
Total	750	100.0

Employment opportunity given by the beneficiary with the help of loan amount is presented in the table 3.36. From the results it is observed that 25.6 % of Beneficiaries given employment to others and 74.4 % of beneficiaries does not given employment opportunity with the help of loan amount.

Table 3.37 Employees in the beneficiary activity

No of Employees	Number of Beneficiaries	Percentage
0	558	74.4
1	109	14.5
2	48	6.4
3	26	3.5
4	9	1.2
Total	750	100.0

The number of employees in the beneficiary activity with the help of loan amount is presented in the table 3.37. From the above data it is found that 74.4 % of beneficiaries are not appointed anybody for their activity. 14.5 % of beneficiaries are appointed one person for their activity. 6.4 % of beneficiaries are appointed two persons for their activity. 3.5 % of beneficiaries are appointed three persons for their activity and 1.2 % of beneficiaries are appointed four persons for their activity.

Table 3.38 Satisfaction level of beneficiaries about loan schemes and services of PBCMDC

Satisfaction level of PBCMDC	Average Score out of 5	Rank
Repayment Period	4.6093	1
Loan scheme	4.5760	2
Interest Rates	4.3973	3
Assistance and guidance provided by SCA	4.2160	4
Size of monthly installments	4.2160	5
Easy Query Handling	3.9360	6
Activity started with the help of loan assistance	3.7587	7
Loan Sanctioning system	3.7253	8
Disbursement system	3.5920	9
Behaviour of the employees during the lending process	3.5227	10
Overall services	3.5133	11
Fast and Efficient Services of the SCA	3.1053	12
Time Taken for Loan approval	3.3613	13

Satisfaction level of beneficiaries about loan schemes and services of PBCMDC was presented in the above Table 3.38. It is determined by the total set of duties and task performed by the PBCMDC. For measuring the satisfaction, thirteen items were taken up for the study. These items are asked to beneficiaries to give score on a five point rating scale with 1= Highly dissatisfied, 2 = Dissatisfied 3 = Neither satisfied nor dissatisfied, 4 = Satisfied and 5 = Highly satisfied. The rank was calculated on the beneficiaries score given out of five points. From the average score and rank of the Satisfaction level of

beneficiaries about loan schemes and services of PBCMDC, it is found that, the beneficiaries are satisfied firstly towards Repayment Period, followed by Loan scheme, Interest Rates, Assistance and guidance provided by PBCMDC, Size of monthly installments, Easy Query Handling, Activity started with the help of loan assistance, Loan Sanctioning system, Disbursement system, Behavior of the employees during the lending process, towards Overall services, Fast and Efficient Services of the PBCMDFC and lastly towards Time Taken for Loan approval Hence it is concluded that beneficiaries are highly satisfied towards repayment period and satisfied lastly for Time Taken for Loan approval. The average time taken for loan approval is more than three months this may be due to poor scrutinizing mechanism and insufficient funds at SCA level only. From the data collection it is observed that the beneficiaries are highly satisfied with the assistance given by NBCFDC to PBCFDC.

Table 3.39 Social Impact of loan

Social Impact of Loan	Average Score out of 5	Rank
Better schooling of the children	4.2333	1
Increased involvement with social events	3.9240	2
Improvement in dealing with outsiders	3.9187	3
Equally participated with husband in family decisions in the society	3.8960	4
Better access to the health faculties	3.7680	5
.Participation in social service activities	3.6920	6
Respect of Socially recognition in the Society	3.5440	7
Participation in organized Activities	3.4613	8

Social impact can be defined as the beneficiary's net effect of loan on community and the well-being of individuals and families. For measuring the social impact, eight items were taken up for the study. These items are asked to beneficiaries to give score on a five point rating scale with 1= Notable decrease, 2 = Moderate decrease 3 = Unchanged, 4 = Moderate increase and 5 = Notable increase. The rank was calculated on the beneficiaries score given out of five points. From the average score and rank of the social impact after NBCFDC loan, it is found that, Better schooling of the children is increased firstly for beneficiaries, followed by Increased involvement with social events, Improvement in

dealing with outsiders, Equally participated with husband in family decisions in the society, Better access to the health faculties, .Participation in social service activities, Respect of Socially recognition in the Society and Participation in organized Activities. Hence it is concluded that after NBCFDC loan there is a notable increase in better schooling for beneficiary's children.

Table 3.40 Economic Impact of loan

Economic Impact	Average score out of 5	Rank
Increase in Income	4.3540	1
Decision making in the family	4.0147	2
Food consumption pattern improved	3.9987	3
Improvement in clothing status	3.9627	4
Standard of living improved	3.8387	5
Minimized family indebtedness	3.6240	6
Savings rate improved	3.6067	7
Asset creation improved (cow, goat)	3.5347	8
Better access of financial resources	3.5053	9

The economic effect is changes in financial conditions of beneficiary's after NBCFDC loan. For measuring the economic impact, eight items were taken up for the study. These items are asked to beneficiaries to give score on a five point rating scale with 1= Notable decrease, 2 = Moderate decrease 3 = Unchanged, 4 = Moderate increase and 5 = Notable increase. The rank was calculated on the beneficiaries score given out of five points. From the average score and rank of the economic impact after NBCFDC loan, it is found that, increase in income & Decision making in the family related to monetary matters is improved firstly for beneficiaries followed by Food consumption pattern improved, Improvement in clothing status, standard of living improved, Minimized family indebtedness, Savings rate improved, Asset creation improved, Better access of financial resources. From the rank it is noted that, because of NBCFDC loan Decision making in the family related to monetary matters is improved notably. This may increase women empowerment in over the period of time and paves way for the overall development of the nation. From the rank it is also noted that last rank is for accessing better financial resources. It is concluded that, still beneficiaries are facing problems to get better financial resources to fulfill the financial needs for their family growth.

CHAPTER – IV

ANALYSIS AND INTERPRETATION – EDUCATIONAL LOAN

Table 4.1 Male and Female Percentage of Beneficiaries

Gender	Number of Beneficiaries
Male	62
Female	38
Total	100

The Gender is an important variable which influences the educational status of the family. Hence, it is important to study the Gender distribution of beneficiaries. From the Table4.1, it is found that 62% of respondents are Male and 38% of respondents are Female. So, the Male respondents dominate the study with regard to educational loan

Table 4.2 Age classification of beneficiaries at the time of loan applied

Age Classification	Number of Beneficiaries
≤20 yrs	90
>20 years	10
Total	100

Physical and Psychological development of an individual is related to his or her age. It also plays a vital role in deciding future goals and expectations. The above table depicts the age of beneficiaries at the time of loan applied. From the Table4.2, it is found that the majority of beneficiaries i.e. 90% fall under category of ≤ 20 Years and 10 % fall under category of > 20 years at the time of loan applied. From the age of the beneficiaries it is concluded that the majority of respondents are obtained the loan for under graduation purpose.

Table 4.3 Educational Status of Beneficiaries at the time of loan applied

Educational Status	Number of Beneficiaries
Completed School Level Education	90
Completed Collegiate Education	10
Total	100

Various categories of Education included in the study are completed school level education and Completed collegiate education. From the above Table 4.3, it is observed that 90 % of beneficiaries are completed school level education and only 10 % of beneficiaries are completed collegiate education. From the above Table it is concluded that majority of beneficiaries completed school level education and they applied loan from NBCFDC for studying higher education.

Table 4.4 Beneficiaries Place of Residence

Place of Residence	Number of Beneficiaries
Rural	38
Urban	62
Total	100

From the Table4.4 it is found that 38% of respondents are living in Rural area and 62% of respondents are living in Urban area. One of the greatest strength of the research is that the real effectiveness of educational loan offered by NBCFDC is assessed because the study is focusing more on urban setting.

Table 4.5 Type of Residence living

Type of Residence	Number of Beneficiaries
Own House	70
Rental House	30
Total	100

From the Table4.5 it is found that 70% of respondents are living in own house and 30% of respondents are living in rented house.

Table 4.6 Nature of the Family

Nature of the family	Number of Beneficiaries
Joint	59
Nuclear	41
Total	100

Family type differentials may also have effect in loan evaluation study because family members insist his or her children to go for higher education. So, it is important to know the family type distribution of respondents. From the Table 4.6, it is found that 41% of respondents are from nuclear family category and 59% of respondents are from joint family category.

Table 4.7 Size of the Family of Beneficiaries

Size of the Family	Number of Beneficiaries
Up to 5 members	90
5-6 members	8
above 6 members	2
Total	100

From the Table 4.7 it is found that, 90% of the respondent's families are having upto 5 members. 8% of the respondents' families are having 5-6 members and 2% of the respondents families are having above 6 members. So it is concluded that majority of the beneficiaries are living with upto 5 members in the family.

Table 4.8(a) Economic status of beneficiaries before and after getting the loan

Economic status before loan	No. of Beneficiaries	% of Beneficiaries	Economic status after loan	No. of Beneficiaries	% of Beneficiaries
BPL	63	63	BPL	43	43%
DBPL	37	37	DBPL	19	19%
Total	100	100	Above BPL & DBPL	38	38%
			Total	100	100%

Economic status of beneficiaries before and after getting loan is presented in the above Table 4.8(a). From the Table it is found that 37% of beneficiaries are in the status of double below poverty line and 63 % of beneficiaries are in below poverty line before getting loan. It is further identified that after the loan was availed, 43% of respondents are in below poverty line, 19% of respondents are in double below poverty line and 38% of respondents are above the double the below poverty line. About 43% of respondents are still in BPL after the loan was availed.

Table 4.8(b) No. of Beneficiaries crossed BPL & DPL after getting loan.

Status before getting loan	Status after getting loan	No. of beneficiaries crossed BPL & DBPL After Loan	Change in Percentage
63 (BPL)	43 (BPL)	20	31.74%
37(DBPL)	19 (DBPL)	18	48.64%
Overall		38	38.00%

From the above table 4.8(b) it shows that, while comparing BPL, 31.74% of beneficiaries crossed the Below Poverty Line. Similarly, while comparing DBPL, 48.64 % of beneficiaries crossed the Double Below Poverty Line Overall 38% of respondents are above the DBPL.

The family monthly income of respondents Before loan is Rs.4,500/- and family monthly income of respondents After loan is Rs.5,500/-. It is concluded from the results that, there is an increase of Rs.1,000/- (22.22%) in the family average monthly income of respondents after they availed the NBCFDC loan.

Table 4.9 Nature of House Occupied by Beneficiaries

Nature of House Occupied	Number of Beneficiaries
Hut	4
Concrete Roof	86
Tile Roof	10
Total	100

From the above Table 4.9 it is found that 4% of respondents are living in huts. 86% of respondents are living in concrete roof and 10% of respondents are living in huts.

Table 4.10 (a) Aadhar card Status of Beneficiaries

Aadhar card status	Number of Beneficiaries
Yes	100
Total	100

From the above Table 4.10(a) it is found that all the respondents are having Aadhar card because the study is focusing on Educational Loan and respondents' age group is very young.

Table 4.10 (b) Type of Bank Account of Beneficiaries

Type of Account having	Number of Beneficiaries	Percentage
Jan Dhan Yojana	19	19%
SB Account	81	81%
Total	100	100%

Type of bank account holding also checked during the study. From the above Table 4.10 (b) it is observed that 81% of respondents having normal savings bank account and 19% of respondents are having Jan Dhan Yojana account and received loan through **DBT to his account.**

Table 4.11 Educational Status of Beneficiaries' parents

Educational Status	Number of Beneficiaries
Illiterate	3
Ability to sign	37
Primary	22
Secondary	28
Higher Secondary	1
Diploma/ Graduate	9
Total	100

Various categories of parents education included in the study are Illiterate, Ability to sign, Primary, Secondary, Higher Secondary and Diploma/Graduate. From the above Table 4.11, it is observed that 3% of respondents' parents falls under Illiterate, 37% of respondents' parents falls under Ability to sign category, 22% of respondents' patents falls under Primary category, 28% of respondents' parents falls under Secondary category, 1% of respondents' parents falls under Higher Secondary category, and 9% of respondents' patents falls under diploma/ Graduate category. From the above Table it is concluded that 91% of beneficiaries' parents completed maximum of school level education only and they may earn low salary. Hence they are the needy peoples for loan amount for their children's education.

Table 4.12 Occupation classification of parents

Occupation classification	Number of Beneficiaries
Farmer	4
Business	33
Private Employee	25
Professional	8
Daily wage earner	30
Total	100

Occupation of beneficiaries is one of the dominating factors in all the research area in social sciences. Based on the various categories of occupation, the behavior may vary. The occupation classification of beneficiaries' parents is presented in the table 4.12. From the table, it is found that 4% of respondents' parents are farmers, 33 % beneficiaries' parents are doing small business, 25 beneficiaries' parents are working in private sector, 8 beneficiaries' parents are professional and 30 beneficiaries' parents are daily wage earners. **From the beneficiaries parents' occupation it is inferred that based on their occupation the sources of income is very low and hence they obtained education loan from NBCFDC for their children's education purpose.**

Table 4.13 Loan availed period

Year	Number of Beneficiaries
2012-2013	19
2013-2014	26
2014-2015	31
2015-2016	24
Total	100

The period in which loan is availed is presented in the table 4.13. From the results it is noted that 19% of beneficiaries are obtained in the year 2012-2013, 26 % of beneficiaries are obtained in the year 2013-2014, 31 %of beneficiaries are obtained in the year 2014-2015 and 24 % of beneficiaries are obtained in the year 2015-2016. Hence it is concluded that majority of loan disbursed by PBCMDC is 2014-2015.

Table 4.14 Type of institution of education pursued

Type of institution	Number of Beneficiaries
Deemed University	1
State University	4
Central University	4
Private College	85
Government College	6
Total	100

The type of institution where the beneficiaries completed the education is presented in the table 4.14. From the results it is noted that, majority of beneficiaries were completed the education with help of NBCFDC loan from private college (85%). Further it is noted that 1% were completed from deemed university, 4 % completed from state university and central university and 6 % were completed from government college.

Table 4.15 Type of course studied by the beneficiaries

Course studied	Number of Beneficiaries
UG	90
PG	10
Total	100

The type of course studied by the beneficiaries is presented in the table 4.15. The results indicate that 90 % of beneficiaries are obtained the educational loan from PBCMDC for studying under graduation and 10 % of beneficiaries are obtained the educational loan for studying post graduation. **It is found that 100% of beneficiaries utilized the loan amount only for the purpose of Education.**

Table 4.16 Educational field selected by the beneficiaries

Field chosen	Number of Beneficiaries
Arts and science	26
Engineering	67
Medical	7
Total	100

The education field selected by the beneficiaries with the help of loan is presented in the table. From the results it is found that 26 % of beneficiaries were selected arts and science, 67 % were selected engineering and 7 % were selected medical field. Hence it is concluded that the majority of respondents chosen engineering field for their higher education with the help of NBCFDC loan.

Table 4.17 Duration of the course

Field chosen	Number of Beneficiaries
2 years	10
3 years	10
4 years	73
5 years	7
Total	100

The duration of the course studied by the beneficiaries with the help of loan is presented in the above table. From the data it is noted that 20 % of beneficiaries chosen 2 years and 3 years course, 73 % of beneficiaries studied 4 years course and 7 % beneficiaries were chosen 5 years course.

Table 4.18 Details of loan applied, loan sanctioned and loan availed by the beneficiaries

Details	Average amount (Rs)
Amount of loan applied by the beneficiaries	104128.00
Amount of loan sanctioned to the beneficiaries	68345.00
Amount Availed by the beneficiaries	68085.00

The details regarding the amount of loan applied, loan sanctioned and loan availed by the beneficiaries is presented in the table 4.18. With regard to loan applied by the beneficiaries it is noted that the average loan applied by the beneficiaries is Rs 1,04,128. With regard to amount of loan sanctioned it is noted that, the average loan sanctioned to the is Rs 68,345. With regard to amount availed by the beneficiaries it is noted the average loan availed by the beneficiaries is Rs 68,085. From the average loan applied and

sanctioned it is concluded that PBCMDC is averagely sanctioning 68 % of amount applied by the beneficiaries. From the average amount availed by the beneficiaries it is concluded that, the beneficiaries are availing almost all the amount sanctioned by the PBCMDC.

Table 4.19 Rate of interest charged by PBCMDC

Rate of interest	Number of Beneficiaries
4 %	100
Total	100

The rate of interest for which Educational Loan is availed by the beneficiaries from PBCMDC is presented in the table 4.19. From the results it is noted that all the 100 beneficiaries are availed loan from PBCMDC at 4 percentage interest rate for their principal amount.

Table 4.20 Details about margin amount paid by the beneficiaries

Margin Amount paid	Number of Beneficiaries
5 %	100
Total	100

The margin is the amount that a borrower needs to pay from his own funds, while the balance amount of the loan will be paid by the PBCMDC. From the above results in the table it is found that, all the 100 beneficiaries were paid 5 % of loan amount as margin money for their educational loan. The margin money is also known as beneficiary contribution to the loan amount.

Table 4.21 Details about guarantor given by the beneficiaries

Guarantor	Number of Beneficiaries
Parents collateral	33
Parents friends	5
Government employee	30
Neighbor	6
Relative	26
Total	100

The details regarding guarantor given by the beneficiaries for availing educational loan is presented in the table. From the results it is noted that 33 % of beneficiaries given parents property documents for availing loan, 5 % of beneficiaries availed loan because of

guarantee given by parents friends, 30 % of beneficiaries availed loan because of guarantee given by government employee, 6 % beneficiaries availed loan because of guarantee given by neighbors and 26 % of beneficiaries availed loan because of guarantee given by relatives.

Table 4.22 No. of days taken by PBCMDC for disbursement of loan

Days	Number of Beneficiaries
< 3 months	36
3 - 6 Months	44
> 6 Months	20
Total	100

The success of loan scheme is depending upon days taken by the organization to disburse. The details regarding the number of days taken by PBCMDC for disburse the educational loan is presented in the table, From the results it is noted that 36 % beneficiaries availed the loan within 3 months from the data of application; 44 % beneficiaries availed the loan during 3- 6 months from the data of application and 20 % beneficiaries availed the loan only after 6 months from the data of application made. Hence the majority of beneficiaries availed loan within 3 – 6 months period.

Table 4.23 Adequacy of loan amount to meet education expenditure

Status	Number of Beneficiaries
Yes	13
No	87
Total	100

The beneficiaries’ opinion towards the adequacy of loan amount is presented in the table. From the results it is observed that 87 % of beneficiaries opined that loan amount is not sufficient to meet the educational expenditure and they expect more amount from the PBCMDC.

Table 4.24 Co-obligator of loan

Co obligator	Number of Beneficiaries
Parents	86
Others	14
Total	100

For availing Educational Loan the co obligator is mandatory for the beneficiaries. From the results it is observed that 86 % of beneficiaries given their parents as co obligator of loan and 14 of beneficiaries given others as co obligator of the loan.

Table 4.25 Reasons for availing Educational Loan

Reasons	Average Score out of 5	Rank
Parent income is not sufficient	4.7	1
Suggestion by others	4.0	2
To avoid dependence on parent	3.8	3
To get Quality education	3.7	4
To achieving prestigious post	3.3	5
For achieving my dream	3.3	6
To create a feeling of commitment	3.1	7
Just to avail loan granted by PBCMDFC	2.3	8

The reason for availing loan from PBCMDC by the beneficiaries was presented in the table. The above mentioned reasons were asked to the beneficiaries on a five point rating scale with 1 = strongly disagree, 2 = Disagree 3 = Neutral, 4 = Agree and 5 = strongly agree. The rank was calculated on the beneficiaries score given out of five points. From the average score and rank it is found that the prime reason for availing loan from PBCMDC is parents income is not sufficient followed by Suggestion by others, To avoid dependence on parent, To get Quality education, To achieving prestigious post, For achieving my dream, To create a feeling of commitment and Just to avail loan granted by PBCMDFC. Hence it is concluded that because of insufficient family income, the beneficiaries are availing loan from PBDMDC.

Table 4.26 Sources of awareness about NBCFDC educational loan

Sources of Awareness about NBCFDC	No. of Beneficiaries
Parents	24
PBCMDFC Advertisements	7
Relatives.	22
Friends.	17
Representatives of elected bodies	26
PBCMDC officials	4
Total	100

It is found from the study NBCFDC is taking greater efforts for creating awareness about its scheme by updating in its Webpage, Advertisement, and Toll free number in application form. Sources of awareness about NBCFDC schemes were asked among the respondents. From the results in the Table 4.26, it is observed that Representatives of elected bodies(26 %)are playing an important role for creating awareness about NBCFDC schemes. 24% of respondents came to know about NBCFDC schemes from the parents. 7% of respondents came to know by Advertisements, 22% of respondents got awareness from his relatives. 17 % of respondents came to know by friends and only 4% of respondents came to know about the NBCFDC schemes from PBCMDC officials.

Table 4.27 Motivation to Avail Educational Loan from PBCMDC

Factors	No. of Beneficiaries
Parents	30
Advertisements	7
low interest rate	18
Friends	15
Relatives	12
Representatives of elected bodies	18
Total	100

The motivating factors for availing educational loan from PBCMDC are presented in the table. From the results it is noted that beneficiaries parents motivated highly for availing loan followed by low interest rate, friends, relatives, representatives of local bodies and advertisements. Hence it is concluded that parents are the main sources of awareness and big motivating persons for availing loan.

Table 4.28 Status of beneficiaries regarding support/ scholarship from the government or from any other source

Status	Number of Beneficiaries
Yes	93
No	7
Total	100

To check whether beneficiaries availed any support / scholarship from other sources, the above question was asked among 100 beneficiaries. From the results it is found that, 93% of beneficiaries obtain loan from other sources for their educational need because they are unable to get full course fees as loan from PBCMDC and the rest of beneficiaries got only Educational Loan through PBCMDC for their educational needs.

Table 4.29 Preference given by PBCMDC while sanctioning loan

Criteria	Average Score out of 5	Rank
PBCMDC are giving preference to professional course	4.19	1
PBCMDC are giving preference depending on sureties occupation	3.91	2
PBCMDC are giving loan only when there is external pressure	3.90	3
PBCMDC are giving preference if parents are educated	3.41	4
PBCMDC are giving preference depending on parents occupation	3.29	5

The objective of NBCFDC loan is to help the financial needs of backward peoples. To identify the preference given by the PBCMDC while sanctioning loan, the above statements were asked among the respondents on a five point rating scale with 1 = strongly disagree, 2 = Disagree 3 = Neutral, 4 = Agree and 5 = strongly agree. The rank was calculated on the beneficiaries score given out of five points. From the average score and rank it is found that, while sanctioning loan PBCMDC giving first preference to professional course, secondly sanction based on sureties occupation, thirdly sanction if there is external pressure available for beneficiaries, fourthly sanction if parents are educated and fifthly sanction the loan amount based on parents occupation. Hence it is

concluded that while sanctioning loan PBCMDC giving first preference to professional course.

Table 4.30 Present Status of beneficiaries after loan was availed

Status	Number of Beneficiaries
Searching for job (or) Under employment	85
Student	7
Employed	8
Total	100

It is found that 8% of the respondents got suitable employment, whereas 85% are under-employed and searching for better jobs. 7% of the students could not complete the course and pursuing to complete the same. This may be due to lack of campus placement or lower employability of the course or lack of practical knowledge due to insufficient university- industry interface.

Table 4.31 Monthly Income of employed beneficiaries

Status	Number of Beneficiaries
< Rs 10,000	2
Rs 10,000 – 20,000	1
>Rs 20,000	5
Total	8
Student	7
Under employment	85
Total	100

The monthly income of beneficiaries who got employment after the loan was availed was presented in the table. From the table it is found that, among 8 beneficiaries 25% of beneficiaries' income is less than Rs 10,000/-, 12.5 % of beneficiaries income is between Rs 10,000 – 20,000 and 62.5 % of beneficiaries income is more than Rs 20,000. Hence it is concluded that, low monthly income is one of the major reason for more defaulters in the educational loan. 3 professionals are from the medical field and they are practicing in a private clinic. Other 5 beneficiaries are working in private concern.

Table 4.32 Beneficiaries opinion towards status of present income to repay the loan

Status	Number of Beneficiaries
Not sufficient	6
Sufficient	2
Student	7
Total	8
Under employment	85
Total	100

Beneficiaries' opinion towards present income to repay the loan is available in the table. From the results it is identified that majority of respondents expressed that the present income is not sufficient to repay the loan.

Table 4.33 Satisfaction level of beneficiaries about Educational Loan scheme

Satisfaction level	Average Score out of 5	Rank
Rate of Interest charged	4.3300	1
Repayments schedule	4.2200	2
Margin money demanded by the SCA	3.7900	3
Collateral Security	3.6500	4
Terms of Loan	3.1300	5
Surety demanded by the SCA	3.0200	6
Documentation procedure	2.9200	7
Amount of loan obtained	2.9200	8
Time taken for loan sanctioned	2.6700	9
Time taken for loan disbursement	2.3800	10

Satisfaction level of beneficiaries about loan schemes of NBCFDC was presented in the above Table 4.31. It is determined by the total set of duties and task performed by the PBCMDC. For measuring the satisfaction, ten items were taken up for the study. These items are asked to beneficiaries to give score on a five point rating scale with 1= Highly dissatisfied, 2 = Dissatisfied 3 = Neither satisfied nor dissatisfied, 4 = Satisfied and 5 = Highly satisfied. The rank was calculated on the beneficiaries score given out of five points. From the average score and rank of the Satisfaction level of beneficiaries about loan schemes, it is found that, the beneficiaries are satisfied firstly towards Rate of Interest charged, secondly satisfied towards Repayments schedule, thirdly satisfied towards Margin

money demanded by the SCA, satisfied fourthly towards Collateral Security, satisfied fifthly towards Terms of Loan, satisfied sixthly towards Surety demanded, satisfied seventhly towards Documentation procedure, satisfied eighthly towards Amount of loan obtained, satisfied ninthly towards Time taken for loan sanctioned, and lastly satisfied towards Time taken for loan disbursement. Hence it is concluded that beneficiaries are highly satisfied towards Rate of Interest charged and satisfied lastly for Time taken for loan disbursement. The average time taken for loan approval is more than three months this may be due to poor scrutinizing mechanism and insufficient funds at SCA level only. From the data collection it is observed that the beneficiaries are highly satisfied with the assistance given by NBCFDC to PBCFDC.

Table 4.34 Status of repayment

Have you started repaying your loan?	Number of Beneficiaries
Yes	98
No	2
Total	100

The repayment status of educational loan availed by the beneficiaries is presented in the table. From the results it is found that 98 % beneficiaries are stated repaying the loan amount and only 2 % of beneficiaries are not started the repayment.

Table 4.35 Time of Repayment activity started

When you have started repayment?	Number of Beneficiaries
Immediately after completion of my course	59
One year after completion of the course	30
One to two years after completion of the course	3
two years after completion of the course	6
No started repayment	2
Total	100

The period in which the beneficiaries started the repayment is presented in the above table. From the results it is found that, 59 % of beneficiaries started the repayment in immediately after completion of my course; 30 % of beneficiaries started the repayment in one year after completion of the course; 3 % of beneficiaries started the repayment in one

to two years after completion of the course; 6 % of beneficiaries started the repayment in two years after completion of the course and 2 % are not started the repayment.

Table 4.36 Portion of loan repaid

Percentage of portion paid	Number of Beneficiaries
Less than 10%	46
10-20%	10
20-30%	7
30-50%	23
50-70%	3
70-90%	5
90-99%	6
100%	0
Total	100

The repayment status of beneficiaries after the educational loan was obtained was [resented in the table. From the results it is observed that, 46 % of beneficiaries' repaid only less than 10 percentage of loan amount, 10 % of beneficiaries repaid 10- 20 % of loan amount, 7 % of beneficiaries repaid 20-30 percentage of loan amount, 23 percentage of beneficiaries repaid 30-50 percentage of loan amount and remaining 14 percentage of beneficiaries were repaid more than 50 percentage of loan amount. Hence majority of respondents are still repaying the loan amount even after the loan tenure.

Table 4.37 Mode of Repayment

Mode	Number of Beneficiaries
Lump sum	12
Installments	88
Total	100

The table 4.35 explains mode of repayment by the beneficiaries. From the results it is observed that, 88 percentage of beneficiaries are repaying in installment basis and 12 percentage of beneficiaries are repaying in lump sum basis.

Table 4.38 Repaying person of loan

Who is making repayment?	Number of Beneficiaries
Father/Mother	77
Brothers/Sisters	16
Myself	7
Total	100

After the loan was availed by the beneficiaries from PBCMDC, 77 % of beneficiaries loan amount was repaying by the father/ mothers, 16 % of beneficiaries loan amount was repaying by the brothers/ sisters and only 7 % of beneficiaries are repaying the loan amount by the way of monthly income received by the him through the employment.

Table 4.39 Reasons for failure to repay

Reasons	Average Score out of 5	Rank
My inability to get employment	4.11	1
Insufficient income of mine	4.04	2
Inadequate family income	3.85	3
Continuation of my higher studies	3.65	4
Excessive family commitment	3.26	5
Shifting of my family to other places	3.25	6
No remainder from the PBCMDFC	2.81	7
Lack of counseling that the loan is not a grant and it is required to be repaid fully with interest.	2.74	8
Lack of provision of proper surety	2.13	9

There are many reasons influence the beneficiaries for delay in repayment of the loan. Based on pilot study results the above mentioned reasons were listed and asked the beneficiaries to give their opinion on a five point rating scale with 1 = strongly disagree, 2 = Disagree 3 = Neutral, 4 = Agree and 5 = strongly agree. The rank was calculated on the beneficiaries score given out of five points. From the average score and rank it is found that, inability to get employment is the first and prime reason for failure to repay the loan, second reason is Insufficient income of mine, third reason is Inadequate family income, fourth reason is Continuation of my higher studies, fifth reason is Excessive family commitment, sixth reason is Shifting of my family to other places, seventh reason is no

remainder from the PBCMDFC officials, eighth reason is Lack of counseling that the loan is not a grant and it is required to be repaid fully with interest and ninth reason is Lack of provision of proper surety.

Table 4.40 Opinion about collection procedures of PBCMDC

Reasons	Average Score out of 5	Rank
PBCMDFC are sending frequent remainders through SMS	3.9900	1
PBCMDFC are making phone call to remind loan repayment	3.9600	2
PBCMDFC are collecting repayment by sending collection agents	3.8600	3
PBCMDFC are collecting loan by sending reminders by post	2.9900	4
PBCMDFC are collecting by taking legal Action	2.2300	5

Beneficiaries' opinion about the collection procedures followed by the PBCMDC was presented in the table. The list of collection procedures were listed and asked the beneficiaries to give their opinion on a five point rating scale with 1 = strongly disagree, 2 = Disagree 3 = Neutral, 4 = Agree and 5 = strongly agree. The rank was calculated on the beneficiaries score given out of five points. From the average score and rank it is found that PBCMDC are collecting the loan amount through sending SMS followed by making phone call, sending collection agents, sending remainders by post and informing the beneficiaries' about taking legal action if the loan amount is not repaid.

Table4.41 Suggestions of beneficiaries for improvement

Suggestions	Average Score out of 5	Rank
Increase Awareness level by PBCMDFC	4.6300	1
Relaxation of interest for Meritorious students	4.4100	2
To reduce interest rate	4.3800	3
Increase the repayment period.	4.2700	4
PBCMDFC staff should give much importance to educational loan	4.1800	5
Relaxation of Interest for Physically handicapped students	4.0100	6

Subsidy to educational loan should be increased	3.9800	7
Easy and fast documentation and sanction process	3.7300	8
To remove the condition of collateral security	3.7300	9
Daily expenses on education should be covered.	3.0700	10

For implementing best practices in educational loan, the beneficiaries are encouraged to give suggestions for improvement in delivery mechanism of educational loan. Based on the opinion of rating score it is identified that, the following suggestions were given from high priority to low priority. Beneficiaries' are expected to increase the awareness of loan scheme, beneficiaries are expecting relaxation of interest for meritorious students, interest rate to be reduced, repayment period should be increased , SCA should concentrate more on educational loan, relaxation of interest for physically handicapped students, expecting subsidy for educational loan, easy and fast documentation procedures to be followed, to remove the collateral security condition and daily educational expensed should be covered in the educational loan.

CHAPTER – V

FINDINGS

5.1 List of Findings -Term Loan & Micro Finance

1. It is found that 60.1 % of respondents are Male and 39.9 % of respondents are Female. So, the male respondents dominate the study.
2. It is observed that 3.7% of respondents falls under Illiterate, 11.5% of respondents falls under Ability to sign category, 26.3% of respondents falls under Primary category, 28.5% of respondents falls under Secondary category, 16.1% of respondents falls under Higher Secondary category, 13.1% of respondents falls under Diploma category, and 0.8 % of respondents falls under Graduate category. **From the above it is concluded that 86.1 % of beneficiaries completed maximum of school level education only. Hence they are the needy peoples for loan amount.**
3. It is found that 43.2% of respondents are living in rural area and 56.8% of respondents are living in urban area. **One of the greatest strength of the research is that the urban divide in Puducherry constituency is more, in spite of that constrains nearing fifty percent of the beneficiaries taken from rural areas of Puducherry.**
4. It is observed that 94.5% of respondents falls under married category, 3.4% of respondents falls under unmarried category, 2.0% of respondents falls under widow category and 0.1% of respondents falls under divorced category. The interesting conclusion of marital status of respondents is 94.5% of beneficiaries are living with their spouse and children's. **Further it is concluded that married respondents availed more Micro Finance Scheme and GTL offered by NBCFDC because they are having more responsibility to uplift the economic and social growth of the family.**
5. From the collected data it is noted that, 66.9 % of the respondent's families are having 4-5 members. 21.6 % of the respondents families are having 3 members, 7.7% of the respondents families are having 5-6 members and 3.7 % of respondents

family having above 6 members. **So it is concluded that majority of the beneficiaries are living with 4 to 5 members in the family.**

6. Economic status of beneficiaries before and after getting loan is presented in the above Table 3.10(a). From the Table it is found that 30% of beneficiaries are in the status of double below poverty line and 70 % of beneficiaries are in below poverty line before getting loan. It is further identified that after the loan was availed, 12% of respondents are in below poverty line, 23.07% of respondents are in double below poverty line and 64.93% of respondents are above the double the below poverty line. While comparing the number of beneficiaries available in BPL before and after loan period, it is found that, 82.85% of beneficiaries are crossed from the below poverty line. Further, while comparing the no. of beneficiaries available in DPL before and after loan period, it is found that 23.11 % of beneficiaries are crossed from the DPL to above DPL. Hence it is concluded for 64.93% of beneficiaries economic status changed from BPL to above DPL.
7. The monthly family income of beneficiary Before loan is Rs.8,000/- and monthly family income after loan is Rs.12,500/-. It is concluded from the results that, there is an increase of Rs.4,500/- (56%) in the family average income of beneficiaries after they availed the NBCFDC loan. Out of 750 beneficiaries, as far as GTL and MFS schemes are concerned, the monthly family income of GTL beneficiaries (40.40%) before loan is Rs.4,000/- and after getting loan is Rs.10,000/-. It is concluded that there is a change of income (or) increase of income per month is Rs.6,000/- (150%). The monthly family income of MFS beneficiaries (59.60%) before loan is Rs.6,000/- and after loan is Rs.8,000/-. It is concluded that there is a change in monthly income (or) increase of monthly income is Rs.2,000/- (33.33%).
8. It is observed that the beneficiaries are spending Rs.5498 before loan period and Rs.8283 after loan period. **It is concluded that about 66 % increase in family spending and hence this may be a primary reason for the loan default amount.**
9. It is observed that the beneficiaries are saving Rs 630 before loan period and Rs 1100 after loan period. **It is concluded that there is increase in family savings amount by the beneficiaries.**
10. It is found that 82.53 % of respondents are not having any debt after PBCMDC loan and 17.47% of respondents are having some debt after PBCMDC loan. While

comparing the beneficiaries status of household debt before and after loan during the study period, it is concluded that there are about 221 beneficiaries are free from debt from other Private Finance.

11. It is found that 59.6% of respondents are availed loan under Micro Finance scheme. 40.4 % of respondents availed loan under General Term Loan scheme. **Since the demand is more for Micro Finance scheme, PBCMDC and NBCFDC offered more amount to Micro Finance scheme and hence the research also focused on more beneficiaries from Micro Finance scheme.**
12. From the nature of activity for which assistance is availed by the respondents, it is noted that 1.6 percent of respondents are availed the loan for doing agriculture and allied activity. 90.5 percent of respondents are availed loan for doing small business, 0.7 percent of respondents are availed the loan for doing business in transport sector and 7.2 percent of respondents are availed the loan for service sector. Hence it is concluded that majority of respondents are availed loan under small business type of activities.
13. **It is observed that Representatives of elected bodies (54.7%) are playing an important role for creating awareness about NBCFDC schemes.** 19.9 % of respondents came to know about NBCFDC schemes from the Family /Friends/Relatives. 3.7 % of respondents came to know by Advertisements, 6.4 % of respondents got awareness from SCA officials, only 2.0 % of respondents came to know about the NBCFDC schemes from websites and 13.3 % of respondents came to know about the NBCFDC schemes from beneficiary.
14. It is known that 37.6 % of respondents do not know about the other schemes of NBCFDC. 26.5 % of respondents know about other schemes and 35.9 % of respondents knows about other schemes of NBCFDC to some extent. **Hence it is concluded that nearly three fourth % of respondents doesn't know fully about the other schemes of NBCFDC.**
15. It is observed that 43.5 % of respondents expressed that they did not face any problem in getting loan. 56.5% of beneficiaries expressed that they faced some problems while availing loan. **In general, delay in processing and sanctioning of loan amount is the major difficulty faced by the beneficiaries across Puducherry.**

16. From the purpose of loan utilized by the beneficiaries, it is observed that majority of respondents (679) are utilized loan for small business type of activities, 12 beneficiaries utilized the loan for agriculture and allied type of activities, 5 beneficiaries utilized for Transport sector type of activities and 54 beneficiaries utilized for service sector related activities Hence it is concluded that all the beneficiaries (100%) are utilized the loan for the small business type of activities.
17. Type of bank account holding also checked during the study. From the results it is observed that 80.4% of respondents having normal savings bank account and 19.6% of respondents are having Jan Dhan Yojana account and received loan through **DBT to his account**. From the results it is also noted that PBCMDC takes 155 days averagely to disbursement the loan amount to beneficiary account through direct bank transfer. Hence the majority of beneficiaries availed loan after waiting around 5-6 months period.
18. It is observed that about 75.7 % were expressed that the loan amount not sufficient according to the need and capacity. About 24.3 % of respondents expressed that the loan amount is sufficient.
19. With regard to loan applied by the beneficiaries it is noted that the average loan applied by the beneficiaries is Rs 48054. With regard to amount of loan sanctioned it is noted that, the average loan sanctioned to the beneficiaries is Rs 34430. With regard to amount availed by the beneficiaries it is noted that the average loan availed by the beneficiaries is Rs 34038. From the average loan applied and sanctioned it is concluded that PBCMDC is averagely sanctioning 71.65% of amount applied by the beneficiaries. From the average amount availed by the beneficiaries it is concluded that, the beneficiaries are availing almost all the amount sanctioned by the PBCMDC.
20. The details regarding the amount of loan applied, loan sanctioned and loan availed by the beneficiaries is presented in the table 3.30. With regard to loan applied by the beneficiaries it is noted that the average loan applied by the beneficiaries is Rs 122023. With regard to amount of loan sanctioned it is noted that, the average loan sanctioned to the beneficiaries is Rs 89,686. With regard to amount availed by the beneficiaries it is noted the average loan availed by the beneficiaries is Rs 89,636. From the average loan applied and sanctioned it is concluded that PBCMDC is

averagely sanctioning 73.49% of amount applied by the beneficiaries. From the average amount availed by the beneficiaries it is concluded that, the beneficiaries are availing almost all the amount sanctioned by the PBCMDC.

21. Out of 750 Beneficiaries surveyed 60 % of respondents are not repaying the installments regularly to the SCAs. Balance 40 % of respondents are missing some installments due to some financial constrains after taking the loan recovery process through collection agents.
22. It is found that 38.3 % of respondents are missing some installments due to failure of business. This may be due to lack of getting further loan for fund flow for their business. 5.2 % of respondents are missing installments due to diversion of savings, because of seasonal business. 0.8 % of beneficiaries are failure in business, because no proper entrepreneurship training provided for them, that how to star and run a business successfully and how to know the current demand of the people. 15.7 % of respondents are missing some installments due to other reasons.
23. From the results it is observed that 25.7 % of Beneficiaries given employment to others and 74.3 % of beneficiaries does not given employment opportunity with the help of loan amount.
24. It is found that, the beneficiaries are satisfied firstly towards Repayment Period, followed by Loan scheme, Interest Rates, Assistance and guidance provided by PBCMDFC, Size of monthly installments, Easy Query Handling, Activity started with the help of loan assistance, Loan Sanctioning system, Disbursement system, Behaviour of the employees during the lending process, towards Overall services, Fast and Efficient Services of the PBCMDFC and lastly towards Time Taken for Loan approval Hence it is concluded that beneficiaries are highly satisfied towards repayment period and satisfied lastly for Time Taken for Loan approval
25. From the study, it is found that, Better schooling of the children is increased firstly for beneficiaries, followed by Increased involvement with social events, Improvement in dealing with outsiders, Equally participated with husband in family decisions in the society, Better access to the health faculties, .Participation in social service activities, Respect of Socially recognition in the Society and Participation in

organized Activities. Hence it is concluded that after NBCFDC loan there is a notable increase in better schooling for beneficiary's children.

26. The results indicate that, Decision making in the family related to monetary matters is improved firstly for beneficiaries followed by Food consumption pattern improved, Improvement in clothing status, standard of living improved, Minimized family indebtedness, Savings rate improved, **Asset creation improved**, Better access of financial resources.
27. From the results it is observed that all the respondents obtained the loan and it is utilized for the intended purpose. The study also found that out of the total sample of 750 surveyed beneficiaries benefitted under NBCFDC schemes (100%) beneficiaries possessed the assets created with the loan amount.

5.2 List of Findings – Educational Loan

1. It is found that 62% of respondents are Male and 38% of respondents are Female. So, the Male respondents dominate the study with regard to educational loan.
2. It is found that the majority of beneficiaries i.e. 90 % fall under category of ≤ 20 Years and 10 % fall under category of > 20 years at the time of loan applied. **From the age of the beneficiaries it is concluded that the majority of respondents are obtained the loan for under graduation purpose.**
3. Majority of beneficiaries completed school level education and they applied loan from NBCFDC for studying higher education.
4. It is found that 38 % of respondents are living in Rural area and 62 % of respondents are living in Urban area. **One of the greatest strength of the research is that the real effectiveness of educational loan offered by NBCFDC is assessed because the study is focusing more on urban setting.**
5. Economic status of beneficiaries before and after getting loan is presented in the Table 4.8(a). From the results it is found that 37% of beneficiaries are in the status of double below poverty line and 63 % of beneficiaries are in below poverty line before getting loan. It is further identified that after the loan was availed, 43% of respondents are in below poverty line, 19% of respondents are in double below

poverty line and 38% of respondents are above the double the below poverty line. About 43% of respondents are still in BPL after the loan was availed.

6. From the results in the table 4.8(b) it shows that, while comparing BPL, 31.74% of beneficiaries crossed the Below Poverty Line.
7. Similarly, while comparing DBPL, 48.64 % of beneficiaries crossed the Double Below Poverty Line. Overall 38% of respondents are above the DBPL.
8. The family monthly income of respondents Before loan is Rs.4,500/- and family monthly income of respondents After loan is Rs.5,500/-. It is concluded from the results that, there is an increase of Rs.1,000/- (22.22%) in the family average monthly income of respondents after they availed the NBCFDC loan.
9. It is observed that 3% of respondents' parents falls under Illiterate, 37% of respondents' parents falls under Ability to sign category, 22 % of respondents' parents falls under Primary category, 28 % of respondents falls under Secondary category, 1 % of respondents' parents falls under Higher Secondary category, and 9 % of respondents parents falls under diploma/ Graduate category. From the above **Table it is concluded that 91% of beneficiaries' parents completed maximum of school level education only and they may earn low salary. Hence they are the needy peoples for loan amount for their children's education.**
10. It is found that the 4 % are farmers, 33 % beneficiaries' parents are doing small business, 25 beneficiaries' parents are working in private sector, 8 beneficiaries' parents are professional and 30 beneficiaries' parents are daily wage earners. **From the beneficiaries' parents occupation it is inferred that based on their occupation the sources of income is very low and hence they obtained Educational Loan from NBCFDC for their children's education purpose.**
11. It is noted that 19% of beneficiaries are obtained in the year 2012-2013, 26 % of beneficiaries are obtained in the year 2013-2014, 31 % of beneficiaries are obtained in the year 2014-2015 and 24 % of beneficiaries are obtained in the year 2015-2016. Hence it is concluded that majority of loan disbursed by PBCMDC is 2014-2015. It is noted that, majority of beneficiaries were completed the education with help of NBCFDC loan from private college (85%). Further it is noted that 1% were completed from deemed university, 4 % completed from state university and central university and 6 % were completed from government college. **It is also observed**

that 81% of respondents having normal savings bank account and 19% of respondents are having Jan Dhan Yojana account and received loan through DBT to his account.

12. It is noted that, majority of beneficiaries were completed the education with help of NBCFDC loan from private college (85%). Further it is noted that 1% were completed from deemed university, 4 % completed from state university and central university and 6 % were completed from government college.
13. The results indicate that 90 % of beneficiaries are obtained the educational loan from PBCMDC for studying under graduation and 10 % of beneficiaries are obtained the educational loan for studying post graduation. **It is found that 100% of beneficiaries utilized the loan amount only for the purpose of Education.**
14. It is found that 26 % of beneficiaries were selected arts and science, 67 % were selected engineering and 7 % were selected medical field. **Hence it is concluded that the majority of respondents chosen engineering field for their higher education with the help of NBCFDC loan.**
15. It is noted that 20 % of beneficiaries chosen 2 years and 3 years course, 73 % of beneficiaries studied 4 years course and 7 % beneficiaries were chosen 5 years course.
16. With regard to loan applied by the beneficiaries it is noted that the minimum loan amount applied by the beneficiaries is Rs 10,000, maximum amount applied by the beneficiaries is Rs 5,00,000 and the average loan applied by the beneficiaries is Rs 1,04,128. With regard to amount of loan sanctioned it is noted that, minimum loan amount sanctioned to the beneficiaries is Rs 10,000, maximum amount sanctioned to the is Rs.3,87,500 and the average loan sanctioned to the is Rs 68,345. With regard to amount availed by the beneficiaries it is noted that minimum loan amount availed by the beneficiaries is Rs 10,000, maximum amount availed by the beneficiaries is Rs 3, 87,500 and the average loan availed by the beneficiaries is Rs 68,085. **From the average loan applied and sanctioned it is concluded that PBCMDC is averagely sanctioning 68% of amount applied by the beneficiaries. From the average amount availed by the beneficiaries it is concluded that, the beneficiaries are availing almost all the amount sanctioned by the PBCMDC.**

17. It is noted that 33 % of beneficiaries given parent's property documents for availing loan, 5 % of beneficiaries availed loan because of guarantee given by parents friends, 30 % of beneficiaries availed loan because of guarantee given by government employee, 6 % beneficiaries availed loan because of guarantee given by neighbors and 26 % of beneficiaries availed loan because of guarantee given by relatives.
18. It is noted that 36 % beneficiaries availed the loan within 3 months from the data of application; 44 % beneficiaries availed the loan during 3- 6 months from the data of application and 20 % beneficiaries availed the loan only after 6 months from the data of application made. Hence the majority of beneficiaries availed loan within 3 – 6 months period.
19. From the results it is observed that 87 % of beneficiaries opined that loan amount is not sufficient to meet the educational expenditure and they expect more amount from the PBCMDC.
20. It is found that the prime reason for availing loan from PBCMDC is parents income is not sufficient followed by Suggestion by others, to avoid dependence on parent, to get Quality education, to achieving prestigious post, for achieving my dream, to create a feeling of commitment and Just to avail loan granted by PBCMDFC. Hence it is concluded that because of insufficient family income, the beneficiaries are availing loan from PBDMDC.
21. It is observed that Representatives of elected bodies (26%) are playing an important role for creating awareness about NBCFDC schemes. 24 % of respondents came to know about NBCFDC schemes from the parents. 7% of respondents came to know by Advertisements, 22% of respondents got awareness from his relatives. 17% of respondents came to know by friends and only 4% of respondents came to know about the NBCFDC schemes from PBCMDC officials.
22. It is found that, while sanctioning loan PBCMDC giving first preference to professional course, secondly sanction based on sureties occupation, thirdly sanction if there is external pressure available for beneficiaries, fourthly sanction if parents are educated and fifthly sanction the loan amount based on parents occupation. **Hence it is concluded that while sanctioning loan PBCMDC giving first preference to professional course.**

23. From the results it is identified that **majority of respondents expressed that the present income is not sufficient to repay the loan.**
24. It is found that, the beneficiaries are satisfied firstly towards Rate of Interest charged, secondly satisfied towards Repayments schedule, thirdly satisfied towards Margin money demanded by the SCA, satisfied fourthly towards Collateral Security, satisfied fifthly towards Terms of Loan, satisfied sixthly toward surety demanded, satisfied seventhly towards Documentation procedure, satisfied eighthly towards Amount of loan obtained, satisfied ninthly towards Time taken for loan sanctioned, and lastly satisfied towards Time taken for loan disbursement. Hence it is concluded that beneficiaries are highly satisfied towards Rate of Interest charged and satisfied lastly for Time taken for loan disbursement.
25. From the results it is observed that, 46 % of beneficiaries' repaid only less than 10 percentage of loan amount, 10 % of beneficiaries repaid 10- 20 % of loan amount, 7 % of beneficiaries repaid 20-30 percentage of loan amount, 23 percentage of beneficiaries repaid 30-50 percentage of loan amount and remaining 14 percentage of beneficiaries were repaid more than 50 percentage of loan amount. Hence majority of respondents are still repaying the loan amount even after the loan tenure.
26. There are many reasons influence the beneficiaries for delay in repayment of the loan. Based on pilot study results the above mentioned reasons were listed and asked the beneficiaries to give their opinion on a five point rating scale with 1 = strongly disagree, 2 = Disagree 3 = Neutral, 4 = Agree and 5 = strongly agree. The rank was calculated on the beneficiaries score given out of five points. From the average score and rank it is found that, inability to get employment is the first and prime reason for failure to repay the loan, second reason is Insufficient income of mine, third reason is Inadequate family income, fourth reason is Continuation of my higher studies, fifth reason is Excessive family commitment, sixth reason is Shifting of my family to other places, seventh reason is no remainder from the PBCMDFC officials, eighth reason is Lack of counseling that the loan is not a grant and it is required to be repaid fully with interest and ninth reason is Lack of provision of proper surety.

27. It is found that PBCMDC are collecting the loan amount through sending SMS followed by making phone call, sending collection agents, sending reminders by post and informing the beneficiaries' about taking legal action if the loan amount is not repaid.
28. It is identified that, the following suggestions were given from high priority to low priority. Beneficiaries' are expected to increase the awareness of loan scheme, beneficiaries are expecting relaxation of interest for meritorious students, interest rate to be reduced, repayment period should be increased , SCA should concentrate more on educational loan, relaxation of interest for physically handicapped students, expecting subsidy for educational loan, easy and fast documentation procedures to be followed, to remove the collateral security condition and daily educational expensed should be covered in the educational loan.
29. From the monthly income of beneficiaries, it is found that among 8 beneficiaries 25% of beneficiaries' income is less than Rs 10,000, 12.5 % of beneficiaries income is between Rs 10,000 – 20,000 and 62.5 % of beneficiaries income is more than Rs 20,000. Hence it is concluded that, low monthly income is one of the major reason for more defaulters in the educational loan.
30. Type of bank account holding also checked during the study. It is observed that 80.4% of respondents having normal savings bank account and 19.6% of respondents are having Jan Dhan Yojana account.
31. It is found that 8% of the respondents got suitable employment, whereas 85% are under-employed and searching for better jobs. 7% of the students could not complete the course and pursuing to complete the same. This may be due to lack of campus placement or lower employability of the course or lack of practical knowledge due to insufficient university- industry interface.

CHAPTER – VI

SUGGESTIONS

6.1 FEEDBACK FROM THE BENEFICIARIES

1. The time taken for processing the loan is more than six months. So the time should be minimized as two months. So that the beneficiaries can able to plan their activities according to their time schedule.
2. 75.7 respondents opined that the loan amount sanctioned by PBCMDC is not sufficient for the beneficiaries to do a small scale business. Hence the loan amount can be increased
3. The beneficiaries who are defaulters are expecting subsidy for PBCMDC loan with regard to interest and principal amount.
4. At present the age limit for the beneficiaries may be extended.
5. The widows and physically challenged members are expecting special privileges like. Low interest, subsidy for the loan amount.
6. In case of widows, if they became widow during the tenure of the loan, the balance loan amount can be totally waived.
7. The documents for getting loan should be simplified and it should be in uniform manner for the entire state.
8. SHG members of all the villages having variety of skills which are untapped. Their skills have to be utilized in a proper way for their economic development. Hence the skill development training can be entertained in all the villages of puducherry.
9. The financial assistance can be given more because of the more population of the backward classes in all the districts.
10. After repayment of the previous loans, the all the beneficiaries are expecting further loans to improve their business.

6.2 RECOMMENDATIONS

1. Skill Development Training is required for the SHG members; women members are more interested to do skill related business activities.
2. As there is no awareness about the NBCFDC and PBCMDC which is the funding agency to provide loans to the Beneficiaries, the Advertisements and Publicity of NBCFDC is required to create awareness among the people.
3. Hoardings of NBCFDC and can be displayed in the premises of Loan holder's shops, houses and PBCMDC premises.
4. The application and their enclosures should be in a uniform and simplified manner which will ease the loan process.
5. Apart from Micro Credit loan, term loan and educational loan other NBCFDC schemes should be entertained in all the districts of Puducherry.
6. Nearly three fourth % of respondents doesn't know fully about other schemes of NBCFDC. Hence state channelizing agencies should give wide publicity by way of advertisement about the schemes of NBCFDC.

6.3 List of Actionable points at SCA Level

MFS and GT Loan:

1. **Proper guidance** should be provided to the beneficiaries at the time of filling up loan application form and at the **time of submission a declaration** should be obtained from the beneficiaries that the **loan amount is fully repayable with interest**.
2. The **major difficulty** faced by the beneficiaries across Puducherry is **delay in processing and sanctioning of loan amount**. This may be due to lack of sufficient fund. Hence a **detail mechanism** should be devised by the **PBCMDC to arrange funds** and also to **speed up the processing** and disbursement of the loan in a specific time-line i.e., **a period of maximum three months**.
3. In general there is **no awareness** amongst the beneficiaries about the **NBCFDC schemes**, therefore **SCA should give wide publicity and advertisements** to create awareness among the OBC people. In puducherry, only the Micro credit loan is provided to the beneficiaries. Likewise, **other NBCFDC schemes** like Skill Development, etc. **should be entertained** in all the districts.
4. As per the business requirement of the beneficiaries, **the Entrepreneurial skill training should be provided** for the needy to do their business in a successful manner.
5. From the feedback of the beneficiaries it is noted that the **loan amount** sanctioned by PBCMDC is **not sufficient for the beneficiaries to do their business**, hence the SCA should take **steps to increase the average loan** per beneficiary.
6. SCA should entertain **Self-Help Groups** for availing loan, because **majority of loan amount was given to the individual** members, which hamper recovery. The SCA may also consider **bringing forward more SHG members of all the villages, having variety of skills which remains untapped**. Their skills have to be utilized in a proper way for their economic development. For which, **SCA may give advertisement** in their local newspaper **for registration of SHG** on their portal.
7. The amount of loan sanctioned by NBCFDC is based on the letter of guarantee given by the State Government. So, **SCA should take steps for increasing the guarantee amount** given by the state government to **cover up more people**.
8. The beneficiaries are looking forward **to insure for the group members**. In case of Widows, **if they become widow during the tenure of the loan, the balance amount can be totally waived**.

9. Based on the budget of the project proposal, or business plan, the General Term Loan (GTL) **amount can be increased depending upon the market value of the document of immovable property submitted** by the beneficiary.
10. As part of regular follow up, in case of business, SCA may ensure **photographs of Assets creation** just after six months of loan disbursement to beneficiaries and also **to ascertain the current status of business.**
11. The **SCA needs to strengthen University-Industry interface** so that SCA of Puducherry should actively collaborate with the Universities **to train the loan beneficiaries in their relevant business skill**, for smooth functioning of their business.
12. There is a need for improvement in the monitoring of utilization of loan amount at SCA level. Regular follow up should be made by the SCA to recover the loan amount. SCA should take necessary action against loan defaulters and issue notices followed with regular visit to remind them in order to strengthen the recovery part at SCA level.
13. SCA should obtain **Project Appraisal Report** as per local need in respect of the business chosen by the beneficiary for **loan amount Rs.2.00 lakh or more**, to do successful business.
14. **Special camps can be organized** to educate the beneficiaries about the **sponsoring agency** (PBCMDC & NBCFDC). The **Hoardings** of the sponsoring agency should be **displayed in PACCs** and the **name** of the sponsoring agency should be **imprinted in Loan application** and at the **project site of the beneficiary.**
15. The SCA should select the beneficiary based on the recommendation of the committee. The **committee** comprises of members from **SCA, leading bank managers, project managers and a representative from rural development department.**

Education Loan:

1. **Skill Development Training** should be **provided** to the students after completing their education through NBCFDC Educational Loan. The **Educational Loan form should have a separate column** for Skill Development Training and if required, after completion of the course, beneficiaries **can also get job** through the skill training basis.
2. The SCA should **guide the students** of education Loan about the **selection of institute**, keeping in view about the placement status of the institution.

3. From the average loan applied and sanctioned for educational loan, the PBCMDC is averagely sanctioning 68 % of amount applied by the beneficiaries. Hence PBCMDC should sanction more educational loan for increasing the average sanction amount.
4. The present status of **underemployment/job searching is 85 out of 100 nos.** after completion of their Education through NBCFDC loan. In this regard, the SCA should track the students for their present status of employment. In case of **unemployed or underemployed, the SCA may recommend NBCFDC for providing them Skill Development Training** of their choice for speedy employment.
5. In Educational Loan after sanctioning one or two installments to the Students, the SCA stopped giving further installments, due to lack of funds. In this situation, the SCA should bring the same to the notice of NBCFDC well in advance of 6 months time, so that the NBCFDC can provide loan amount in correct time for the students to complete their courses without any financial difficulty.

6.4 List of Actionable points at NBCFDC level

Sl. No.	Actionable Points
1.	NBCFDC can encourage the PBCMDC by rewarding them with financial and non-financial rewards based on their outstanding performance.
2.	The NBCFDC should collect the Utilization certificate along with the list of beneficiaries with their respective Aadhar numbers through online from PBCMDC.
3.	The occupation classification of beneficiaries before and after loan for term loan and micro finance loan clearly indicate that NBCFDC loan scheme drastically changed the quality of life of beneficiaries and also increased the socio economic status of the beneficiaries. Hence NBCFDC can allocate more loans to PBCMDC after recovering previous dues; hence more untapped beneficiaries can be utilized through the scheme.
4.	The NBCFDC officials should encourage the successful MFS and TL beneficiaries to participate in mela stalls at Chennai or nearby places
5.	For educational loan, all the beneficiaries were paid 5 % of loan amount as margin money for their educational loan. If margin money is increased we can expect more commitment from the beneficiaries for their repayment.
6.	NBCFDC should consider maintaining regular flow of Educational Loan to the SCA, even if there is temporary default in repayment of dues of the SCAs in respect of other schemes. NBCFDC can separately earmarked guarantee amount

	for education, out of the total available with it. This would help the students to complete their course, without the any borrowing from private financiers.
7.	In the recent past, many central government schemes were implemented through nationalized banks. With this in mind, NBCFDC may decide to implement its schemes through nationalized banks for reaching the nook and corners of the country.
8.	It is suggested to NBCFDC to implement the schemes through multiple SCAs in Puducherry. For example, the NBCFDC can implement the loan schemes through PACCS, Cooperative banks, etc.
9.	Awareness about Loan Scheme and Skill Development Training Schemes of NBCFDC in the State was found to be lacking. Therefore, more number of awareness camps should be held.
10	Regarding the interest for the term loan, it is suggested that NBCFDC may give concession to widow and physically challenged beneficiaries. This may give strong impact on the livelihood

6.5 Report on Performance of SCA (PBCMDC)

The performance of SCA was measured on the basis of Satisfaction of Beneficiaries about the variety of services offer to them. The beneficiaries are satisfied firstly towards Repayment Period, followed by Loan scheme, Interest Rates, Assistance and guidance provided by PBCMDC, Size of monthly installments, Easy Query Handling, Activity started with the help of loan assistance, Loan Sanctioning system, Disbursement system, Behavior of the employees during the lending process, towards Overall services, Fast and Efficient Services of the PBCMDFC and lastly towards Time Taken for Loan approval Hence it is concluded that the SCA performing well towards repayment period. Further it is identified that, some improvement in policy of SCA are needed as per the recommendation and actionable points given in this report.

Chapter – VII

CONCLUSION

The main objective of this study is inspection of beneficiaries and evaluation of NBCFDC schemes. In order to attain the objectives, 750 beneficiaries were selected from 28 constituencies in the union territory of Puducherry. The data was collected by simple Random Sampling Method. The collected data was analyzed with Simple Statistical Analysis. From the results, it is found that notable percentage of beneficiaries have crossed the poverty line and double poverty line with the financial assistance from NBCFDC. Through the loan schemes the economic and social status of the beneficiaries were notably increased.

The study has confirmed that NBCFDC plays a vital role in the socio-economic development of backward community. The above analysis of conclusions confirms that there is a role that is played by microfinance in the socio-economic development. The benefits that accrue to the beneficiaries have been explicitly discussed and it is important to note that the study will provide one of the very first resource books for loan officers, policy makers and development workers in the field of Evaluation study of NBCFDC schemes in Puducherry.

Chapter – VIII

Success Stories

SUCCESS STORY - 1

Beneficiary Name: G.Anitha

Type of Loan Availed: Educational Loan

Year of Loan & Amount: 2012 & Rs.3,25,000/-

Achievement: Completed MBBS Degree with the support of PBCMDC Educational Loan and she is a Government Doctor working in Karaikal. Her father is a farmer and his yearly income is Rs.75,000/- and her income is Rs.35,000/- Per month.



SUCCESS STORY – 2

Beneficiary Name: Rekha @ Mahalakshmi

Type of Loan Availed: Educational Loan

Loan amount Availed: 3,87,500/-

Loan availed in the year(s): 2014

Achievement: Completed MBBS Degree with the support of PBCMDC Educational Loan and she is a Government Doctor working in Thirunallar. This loan was very much useful for her course completion. Her monthly income is Rs.35,000/-



SUCCESS STORY - 3

Beneficiary Name: P.Murugesan

Type of Loan Availed: Micro-Finance Loan

Loan availed in the year(s) & Amount: 2016 (Rs.50,000/-)

Achievement: Running his Tailoring business very successfully after availed the Micro-Finance Loan from PBCMDC/NBCFDC.

His monthly average income is Rs.15,000/- per month.



SUCCESS STORY - 4

Beneficiary Name: Sharmila

Type of Loan Availed: Term Loan

Loan availed in the year & Amount: 2015 & Rs.2,00,000/-

Achievement: Running Art Jewellery Business and also having own shop at Puducherry. She has participated in 'Pragati Maidan' Exhibition at New Delhi. She got 'Best Women Entrepreneur Award' from Union Government of India.

Her monthly average income is Rs.13,000/- per month.



SUCCESS STORY - 5

Beneficiary Name: R.Vembu

Type of Loan Aailed: MFL

Loan availed in the year: 2015 & Rs.35,000/-

Achievement: Running Sweets & Savory shop in Karaikal.

Her monthly average income is Rs.13,000/- per month.



SUCCESS STORY – 6

Beneficiary Name: Rajamohan

Type of Loan Availed: Term Loan

Loan availed in the year & Amount: 2012 & Rs.60,000/-

Achievement: He got Term loan from PBCFDC and he is running Vessels mart at Karaikal with good revenue.

His monthly income is Rs.16,000/- per month.



SUCCESS STORY – 7

Beneficiary Name: V Karthik

Type of Loan Availed: Education Loan

Loan availed in the year & Amount: 2014 & 1, 32,000

Achievement: He obtained loan from PBCMDC for studying B.Tech (IT) from private college. After completing the degree he joined as IT Developer in desk ways software

His monthly income after loan is Rs.25000/- per month

SUCCESS STORY – 8

Beneficiary Name: P Dineshkumar

Type of Loan Availed: Education loan

Loan availed in the year & Amount: 2016 & 38,000

Achievement: He obtained loan for studying BE in private college. After completing BE degree got placement in Dubai with the help of off campus consultancy.

His monthly income after loan is Rs.30, 000/- per month

SUCCESS STORY – 9

Beneficiary Name: Shankar

Type of Loan Availed: Term loan

Loan availed in the year & Amount: 2015 & 1,00,000

Achievement: He is an construction labour from karaikal north constituency before the loan was applied. He got Rs 100000 as loan amount in the year 2015 for buying centering sheets and poles for doing centering sheets renting services. The loan obtained from PBCMDC helps his life in a bigger way.

His monthly income after loan is Rs.30,000/- per month

SUCCESS STORY – 10

Beneficiary Name: Latha

Type of Loan Aailed: MFS

Loan availed in the year & Amount: 2015 & 40,000

Achievement: She is 42 years women from nedunkadu village, Pondicherry. He purchased cow with help of loan amount and put her efforts for rearing it. Now she is supplying milk to cooperative milk stores. Her income level has increased and living better standard of life now with the loan amount.

Her monthly income after loan is Rs.12, 000/- per month

SUCCESS STORY – 11

Beneficiary Name: Mahendiran

Type of Loan Aailed: MFS

Loan availed in the year & Amount: 2015 & 25000

Achievement: He is 37 years old daily wage earner before 2015. He applied 25000 from PBCMDC for starting bicycle vulcanized work. With his hard work and efforts now he is doing vulcanized work for bikes. His monthly income is increased to 16000 per month after the loan is obtained.

His monthly income after loan is Rs.16, 000/- per month

SUCCESS STORY – 12

Beneficiary Name: Sharmila

Type of Loan Availed: Term loan

Loan availed in the year & Amount: 2015 & 200000

Achievement: She is 35 years old residing at mudilayarpet. She opened ones a small kirana shop in the year 2013. She came to know that PBCMDC offering Term loan from the beneficiary. She got Rs 200000 from PBCMDC as term loan in the year 2015. She used that money as working capital for the business. The loan helped her to live with self reliance. Recently she bought a two wheeler for purchasing materials for her shop. Her monthly income after loan is Rs.19500/- per month

Some Pictures of ASSET CREATION

Beneficiary Name & Address: B. Mathivanan,

#69, North Street, Panchatcharapuram,

Nedungadu, Karaikal



Beneficiary Name & Address: M.Paneerselvam

432/2, MST Colony,

Sinna Koil pattu, Karaikal.



Beneficiary Name & Address: B.Balasridharan
No. 10-B, Church Street,
Karaikal (North), Karaikal.



Beneficiary Name: Ms. Sharmila

Puducherry.

Art Jewelry Business.

Created assets

