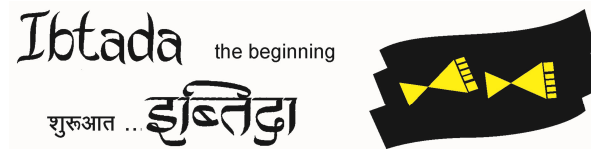# Livelihoods Sources, Income & Expenditure flows, Credit and Savings Behaviour of the Members of Self Help Groups in Alwar

A Study by Basix for Ibtada
April 2006

Ibtada the beginning
शुरुआत ... इब्तिदा

1   Executive Summary

A survey of hundred households was conducted to develop a deeper understanding of the livelihoods, income and expenditure flows and credit and savings behaviour of the households. This section summarises the main findings, given in detail in the ensuing report.

Members' Community and Family Profile
Meos and SC are equally dominant and together constitute 81% of the sample. A family size of 4-6 members is most common followed by family size of 6-8 members. Two-thirds households fall within these two categories but as many as 15% households comprise more than 10 members. The gender ratio is adverse towards women at 896 per thousand. Average number of children (below 14 yrs.) is 3.2 per household.

Landholding and Other Assets
34 households are landless against 66 having agricultural land holding. A good 70% have land size of between 1-3 bighas and as much as 70% of their land is irrigated. The 10% highest landholders (having more than 5 bighas each) have their entire land irrigated and account for more than 50% of the irrigated land of the total sample group. Only 6% landed households each report giving land for or taking land on share cropping.

While majority of the Homesteads are inherited, as high as 40% are reported "Bought". There are 26 households which are all *Kacha.* A larger share of *pucca* households can be found in the high and very high income classes, whereas of those with *kacha* households, majority fall in the lowest three income classes.

There are 77 households who own livestock and the rest 23 households own no livestock. The most commonly owned livestock is buffalo by 55 households and a majority own just one buffalo only. Next common livestock owned is the Goat by 23 families. Again most (10 families) own only one goat, 7 have 2-10 goats and 6 households have 14-50 goats. Majority of the goat-owning households have little or no land.

There are 44 households having business assets. The most commonly owned asset is the Shop or "*khoka*" by as many as 20 households. Ownership of these business assets is in keeping with the high level of non-farm and own enterprise.

Livelihood Activities
An overwhelming 93 out of the 100 households surveyed derive income from Non Farm Activities (NFA). Around 30% of the households in the sample derive all their income from NFA. In fact for most of these families more than half the income is from NFA. Of the 66 landed households, 46 report cash incomes from agriculture but for most of them less than half their income is from agriculture. For the sample community as a whole, 67% income is from NFA, only 12% is from Agriculture, and 3% from agriculture labor. Livestock income share is a good 9 percent.

Out of 61 cultivating families 55 were also active in NFE. The average days per year spent by these families on NFA is more than 3 times the days spent on farming. This holds true even in the busy agricultural winter season. All this shows the clear predominance of NF sector in the livelihoods of the households surveyed and the relative marginalisation of other sources including agriculture.

Out of the 61 households that cultivate land, 54 also engage in rearing livestock, which shows livestock is a more or less inevitable activity for all landowning households. Livestock activities in their present form are a core source of livelihood for the sample we study, and the cash incomes from this activity average at just over ten percent per household. It is however, a very significant part of the livelihood pattern of most households, given that 77 percent of all households engage in rearing of livestock. Even among landless households, more than half of them are involved in the sector.

What is not otherwise as complementary as livestock to farming, is the mixing with NFA and related activities. The socio-economic context of Alwar however, seems to justify NFA activities amongst almost all households and 92 percent landowning and tilling households also engage in NFA activities. It is worth examining as to how the shift from agriculture to non-farm sector has a bearing on the socio-economic context of the community, particularly the poor in the medium and long run.

28 families have agricultural labour as a source of income of which as many as 22 are landed families. For most families involved in agri-labour, less than 20% of their total income comes from this source. Mostly women offer their services as agricultural labour and peak season seems to be winters. The wage rates in the area are high and the females receive anywhere between Rs. 50 to over Rs. 150 pd. Note this compares favourably with wage rate from NFA which is broadly in the area of Rs. 70 pd. A much larger percentage of the households engaging in agri-labour are from the castes/community compared to SCs and Meos. It is mainly the poorest of households that are engaged in agri-labour.

Within NFA the dominant sub-activity is in the category of casual labour, followed by own enterprise and lastly service. However the data under this study is not enough to go into the nuances of the sub-activities. Considering the significance of NFA it is important to look into this. Most other economic activities are shared between males and females to a much larger extent compared with NFA. It is overwhelmingly males that work in the non-farm sector.

In the Livestock Sector, the dominant activity is buffalo tending and most families owning one, report cash incomes. Next common is goat rearing which seems to be in most cases a subsistence activity. While both females and males are involved in livestock tending and fetching fodder, in most cases it is females who are involved and spend more time in these activities. Most families report separate time for fetching fodder, and in majority cases females did this work.

In the agriculture sector, 70% of the cultivating families report cash incomes and for the rest 30%, it is a subsistence activity. Wheat, Bajra and Jwar are the subsistence crops held

back for home consumption. Wheat is the most common crop grown both in terms of number of cultivating households and days, followed by Bajra then Mustard.

Migration emerges as an insignificant livelihood and income option with only 10 households migrating, and mostly the males going for agri-labour.

Incomes, Expenditure, Surplus/Deficits

38 percent households, the largest in any income group, fall in the medium income category (between Rs. 30,000 and Rs. 50,000). The low income category (between Rs. 10,000 and Rs. 30,000) comes next with 29 percent households. The very-high income segment (greater than Rs. 80,000) accounts for around 10 percent the households surveyed and 5% are in the poorest or subsistence income class.

About 75 percent of the income is contributed by the non-farm activities. This predominance of NFAs contribution to total income holds true for all income classes, except those in the subsistence income category. Agricultural income through farming on own land, is far less important than NFA in contribution to total incomes for all households with the exception of those in the subsistence income group. The subsistence income group displays a diverse basket of livelihoods activities, all at subsistence level. Agriculture income is however significant even in case of the highest income class. Leaving out the poorest and richest households, for the middle 85% households cash income contribution from livestock is almost equal that from own farming.

The surveyed households spend 31 and 30 percent of their budget respectively on food and non-food (consumption) items. The other significant expenditures were those for farm production (13%), NFA related (11%), livestock (6%), house repair and maintenance (9%). Social and capital expenses are also significant (but the above percentages are excluding these two items). 75 percent households report social expenses. As a percentage of total expenditure, social expenses average 23 percent. 32 percent of the sampled households reported capital expenditure. Of these, 85 percent were for purchase of livestock. In actual terms, this expense ranged between Rs.550 and Rs.35,000 and averaged at around Rs.12,500.

As we go from low to very high-income categories, the relative share of food expenditure in the total expenditure reduces and becomes second to non-food consumption items. Expenditure on food for poorest households is a major share (42%) of the total expenditure. From medium income class upwards there is an increasing percentage of expenditure on "productive" (farm, NFA, livestock) rather than on "consumption" expenditure (food, non-food, housing). The expense on housing is fairly significant across all income categories, ranging from 7 to 10 percent of total expenditure.

55 percent of the households surveyed were in deficits (income less expenditure). There was no single factor leading to household deficits including social expenditures.
Taking averages for each income class, we find that subsistence, poor and medium households are in deficit and the high and very high income households show a surplus of

income over expenditure. This is for the categories as a whole, and does not hold true for each household in the category.

Winter and Rainy season shows total expenditures to be in excess of income for the season and the deficit averaged monthly for each season is in the magnitude of Rs. 60,000. The summer season – May/June, has a different picture and income exceeds expenditure resulting in a surplus of Rs. 8,757. In any Season 38-48% share of the total households have a surplus while rest of the households may be in deficit or vice versa.

Credit Behaviour
The most common loan size ranges between Rs. 10,000 and Rs. 30,000, both for SHG and non-SHG sources. 68 households have sourced loans from various non-SHG sources. Only 16 percent respondents report having directly accessed formal financial/organised sector institutions. The average loan from SHGs is Rs. 10,700 and the average amount of loan from non-SHG sources is over twice that from SHGs.

Households with the larger land holdings account for a larger share of loans taken by the community. The ten (10 percent) largest loans taking households in our sample account for 40 percent of total loans taken. Going by Income class, the high and very high income classes take larger loans on an average.

In terms of amount of loan from all sources, Marriage/Social purpose account for 35% and Agriculture accounts for 22% of total loan taken by sample households. In case of loans from SHGs, Housing and Marriage are the highest in amount and from non-SHG sources, the highest loan amounts are for Marriage and Agriculture.

Savings
35 percent households have 50 savings in avenues other than SHG. 21 percent households have put savings in a Committee, but there are 28 households, which report membership in one or more committees. Only 16 percent of the households have put savings in formal financial institutions (Bank, LIC, PO, PF, Private Co., and Recurring Deposit). Another 4 percent households have reported 6 "other" savings, which is mostly saved money that has been lent out in the village.

The average figures of cumulative saving in SHGs is Rs. 2,521 per household, in a committee it is Rs.5,838 and in other avenues/formal institutions, it is Rs.17,712. The community as a whole saves smaller amounts in SHGs and Committees as compared to formal institutions and other means. There are 21 households with savings in both SHGs and committees. Going by the comparison of the amount of savings in both SHGs and committees, neither avenue seems to be more important in comparison to the other for the community.

2   Introduction

This report is based on a survey of 100 respondents from among Ibtada's SHG-member households and was carried out during August-September 2005. The survey instrument was designed by BASIX, the survey and data entry were done by Ibtada and the survey analysis has been done by BASIX.

Area Context
Ibtada works in 69 villages (Annual Report 2003-04) that fall in the two blocks of Alwar and Ramgarh, in the Alwar district of Rajasthan. This is a relatively backward pocket of what is known as the Mewat region. Alwar district, parts of Bharatpur district in Rajasthan and adjoining Gurgaon district in neighbouring state of Haryana comprise the Mewat area. This term comes from the Meo Community, which is a Muslim Peasant community.

Proximity of the area to the industrial districts in the vicinity such as Bhiwadi and Gurgaon has opened opportunities for non-farm employment. Alwar the district capital falls on the Delhi-Jaipur railway, and is just 3-4 hours from these places by train/road.

Ibtada chose to work in this district and the villages therein, because apart from being a relatively backward pocket within the region, with the poverty existing among some sections of the population, the condition of women in the Meo community is very poor, in terms of social indicators such as literacy, health, empowerment and social status.

Background and Progress of Microfinance Program of Ibtada
In July 1998, Sir Ratan Tata Trust extended Ibtada its first programme grant for promoting and linking 50 SHGs. Till March 2000, 88 groups were formed. In the same year, Ibtada also linked 31 groups with bank loans. In March 2001, 142 groups were formed; banks had financed Rs. 39 lakhs to 101 groups through 131 loans.

Along with a speed of SHG formation and linkage, Ibtada started capacity building for other agencies; various training and orientation programmes for bank managers, NGOs, Alwar Milk Union and Govt. departments.

While forming and linking SHGs, the long-term sustainability was always in mind. Ibtada had started charging service fee of 1 percent on bank loans in the very beginning of the programme. In the year 2000 started the meetings at cluster level among 10-15 groups so those groups could share and learn from each other. These were termed Mahila Sabhas and were to take responsibility in the operational and financial continuity of the groups. Each Sabha will make profit from business (credit, service charges, on lending) and meet cost of hiring an assistant. In 2004-05, 20 Sabhas have been formed and most have started paying 550 rupees to the assistants. There are seven assistants working for these Sabhas whose compensation is met by Sabhas to the tune of Rs. 10,000 each month. Sabhas have also taken responsibility for loan processing and follow up with the groups on use of loans. Since 2005, promotion and development of 2 federations of these SHGs

also started, each having membership of about 100 groups. As at March 2005, the microfinance program stands as follows:

No. of SHGs	184
Number of Mahila Sabhas	20
Number of members	2167
Average loan size per member	4268
Number of groups financed by banks	170
Total loans outstanding	78.3 lakhs
Cumulative Savings	36.2 lakhs
Blocks covered	2
Villages covered	65

In 2005, when the federation promotion and development work was being initiated, Ibtada was faced with certain strategic and operational issues to be resolved both in the context of the microfinance program, as well as in the larger context of strategy of Ibtada programs in totality.

The **strategic issues** faced by Ibtada were:
- Is Federation the right step? Are these federations going to be purely mF institutions?
- Is the work enough to change the lives of deprived women in Mewat? If more work is to be done in addition to mf, what should it be?
- Ibtada has initiated health, education and livelihoods work with these institutions, but the ownership and involvement of women is not the same as is in mf work.

Ibtada was also trying to develop more clarity on some **operational issues** to make its micro-finance program more effective for the community.
- Finding possibilities of developing financial services and products.
- Developing saving, investment, lending products and policy as per age and capacity of the groups
- Integrating age wise performance standards of groups with the program to monitor program performance
- Developing MIS system

3   Background and Objective of Survey and Methodology

Starting Jan 2005, Ibtada hired the services of BASIX for resource support through a 6-month consulting assignment to help chart out a road map for Federation promotion and a strategic framework for micro-finance program intervention in the context of local socio-economic conditions. A **Diagnostic study of Ibtada and its microfinance program** was carried out through discussions with staff, field visits and discussions with community institutions, and review of other reports on Ibtada.

Ibtada's microfinance was started as a means to address social and empowerment issues of the women. To determine the nature and **course of the federations for the future,** choice depended on two primary factors:

1. Need expressed by the community and their willingness to work towards one or the other
2. Ibtada's focus area revisited

The options were:
1. Retain social focus and develop activities in the social sphere, alongside the MF activities, and spruce up the MF operations
2. Bring in livelihood as the core focus area as a logical development of the MF work, and support the federations to eventually become self-sustaining institutions

Between December 2004 to March 2005, BASIX carried out the Diagnostic Study and subsequently a two-day Workshop with Ibtada staff and management, for visioning/planning of strategic focus of its programs as a whole, and in particular the microfinance program.

These processes and exercises within and with Ibtada expressed the need for a Development of management information flow and Computerized MIS needs to be brought in to improve performance of the system and planning of interventions, to understand better the livelihood profile and financial flows of the member households. This led to the present survey being planned, and then carried out during August-September 2005.

This survey will seek information to get answers to the following questions.
1. What are the incomes of our member-community, and the categorisation thereof? What are the main income and expenditure items and seasonality? How does this look for different economic and social classes?
2. What is the basket of activities they engage in to earn this income? What are the primary and secondary means of livelihood?
3. What are the credit and other financial service requirement of the households? For what purposes are loans taken and used? This is presently not known/ analysed systematically.
4. What is the role and share of other financial service providers and systems (traditional credit committees, moneylenders, etc)?

The analysed information from the survey will be used to consolidate and fine tune the mF program and, focus on the needs of the poorer members and subgroups. Identifying the poorest and 'non-poor' members can be done and it will be possible to distinguish their differential financial and livelihood profiles, their need for support and services there of. Focusing on the poor members financial and livelihood needs and refining products and services can be factored into the community-institutions' role, approach and services. Insights on role and relevance of other financial service systems – informal, traditional and formal that is availed by the community can be used in the consolidation and development of the microfinance program.

Methodology of Survey:

A detailed questionnaire (annexure) was developed and pilot-tested. It was administered by field supervisors of Ibtada to 100 member households. The respondent households were selected such that there is:

- proportionate representation of members from all income classes
- proportionate representation of community and caste from Ibtada's membership
- proportionate representation of geographically diverse areas (interior-exterior village, large/small village)
- equal numbers of old, middling and new member-households

4   Profile of Households Surveyed

4.1   Caste

The caste composition of 100 respondents is given in table 3.1.

Table 4.1 Caste Composition

Caste	No. of Households
SC	40
ST	4
Meo	41
Sikh	4
OBC	2
General	2
Other Muslims	7
Total	100

To the extent that the sample is representative, the caste/community composition shown above reflects the composition of all the households that Ibtada works with. One of the criteria for respondent sample selection was to have adequate representation of all castes/communities. We see that the Meos and Scheduled Caste are dominant and between them, they account for 81% households surveyed.

4.2   Family Size

In the sample, the break up of the families is as follows:

Table 4.2: Family Size and Composition

Family members	No. of HH	Adult Males	Adult Female	Children	Total Members
2 – 4	10	12	11	12	35
4 – 6	39	50	54	106	210
6 – 8	28	62	48	98	208
8 – 10	8	29	19	27	75
> 10	15	59	58	77	194
Total	100	212	190	320	722

C= less than 14 yrs

Table 4.3: Number of Children per Household

No. of children	No. of Households
Nil	6
1-3	58
3-5	24
5-7	9
7-9	3
Total	100

Most households (39 percent) fall in the family size totalling between 4-6 members. The next common family size is 6-8 members per household, and there are 28 percent such households. There are as many as 15 households where the total family comprises more than 10 members. The average family size is 7.2 members per household. Taking our entire sample, we find the male-female ratio is 212:190. This means is at 896 females per thousand, which, though adverse, is largely in line with the sex ratio for the district.
The average number of children below 14 years per household in our sample is 3.2. More than half the households (58%) have 1 to 3 children. The next common number of children per household is 3 to 5 children, which is the case in 24% of the households.

4.3   Agricultural Land Holding

Table 4.4: Agricultural Land Holding of Households and Average Income

Land Holding (bigha)	No. of Households	No. of HH having Irrigated Land	Average Income	Average Revised Income
No Land	34	Nil	36996	36996
Upto 1	20	13	40385	43429
1 to 3	26	20	45773	49959
3 to 5	10	9	50621	53968
5 to 10	6	6	91640	97873
Greater than 10	4	4	131300	139903
Total landed	66	52		

34 percent households have no agricultural landholding and of the 66 landholders, a good 70% have a holding ranging from 1-3 bighas and about 70% of their land is irrigated. For the top ten landholding households which are those having more than 5 bighas, their entire land is irrigated. Amongst them, these 10% households own more than 50% of the irrigated land of the total sample group. These comprise 6 Meos, and 2 each of SC and other Muslims. A further sign of their relative prosperity is the level of their average incomes and revised average income (which includes monetized agri-produce) which is much higher (almost double) that of less-landed Households.

Incidence of Share Cropping: Of the 66 landed households, only 4 report having given out their land on Share Cropping. The entire holding is given out in these cases. The holding of these 4 households is 25, 4, 2 and 1.25 bighas and entire land is irrigated. The

family with 4 bighas reports having given the land out on contract at Rs. 10,000 but no further details are available.

5 households report having taken agricultural land for share cropping. Of these 3 households have no agricultural land of their own and have taken 2 to 4 bighas on lease. **Giving/ taking land for sharecropping is therefore not a widespread phenomenon.**

4.4   Asset Ownership

4.4.1   Homestead

Table 4.5: Types of Homesteads

No. of Households	Homestead	Caste						
		Meo	SC	oM	Skh	ST	OBC	Gen
52	Inherited	22	23	3	2	1	0	1
40	Bought	15	14	4	2	3	1	1
5	Encroached	3	1				1	
2	Got from Govt.	1	1					
1 (created own)	Others		1					
100 Total		41	40	7	4	4	2	2

We find that as many as 40 Homesteads out of 100 are bought. With Meo and SCs, more Homesteads are Inherited rather than Bought. All the other castes of which there are 19 households have a larger number of Bought Homesteads compared to Inherited Homesteads.

Table 4.6a: Type of House Structure and Rooms

No. of Rooms	No. of Respondents	3 or more *pucca* rooms	No *pucca* room	Taken House loan
1	23	0	14	3
2	30	0	8	9
3	24	4	4	3
4	8	5	0	1
5	8	6	0	1
More than 5	5	4	0	2
Total HH	98*	19	26	19

* 2 HH report 0 rooms and questionnaire to be rechecked.

Most households (77 percent) are those having 1 to 3 rooms. As many as 26 households have no *pucca* rooms at all and these are all houses which have 3 rooms or less.
In all, 19 households have taken housing loans from SHG and other non-SHG sources. Of the total loan taken amount by the households, 12% is for Housing Purpose. Of 77 households having up to 3 rooms, 15 have taken Housing loan that is 20 percent of the households. Of the 21 households with more than 3 rooms, 4 households (19 percent) have housing loans. So a similar proportion of both big and small house owners are taking housing loan. There is no pattern either, that higher or lower loan amount is being taken depending on whether the house is big or small. Loan taking for housing is more or

less equal in amount across HH with more or less *kacha* or *pucca* houses. ***There appears to be no connection between type of house and loan taken for housing.***

We tried to see if there was a relation of these 26 families with all *kacha* houses and their income levels.

Table 4.6b: *Kachha* Households and Income Levels

Income Class	All 100 households		All *Kacha* Households		Part/Full *Pucca* Households	
	No.	Ave Income (Rs/year)	No.	Ave Income (Rs/year)	No.	Ave Income (Rs/Year)
Subsistence Upto Rs.10,000	5	5,330	2 (8%)	8,125	3 (4%)	3,470
Low Rs.10,001-Rs.30,000	29	21,150	9(35%)	18,272	20 (28%)	22,445
Medium Rs.30,001-Rs.50,000	38	38,990	11(42%)	38,583	25 (35%)	39,566
High Rs.50,001-Rs.80,000	18	62,380	4(15%)	63,488	14(19%)	62,068
Very High Greater than Rs.80,001	10	1,49,120	0	0	10 (14%)	1,49,123
Total	100	47,360	26 (100%)	33,041	72 (100%)	52,898

Note 1: Kacha / pucca house details available for 98 (26+72) households only
Note2 :: The income class has been calculated on of cash incomes from all livelihood sources. This also includes income from Capital Sales since for almost all 25 housesholds reporting income from capital sale, it is livestock sale, which seems to be a recurring feature. There are however 2 households that report Capital Sales income partly from livestock but also a large part from land (Rs. 80,000 for No.31) and from "committee" (Rs. 21000 for No. 32). In Table 4.6b, we have categorized income classes after deducting these amounts.

The average income of 26 *kacha* households at Rs. 33,041 is lower than that of the average of the remaining 72 households that are partly or fully *pucca*, whose average income pa is Rs. 52,898. This points to their lower income level in general. However, the picture varies if we look at average incomes by disaggregating income classes. In the Subsistence Income Class, the average income of the *kacha* households is much higher than that of *pucca* households. In the Low Income Class, average income is higher lower than that of *pucca* households in the same Class. In the Medium and High Income Class, both *Kacha* and *Pucca* households have almost equal average incomes.

The 26 *kacha* households do have a larger proportion (85%) of families in the each of the lowest three income Classes (Subsistence, Poor and Medium), whereas the 72 *pucca* households have only 67% families in these lower income categories. This positive correlation between income level and house type gets enhanced by the added fact that a higher percentage (33%) of *pucca* households are in the high and very high income classes, compared to 15% of *kacha* households belonging to this high income level. In fact while 14% *pucca* households fall in the Very High Income class, there is no *kacha* household belonging to this class.

4.4.2   *Livestock Shed*

As we see from Table 4.7 below, 73 households have no livestock sheds. Of the 27 households that do have livestock sheds, 24 households report having one shed and only 3 have two sheds each.

One would expect that having or not having a livestock shed, depends on the type and number of livestock a household owns. However, whether the household owns a cow, buffalo or goat – we find that around 30% of each such household uniformly has a livestock shed. Of the 5 households owning a camel each, only 1 has a shed. There are 3 households that own sheep and all three have a livestock shed. The figures also do not lead to any conclusion about whether a household with more variety of animals is more likely to have a shed than not have a shed.

We looked at all the households having buffalos and/or goats and tried to see if a household that had more units per animal type was more likely to have a shed than households with less units of the animal. Even here we saw no correlation.

Table 4.7: Animals owned and Livestock Sheds with Households

Different animal type	No. of HH	No. of HH owning Cow	No. of HH Owning Buffalo	No. of HH owning Goat	No. of HH owning Camel	No. of HH owning Calf
Types of animals owned by the 27 Households having Sheds are						
0	5	0	0	0	0	0
1	9	0	6	3	0	0
2	8	2	6	1	0	7
3	5	2	5	3	1	4
Total	**27**	**4 (29%)**	**17 (31%)**	**7 (30%)**	**1 (25%)**	**11**
Types of animals owned by 73 Households having no Shed are						
0	18	0	0	0	0	0
1	22	3	10	7	1	1
2	22	3	18	3	1 +1 sheep	18
3	11	4	10	6	2 + 2 sheep	9
Total	**73**	**10**	**38**	**16**	**4 + 3**	**28**
Grand total	100	14	55	23	5 + 3	39

4.4.3   Livestock owned

Table 4.8: Types and Number of Livestock owned

Number of households owning Livestock	Livestock 1	Livestock 2	Livestock 3	Total no. of each type of animal
Cows	13	1		14
Buffaloes	50	5		55
Goat	12	9	2	23
Sheep		2	1	3
Camel	1	2	2	5
Calf	1	27	11	1
	77	46	15	

There are 77 households in all who own livestock, of these, 46 own two types of livestock, and 16 own three types (Refer Table 4.8). 23 households own no livestock. Of the 77 households that own livestock, there are 19 landless households who own livestock. So half (55%) the landless households own livestock whereas most (88 percent) landed families own livestock.

The most commonly owned livestock is buffalo, which is owned by 55 households. Majority of them own one only, some have two per household and there is only one household having 3 buffalos. Only 13 households own cows, and almost all have just one cow. Not a single households report owning bullocks. 39 families own calves.
There are 23 families that own goats, and 10 of these own only one goat, 7 have 2-10 goats per household and 6 households have 14-50 goats. Majority of the goat-owning households have little or no land.

4.4.4   Agricultural Assets

Only 32 percent households have one or more agricultural asset and 68 households have none. This in spite of the fact that 66 households out of 100 have agricultural landholding. There are some households with agricultural landholding that have no such asset and there are some households that are landless but do have such assets. There is a practice of sharing/ joint ownership/ use of agricultural assets.

As expected, the most common asset is the Well, with 30 households having it. One-thirds the households owning wells use it on shared basis, commonly among a group of 4-6 households.13 households have Electric Pumpset and about half of households use it on sharing basis. 6 households have Diesel Pumpset and all but one use it on shared basis. The least commonly owned assets among our households are the borewell (shared) and tractor, thresher – both not shared.

Table 4.9: Agricultural Assets owned and shared by Households

Name of Asset	No. of HH Owning	No. of households	
		Sharing it	Among
Well	30	10	4-6
Electrical pumpset	13	6	4-6
Diesel pumpset	6	5	2-9
Tractor	2	0	--
Thresher	1	0	--
Borewell	1	1	4
Total	53		

There are only 2 households each of which has all of 3 agricultural assets. One has diesel pumpset, electric pumpset and a borewell. The other has tractor, thresher and well. Apart from this, there are 18 households having 2 agricultural assets each, and 12 households have only one asset.

4.4.5 Business Assets

Table 4.10: Business Asset Ownership among Households

Name of Asset	No. of Households
Shop	16
Khoka	4
Sewing Machine	17
Camel/Bullock Cart	8
STD Booth	3
Atta Chakki	1
Others	3
Total	52

There are 44 households out of total 100 having business assets. Only 9 households out of the 44 have 2 assets each and 1 household has 3 business assets. The most commonly owned assets are a Shop and in few cases "*khoka*" followed by the sewing machine. Ownership of a shop or *khoka* is in keeping with the high level of own enterprise. It is not evident from available data whether ownership of sewing machine has a significant bearing on incomes or not.

4.4.6 Household Durables

About 50 percent of the households own atleast two different types of assets each. The commonly owned assets are bicycle and/or fan and/or B/W T.V. While there are 15 households having no asset at all, around the same number of households are at the other extreme, having 3 or even 4 different types of assets each.

Table 4.11: Households Assets

| Name of Asset	No. of Households owning asset	Name of Asset	No. of Households owning asset
Bicycle	54	Color T.V.	6
Fan	54	Land Phone	6
B/W T.V.	33	Cooler	4
Motor Cycle	11	Moped	3
Refrigerator	10	Heater	1
Mobile Phone	0	Cooking Stove	1

5   Livelihood Profile

For the purpose of this study, we considered five types of broad livelihood categories to cover all activities that these households engage in. These are agriculture (on own land or share cropping), agricultural labour, non-farm activities, livestock and migration (see Chart 1 below). Capital sales have been considered separately and shown, because with a few exceptions, capital income is from sale of livestock. There are several sub-activities in each segment. Agriculture could be different crops for different seasons, and there are several types of NFA activities (own enterprise or service in organised or unorganised sector, etc.), which could also vary for any given household by season.

Alwar is amongst the more agriculturally prosperous regions in Rajasthan. The study however shows the predominance of non-farm activities as a source of livelihood for these households. The chart below shows the contribution of different livelihood sources to the total income for the sample. It shows the predominance of NFA and the relative marginalisation of the others, including agriculture.

Chart 1: Sources of Livelihood and their contribution to total Income
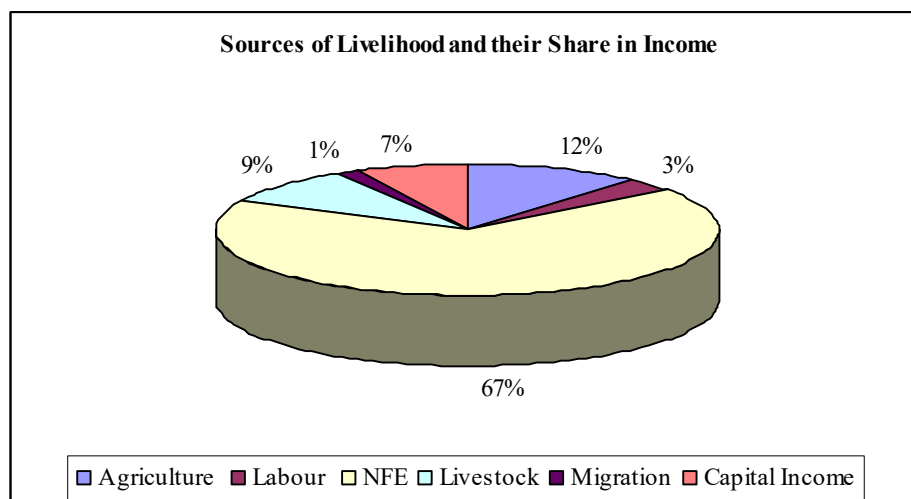
5.1   Diversification of Livelihood Sources

The extent of numeric diversification, in terms of the number of income sources is given in table 5.1. Out of the 28 households, with a single source of income, all barring two families have NFA as their sole source of income. Of the 37 families with two sources of income, 32 earn NFA incomes.

Table 5.1: Diversification of Income Sources

No. of Income Sources	No. of Households
1	28
2	37
3	24
4	10
5	1
Total	100

61% of the households surveyed have two to three income sources. This accounts only for income earned, and we try and assess separately the non-monetary livelihood pattern of the households.

The relative contribution of various livelihood activities to the total income of the household, and their relative significance therefore, the data offers the following seen in Table 5.2 below.

Table 5.2: Households involved in each Livelihood Category and Proportion of Income from that Source

Income Source	Households engaging in the activity, with Income greater than Rs.1000/-	Relative Significance in terms of Contribution to Income*
Agriculture	53%	87% respondents receive less than 50% of their income from agriculture
Livestock	42%	73% respondents receive less than 50% of their income from livestock
Agri-Labour	16%	78% respondents receive less than 20% of their income from labour
Non-Farm	92%	86% of these respondents receive more than 50% of their income from NFA
Migration	7%	Only one out of these seven people earns more than 50% of his income from migration

*For all respondents reporting positive incomes from the given sources

93 out of the 100 households surveyed derive income from Non Farm Activities (NFA). Around 30% of the households in the sample derive all their income from NFA, and another 33% households derive between 70% and 99% of their income from NFA.

77% families own and tend to livestock, however only 44 earn incomes from livestock. An overwhelming 89% of these have incomes from NFA as well. Livestock is a subsistence level activity for the remaining 33 families and in a non-monetised form. There are 66 landed households. 46 households report cash incomes from agriculture and of these 87% (40) reported NFA incomes as well.

28 households have agricultural labour as a source of income, however 16 of these have less than Rs.1000 as annual income from labour. Interestingly, only 6 of these households do not own land. For all these households, leaving out 4, the primary source of income is non-farm activities.

All eight households reporting incomes from migration have at least two, and mostly three other sources of income. On an average these families have 3.75 sources of income, which shows the significance of diversification of livelihood sources for these families.

5.2   Attributes of Different Sources of Livelihoods

5.2.1   *Non-Farm Activities*

An overwhelming 93 out of the 100 households surveyed derive income from Non Farm Activities (NFA), which shows the clear predominance of this activity in the livelihoods of the households surveyed. The significance of NFA is highlighted further by the fact that 30 percent of the households engaging in the activity report earning more than 90 percent of their income from this source. NFA does not provide non-cash livelihood support, and regardless of whether the family is in deficit or surplus vis-à-vis this activity.

There is a sizable proportion (34 percent) of the surveyed population which is landless, and therefore NFA is in some ways an obvious option for them. However most landed households also engage in NFA. There are only 6 landed households do not engage in NFA activities, which shows that non-farm activities are a worthy economic activity for the context of Alwar, regardless of landholding.

Non-farm activities include diverse activities in the non-farm sector, and three significant sub-categories which will emerge are:
- Own-enterprises – parchoon shops, masala making units, vending shops, contractor (for labour such as masons),
- Non-farm casual labour – stone breaking, carpentry, masonry (different skill levels), pulling rented rickshaws[1]
- Service as employees in the non-farm sector – in schools, hotels, factories

These three broad activities not only include several types of activities within them, but also the distinct possibility of overlaps between these. The detailed data collected is not sound enough to allow for proper classification of these livelihoods in these categories, as also for switching of a single household between these categories within a given year. With this background, the following section is analysed with caution and it is recommended that Ibtada do a more comprehensive exercise in understanding the nuances of non-farm activities to allow for any intervention affecting a large proportion of its target segment.

Within the 93 households that engage in NFA, around 30 percent report running own-enterprises, 63 percent engage in casual labour, and 8 percent engage in service. Across seasons, these activities remain rather regular as 93 percent of the sample households undertake non-farm activities in the winter season, in the summer and rainy season this number reduces somewhat to 80 percent and 77 percent.

Most other economic activities are shared between males and females to a much larger extent compared with NFA. It is overwhelmingly males that work in the non-farm sector. In 83 percent (77) cases, only males engage in NFA, in 6 percent cases, both males and females work, and in 11 percent cases, only females were reported to work in NFA.

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[1] It is desirable to divide this category further, to account for skilled and unskilled labour

Broadly, the daily wage rate in the area seems to be around Rs.70/-, and the number of days' people get work also does not seem to be an issue based on this data. There are, however likely to be several distinguishable nuances between the three non-farm activity categories. Casual labour has an element of uncertainty with it, which is reaffirmed by the extremes fluctuations in the number of days a household is involved in the activity. Within casual labour, there are around 13 percent respondents spending less than 60 days in the year, and for the remaining, the involvement seems to be rather constant throughout the year.

The risks being borne by the three segments will also vary. Own enterprises would typically require working capital and would run the risk of running an unviable enterprise. For casual labour, the risk would be in terms of the number of days of engagement that the family gets in a year. This would further connect to the skill level of the labour, for more skilled workers such as carpenters, plumber and master masons, not only is the wage rate higher, the demand is also higher. For those with lower skills, the risk would be partly handled with dependence on contractors, or agencies for getting regular work. Service in the unorganised, semi-organised or organised sectors is likely to come with a greater assurance of engagement and incomes.

5.2.2   Livestock

There are 77 households in all who own livestock, of these, 46 own two types of livestock, and 16 own three types (Refer table 5.3). The most commonly owned livestock is buffalo, and the average number is one to two per household. Out of the 44 families that report livestock incomes most families (38) own buffaloes.

There are 23 families that own goats, and ten of these own only one goat. All families with one goat, barring one report no incomes from livestock, and therefore the goat seems to be a part of their subsistence economy. 39 families own calves but no incomes are connected because calves do not lead to incomes till they mature.

61 households report female time being spent on tending to livestock, and in 8 cases, males are doing this job. On an average four hours are spent by females, and 3.3 by males every day, throughout the year on this activity. Separate time spent for fetching fodder was reported by 26 households, and in 22 females did this work. Almost all households reported doing these activities the whole year long.

Livestock activities in their present form are not the core, or stand-alone source of livelihood for the sample we studied. It is however, a very significant part of the livelihood pattern of most households, given that 77 percent households engage in rearing of livestock. Over and above the income contribution of livestock as an activity, its bearing on the livelihood configuration is significant. Half the landless households own livestock, among the landed families, most (88 percent) own and tend to livestock. Livestock clearly is more than just another source of income.

In terms of the activity spread of the 77 livestock owners and rearers, all the landed households (58) engage in farming, 21 also report agri-labour incomes, and an overwhelming 71 engage in NFA as well.

Table 5.3 Types of Livestock Owned

Livestock	Number of Households Owning Livestock		
	1st Livestock Reported	2nd Livestock Reported	3rd Livestock Reported
Cows	13	1	
Buffaloes	50	5	
Goat	12	9	2
Sheep	2	1	
Camel	1	2	2
Calf	1	27	11
	77	**46**	**15**

5.2.3   Agriculture

66 respondents in our survey own land, of these 60 report cultivation on their land, 3 landless people report cultivation (on leased land presumably). 46 report cash incomes from agriculture. The subsistence value provided by agriculture is evident from the number of people who cultivate land but do not have incomes from the land. Probing for extent of production versus sale in these cases, we found that all these people were growing wheat, bajra or jwar, and most of the produce was retained for consumption. The table below gives details of number of households engaging in more than one crop per season.

Table 5.4: Number of Crops sown by Households

No. of crops/Season	No. of Households
1 Winter Crop	60
2 Winter Crops	42
3 Winter Crops	14
4 Winter Crops	6
1 Summer Crop	29
2 Summer Crops	7
1 Rainy Crop	47
2 Rainy Crops	14
3 Rainy Crops	5
4 Rainy Crops	5

31 households cultivate Bajra, (regardless of size of landholdings), spend around 26 person days in the rainy season, and 10 person days in the winter season. 44 households in the sample grow wheat, and spend on an average, across all land sizes, 40 days in the season on this crop. For mustard, which is grown by 25 families, an average of 32 person days are spent in season.

61 families spent days in farming in the course of the year. 59 are landowning, other two do not have own land. Out of these 61 cultivating families 55 also were active in NFE. We compare the average days per year spent by these 55 families on farming and NFE which is 93 and 314 days respectively. Even in the busy agricultural season of winter during seven months from October to March, while average no. of days spent on farming was 55, the average number of days on NFE is 200 days for this season. In both cases, more than 3 times the days spent on farming is spent on NFE, by the set of families involved in both sectors, shows the importance of NF sector and relative marginalisation of agriculture sector in terms of income contribution as well as time spent by the household on the activity.

Out of the 61 households that cultivate land, 54 also engage in rearing livestock, which shows further how livestock is a more or less inevitable activity for all landowning households. What is not otherwise as complementary as livestock to farming, is the mixing with NFA and related activities. The socio-economic context of Alwar however, seems to justify NFA activities amongst almost all households. Out of the 60 landowning and tilling households, 90 percent (54) also engage in NFA activities.

Interestingly only one of the respondents report agriculture as the sole source of income, 36 percent have two sources, 47 percent have three sources, and 14 percent have four or more sources of incomes. Seven of the 46 respondents have reported incomes of less than Rs.1000/- from agriculture, which can be considered negligible. These and the weaving together of agriculture and NFA, in particular are evidence of the relative marginalisation of income from agriculture. While agriculture continues to being an integral part of most livelihoods in the area, it is worth examining as to how the shift from agriculture to non-farm activities will change the pattern of the livelihoods of the poor in the medium and long run.

5.2.4 *Agricultural Labour*

Our sample has 28 percent households that engage in agricultural labour and earn incomes therefrom. Mostly women offer their services as agricultural labour, and the peak season for this work in Alwar seems to be the winters. Out of these 28 households, in 26 cases, females work, and their work ranges between 5 and 70 days, and averages at around 25 days. In 9 cases, men also do Agricultural labour work, but in five of these cases, both the men and women engage in this activity. The wage rates in the area are high, and the females also receive anywhere between Rs.50 per day to over Rs.150 per day.

Agricultural labour is not a significant overall source of income. More than 75 percent of the households that engage in agricultural labour receive less than 20 percent of their total income from this source. Around 57 percent of the families that report doing agri-labour activities are SCs and Meos. This implies that 43 percent of the households engaging in agri-labour are from other castes even though they form only 19 percent of the sample. Out of the 28 families reporting labour incomes, only 6 are landless, and the land held by the remaining 22 ranges between 0.25 bigha and 0.5 bigha. These go to show that it is mainly the poorest of households that are engaged in agri-labour.

Out of the 28 households earning incomes from agri-labour, 21 own livestock, 20 engage in agriculture also, and almost all (27) engage in NFA activities.

5.2.5 *Migration*

There were ten households which reported migrating for work, mainly in the winter season[i]. Migration did not emerge as a significant income or livelihood option, as only 8 persons in the sample reported incomes from migration. Most of the households reported migrating for agricultural labour, and mostly the males migrate. The number of days of migration reported ranged from 20 to 150 days in the winter season.

Two of these households did not report any incomes from the activity. For these two families, migration seems to be a pure coping mechanism. Not only is the number of migrants very small (8 percent), but also the contribution of migration to their total income is too small to merit detailed analysis for livelihoods or income.

6   Income Profile

6.1   Income Categories

The income[ii] in our sample ranges from Rs.1800 to Rs.2.5 lakhs for the year, across the hundred households studied. The table below gives a detail of the number of households and the average incomes in each income segment. We have categorised annual incomes into five segments for analysis. These segments are:

Subsistence:	Upto Rs.10,000
Low:	Rs.10,001 to Rs.30,000
Medium:	Rs.30,001 to Rs.50,000
High:	Rs.50,001 to Rs.80,000
Very High:	Greater than Rs.80,000

The summary of income and expenditure across the income segments is given here:

Income (Refer Table 6.1 below)
- With 38 percent households falling in this income range, the middle income category has the largest number of households, and the low income category comes next with 29 percent households. Thus 67 percent of the households fall in the middle and low income groups. The very-high income segment, accounts for around 10 percent the households surveyed and 5 percent are in the poorest or subsistence category of households.
- About 75 percent of the income is contributed by the non-farm activities. This predominance of NFAs contribution to total income holds true for all income classes, except those in the subsistence income category.
- The subsistence households, while being involved in the entire basket of activities, do not have the predominance of any one activity. Contribution to their meagre incomes comes from all livelihood sources in equal proportions at over 20

percent each, except migration. Theirs is thus a "Diversified Portfolio of Subsistence Livelihoods", a common trait of very poor households.

- Agricultural income through farming on own land, is far less important than NFA in contribution to total incomes for all households with the exception of those in the subsistence income group.

- For the lowest and highest income segments, the contribution of agriculture to the total income is more significant (around 20 percent) compared with the low, medium and high income groups, where it is around 9 percent.

- On an average income from livestock forms between 7 and 12 percent of all income classes, barring the subsistence households.

- Except for the poorest and the richest households, for the remaining 85 percent households, contribution of livestock to total income is almost equal to that of agriculture. Indeed, livestock income is greater than agri-labour income for all income segments, with the exception of just the 5 percent subsistence households.

- Barring the 5 percent subsistence households, agri-labour income comes far behind NFA, agriculture and livestock incomes. Its share in the contribution to total income is slightly higher to migration.

- Contribution of migration to total incomes across all households is negligible, except perhaps for the subsistence families, where its share is about 5 percent.

- There is no discernible difference between the low, middle and high income categories in terms of representation from the two dominant caste/community groups in our sample, the SC and Meo. In the subsistence income class however, there are no Meo households, while there are 2 SCs. In the highest income group, there are 8 Meos against 3 SCs.

- Predictably, the higher income classes have more of the larger landholdings. There are only 11 percent landless households in the highest two income classes.

- There are more landless households (absolute and percentage-wise) in the medium income class than in the low income class, so landlessness cannot necessarily be associated with lower incomes.

Table 6.1: Different Income Classes and Contribution of Different Sources

Income Class	No. of House holds	Average Income (Rs/year)	Farm	Agri-labour	NFA	Live stock	Migrat ion
Upto Rs.10,000	5	5,330	22%	26%	25%	21%	6%
Rs.10,001 to Rs.30,000	29	21,150	8%	6%	73%	7%	5%
Rs.30,001 to Rs.50,000	38	38,990	10%	2%	76%	11%	1%
Rs.50,001 to Rs.80,000	18	62,380	9%	3%	79%	7%	2%
Greater than Rs.80,001	10	1,49,120	19%	3%	66%	12%	0%
Total	100	47,360					

Table 6.2: Expenditures under major heads for Different Income Classes

Income Class	No. of HH	Average Exp. (Rs/year)	Expense Heads					
			Food	Non-food	Farm	Livestock	NFA	Housing
Upto Rs.10,000	5	35,634	42%	29%	*10%	6%	5%	7%
Rs.10,001 to Rs.30,000	29	31,535	36%	36%	5%	8%	4%	10%
Rs.30,001 to Rs.50,000	38	52,355	32%	32%	10%	5%	13%	9%
Rs.50,001 to Rs.80,000	18	55,830	29%	31%	16%	4%	11%	9%
Greater than Rs.80,001	10	88,770	23%	32%	14%	8%	14%	9%

Inordinately high farm expenditure of one household has been treated as Outlier, and not taken into account while calculating the average farm expenditure and percentage of farm to total.

Expenditure[iii]

- As we go from low to very high income categories, the relative share of food expenditure to total expenditure reduces and becomes second to non-food consumption items. Expenditure on food for poorest households is a major share (42%) of the total expenditure.

- Expenditure on NFA comes becomes significant only from medium income class upwards.

- From medium income class upwards there is an increasing percentage of expenditure on "productive" (farm, NFA, livestock) rather than on "consumption" expenditure (food, non-food, housing).

- The expense on housing[iv] is fairly significant across all income categories, ranging from 7 to 10 percent of total expenditure. Expenses on livestock are a lower contributor to total expenditure than housing.

- Taking the average income less average expenditure in each category, we find that subsistence, poor and medium households are in deficit and the high and very high income households show a surplus of income over expenditure. This is for the categories as a whole, and will not hold true for each household in the category.

6.1.1   Subsistence Income Category

Profile: Five percent of the families earn only subsistence incomes[v], averaging around Rs.5332 per annum. Two of these are landless and the other three have 0.5 bigha to 1 bigha of land, only one piece of land is irrigated. There are no Meos in this income group, there are two SCs, and one each of ST, OBC and General.

Income and livelihood mix: All three landed households engage in agriculture, but the sale value is small. One household retains the produce, which is worth approximately Rs.17,000. Three of these also own livestock, however only one family earns income

from livestock. Agricultural labour also has a relatively high contribution to the total income of this segment, compared with all other income segments.

Looking at Table 6.1, we find that there is no predominant income contribution from any one activity and the dependence on agriculture, agri-labour, NFA and livestock are all similar at a little over 20 percent each. Households in this category engage in a diverse portfolio of livelihood activities, and their involvement in each is at a subsistence level, which seems to be a characteristic of subsistence households. Another characteristic is that the proportionate contribution from NFA is much lower compared to all other income categories.

Expenditure: In four of the five cases, the food expenditure is a high proportion of the total expenditure and averages around 48%. The non-food consumption expenditure (clothing, health, education, toiletries) for these four families is around 25%.
Social expenditure ranges between Rs.800 and Rs.3 lakhs, and is inordinately high compared with incomes for two of these households.

Deficit/Surplus: All these five households run deficit budgets and their incomes fall well short of their expenditures. The loan amounts seem to in keeping with the deficits in most of these cases (4). None of the subsistence income households reported any capital sales.

6.1.2   *Low Income Category*

Profile: 29 percent of the sample respondents fall in the Low Income Category of Rs.10,000 to Rs. 30,000 per annum. The average income in this category is Rs. 21150 per annum. There are 12 scheduled castes and 12 Meos. 38 percent (11) of these 29 respondents are landless, the 18 landed households have between 0.25 and 4 bigha of land.

Income and livelihood mix: On an average they receive around 73 percent of their total income from NFA, and 5 percent to 8 percent from migration, livestock, agri-labour and agriculture. Of these 18 households, 15 engage in agriculture, and 11 earn incomes from farming. Only 10 percent (3) of these 29 families do not have NFA incomes, 31 percent (9) have labour incomes and 2 have migration incomes. Only nine of these households do not own and rear livestock.

Expenditure: the average expenditure on food consumption and non-food expenditure is each at 36% percent, and farm expenditure is 5 percent of the total expenditure. House repair and maintenance seem to be a significant head of expenditure with 55 percent (16) of these households reporting this expenditure ranging between 1 percent and 50 percent of their total expenditure.

Deficit/Surplus: 28 percent (8) of these households have incomes greater than expenditures, and the remaining 72 percent run deficits. None of the houses reporting a surplus earn any income from agriculture, and interestingly the household with the largest surplus income of Rs. 11,000 per annum earns around 98% of its income from

agricultural labour activities. The deficits ranged between Rs. 900 to Rs. 55000 per annum, and there are 7 families in this set, which get almost 100 percent of their income from NFA. There were only three families which made capital sales, all three were deficit households.

6.1.3   Middle Income Category

Profile: The largest number of respondents, 38 percent is in the Middle Income Category, and the average income for them is Rs. 38,990 per annum. 47% of the middle income households are landless, and in terms of caste composition, 15 are SCs and 18 are Meos. The landholding of the 20 landed households ranges between 0.5 bigha and 15 bigha, but here there are 20 percent (4) families with over 5 bigha of land.

Income and livelihood mix: The contribution of the different sources of livelihood to incomes is changing somewhat as we move from the lower to the higher income categories. At 76 percent, the share of NFA remains almost at the same level as the low income category, but the share of agri-labour goes down to a marginal 2%, and the contribution of farm and livestock are at 10 and 11 percent respectively. 20 of these households engage in agriculture, 26 own livestock, and 36 engage in NFA activities. 46 percent (17) households engage in three types of activities, and a quarter (9), engage in four activities in the year.

Expenditure: The food consumption expenditure of these houses ranges between 14 percent and 75 percent of the total expenditure, and averages at around 32 percent. The average non-food expenditure is at 32 percent of the total expenditure. 86 percent (32) households report incurring social expenditure which ranges between Rs.2000 and Rs. 1.8 lakhs for the year. 20 percent of those households spending on social functions, spend over Rs.65,000 on this head. 68 percent middle income households also spend on house repairs and maintenance any sum ranging between Rs.450 and Rs.28,000, anywhere between 1 percent and 50 percent of their total expenditure.

Deficit/Surplus: 53 percent (20) of the middle income households run deficit budgets, the deficit ranging from Rs.2000 to Rs.1.7 lakhs. The surplus budgets of the remaining households vary in a much narrower range of Rs.600 to Rs.20,000. Around 45 percent families in both deficit and surplus households are landless. Two of the surplus households have remained so because of sale of livestock, without which they would slip into deficit. Also five deficit families were seen to be so despite capital sales of livestock.

6.1.4   High Income Category

Profile: 18 percent respondents are in the High Income Category and their average income Rs. 62,380 per annum. 10% of the high income households are landless, and in terms of caste composition, 31 percent (9) are SCs, 14 percent are Meos (4), and 10 percent (3) are other muslims. The landholding of the 14 landed households ranges between 0.5 bigha and 9 bigha, and averages around 3.3 bigha. 86 percent (12) of the

landed families have irrigated land, and only two families have unirrigated land. All these families leaving out two, own livestock.

Income and livelihood mix: 79 percent of the income comes from NFA, the shares of farm and livestock income have declined somewhat compared to the middle income category because the relative share of NFA has increased. The contributions of agri-labour and migration remain almost similar to middle income class at 9 and 3 percent to incomes respectively. 76 percent (13) households engage in agriculture, though two do not have any cash incomes from agriculture. 88 percent (15) of the households own livestock, and 94 percent (16) engage in NFA activities. 53 percent (9) households engage in two, 41 percent (7) households engage in three, and 18 percent engage in four types of activities in the year.

Expenditure: The food consumption expenditure of these houses ranges between 15 percent and 67 percent of the total expenditure, and averages at around 29 percent, Rs.16,100. The average non-food expenditure is at 31 percent of the total expenditure, at Rs.17,000. 67 percent (12) households report incurring social expenditure which ranges between Rs.2000 and Rs. 74,000, excluding one extreme case of Rs.3 lakhs for the year. 53 percent high income households also spend on house repairs and maintenance any sum ranging between Rs. 250 and Rs.50,000. Half of these households spend less than 1 percent of their total expenditure on house repairs though.

Deficit/Surplus: 33 percent (6) of these households run deficit budgets, The deficits range from Rs.300 to Rs.80,000. The 65 percent households with surplus budgets have surpluses ranging largely between Rs.11,000 and Rs. 30,000, except for three cases, two below Rs. 6,000 and one around Rs.50,000. Two of the surplus households would not have been so, without the capital sales during the year.

6.1.5 *Very-High Income Category*

Profile: 10 percent respondents are in the Very-High Income Category and their average income is almost Rs. 1.5 lakhs per annum. 70 percent of these households are Meos and 20 percent are SCs. All these households are landed, and the landholding of these households ranges between 1 bigha and 25 bighas, and averages 7.7 bighas. All the land owned by households in this income group is irrigated. Not surprisingly, all these families also own livestock.

Income and livelihood mix: All the households earn NFA income, which average around Rs.95,000 and range between 19,000 and Rs.1.8 lakhs. The share of NFA incomes in proportion to the total incomes earned are not as high as the previous three income categories though, and farm incomes are much higher at 19 percent. Agri-labour and migration are not a income source for all these households, with the exception of one household that reports agri-labor income.

Expenditure: The food consumption expenditure of these houses ranges between 11 percent and 29 percent of the total expenditure, and averages at around 23 percent, which

is Rs.20,000. The average non-food expenditure is at 32 percent of the total expenditure, at Rs.26,700. 70 percent respondents have social expenditure, of whom, three families spend less than Rs.10,000, and the other four spend between Rs.52,000 and Rs.1.1 lakh. 70 percent (7) high income households also spend on house repairs and maintenance. Seven of these households spend between Rs. 1,000 and Rs.9,000, and two spend Rs.28,000 and Rs.40,000.

Deficit/Surplus: Only three households (30 percent) in the high income group have deficit budgets. The deficits range from Rs.1,800 to Rs.27,000. The 70 percent households with surplus budgets have surpluses ranging largely between Rs.16,000 and Rs. 1.9 lakh. Half the households had done capital sales in the year, one was a deficit household.

6.2   Activity-wise Income and Expenditure Profile

In terms of the relative significance of various sectors to the total income of a family, as discussed earlier, NFA's contribution is overwhelmingly large in this area, for the sample selected from Ibtada's customer base. *For any intervention to impact the livelihoods of this milieu therefore, a detailed analysis of the types of NFA activities undertaken, the wage rates and the bottlenecks in the cycle will have to be examined closely.*

The earlier section on income segments lends credence to the hypothesis that higher incomes and land holdings are positively related, given that the higher income categories had more land holding members, compared with lower income categories. The direct contribution of farm incomes however to total incomes is unclear as we move up the income categories. Both the lowest and highest income categories had high farm incomes as a proportion of total incomes.

6.2.1   Agriculture

Table 6.3: Average Farm Incomes across Income Categories

Farm Income (Rupees)	No. of Households	Average Income (Rs/year)
Nil	54	Nil
Less than 1,000	7	560
1,001 to 5,000	10	3370
5,001 to 1,0000	13	8200
10,001 to 20,000	10	13790
20,001 to 40,000	4	29375
40,001 to 60,000	0	0
60,001 to 100,000	2	78550
Total	100	5570

The contribution of agriculture to total incomes in the given context is clearly secondary to NFA. While 46 percent respondents report earning incomes from agriculture, only 13 percent of these earn more than 50 percent of their total income from this source (Refer Annex 6.2 at the end of the Report).

The spread of households' earnings from agriculture across different income groups is given above in Table 6.2. The largest number of households earn income in the range of Rs.5000 to Rs.10,000 per annum. The average income of these households is around Rs. 8,200 per annum.

Table 6.4: Revised Farm Incomes

Revised Farm Income	No. of Households	Average Income
Nil	37	0
Less than 1,000	5	512
1,001 to 5,000	16	2935
5,001 to 1,0000	16	7810
10,001 to 20,000	15	13930
20,001 to 40,000	8	27365
40,001 to 60,000	1	41400
60,001 to 100,000	2	93950

In Table 6.3 above we see 54 households with Nil farm income. Out of these there are 17 households reporting agri-income in from of produce only and no cash. Since agriculture has substantial subsistence value, we have monetised the part or full produce held by farmers. The figures in the Table 6.4 show how 63 farming households move up the income ladder by adding back the value of produce held back. The households which hold back agricultural produce include three landless families who share crop, and 60 landed families, who cultivate their land.

Table 6.5: Average Incomes based on Land Size

Land Size	Average Incomes (Rs/year)
Nil	740
.25 to .5	1,840
.5 to 1	930
1 to 2	3,930
2 to 3	9,030
3 to 5	8,160
5 to 10	25,770
>10	30,300

On a comparison of land ownership with farm incomes in Table 6.5 we find that the correlation between the land size and incomes from agricultural produce is weak if any[vi]. 35% (23 out of 66) of the landholding families do not report any cash income from their produce. Of these while 74% (17) respondents did report production, which was held back, the remaining 26% (6) reported no production either. Of the six households that do not cultivate their land, 3 have irrigated land, one of which has 7 bighas of irrigated land.

While comparing expenditure on land with incomes, we have considered revised farm income[#] by including value of produce not sold. The expenditures do not connect well with the land size, and further neither the land size (as shown earlier) and nor the farm expenditure have a clear and strong correlation with the incomes from agriculture. To show the extreme figures that are hidden behind these averages, the last column in the

Table 6.6 shows the range within the income fluctuates, corresponding to each expenditure slab.

Table 6.6: Farm Incomes# and Expenditure of Households Compared

Expenditure on Farm Production	No. of Households	Range of Land size	Average Farm Expenditure	Average Income	Range of Income
Upto Rs.1000	6	0.25 to 1	697	2,610	400 to 6,100
1000-10000	40	0.5 to 10	4050	11,370	300 to 89,000
10000-20000	6	0 to 25	13980	16,030	6,000 to 25,000
20000-50000	5	3 to 19	27510	41,700	4,800 to 98,000

6.2.2 Non Farm Activities

In the entire sample, there are only 7 respondents who have no income from NFA on the one hand, and there are 62 respondents who derive over 70% of their income from this source. Only 13% respondents earn less than 50% of their income from NFA. In absolute terms, 69% of the respondents earn between 20,000 and 60,000 per annum from NFA. The contribution of NFA to total income is below 60 percent only in the subsistence income segment.

Table 6.7: Average NFA Incomes by Income Slab

NFA Income Slabs	No. of households	Average Income
Nil	7	0
Less than 1,000	1	400
1,001 to 5,000	4	2062
5,001 to 10,000	2	6825
10,001 to 20,000	24	15480
20,001 to 40,000	37	30080
40,001 to 60,000	17	49190
60,001 to 100,000	3	62935
Greater than 100,000	5	146300

Non-farm Activities were divided into three categories based on the type of activity. The incomes under each category are given in Table 6.8 here.

Table 6.8: Activity-wise Average Incomes

Activity	Average Income	Range of Income
Own-Enterprise	37,150	6,000 to 1.8 lakhs
Casual Labour	32,100	2250 to 1.25 lakhs
Service	66,500	400 to 1.8 lakhs

Of the 93 households that report NFA income, 61 report no expenditure on the enterprise, which is explainable because the service and non-farm casual labour activities do not require investment or working capital. The type of expenditure we could envisage would be for receiving training for skill building, which should lead to higher incomes and/or more work. For all expenditure segments, the incomes seem to be well above the expenditures as seen in Table 6.9. The average incomes are not rising with average expenditures in the highest expense slab, but different activities are likely to have different attributes, and this is reasonable.

Table 6.9: NFA Related Expenditure and Incomes*

NFA Related Expenditure	No. of Respondents	Average Expenditure on NFA	Average Incomes
Upto 1,000	9	480	14900
1001 to 5000	7	3300	25200
5,001 to 10,000	7	6290	36270
10,001 to 20,000	5	18270	63080
20,001 to 40,000	3	26000	68800
40,000 to 60,000	1	42480	51600

*Outliers have not been considered

It will be in order to try and understand at a deeper level, how expenditures relate to incomes from NFA, by classifying them by type of activity being pursued. This exercise is done at a very broad level, because, the current data does not allow for better analysis. Ideally, we should be able to look at service, own-enterprise and casual labour separately and compare their average expenditures and incomes.

6.2.3 Livestock Income

77 percent of the respondents in the sample engage in livestock rearing, and only 44 percent earn incomes from this activity. The relative contribution of livestock to the incomes of the subsistence income group is the most significant at around 20 percent. For all other income segments, livestock income forms between 7 and 11 percent of their total incomes.

While livestock is not the main source of income for most families, it provides an important supplementary source of livelihood. 77 families in the sample own livestock and of these 44 report cash incomes from livestock. Cash income earned from livestock as a proportion to total income ranges between negligible to around 75%, and averages at only around 11%.

In absolute terms, the largest number of households, around 55 percent, earn between Rs.5,000 and Rs.20,000 per annum from livestock. The average incomes are around Rs.7,000 for the Rs.5,000 to 10,000 slab, and Rs.13,100 for the Rs.10,000 to 20,000 slab. There aren't many instances of large incomes from livestock, and it is more a combination of a way of life.

Table 6.10: Average Livestock Income by Income Slab

Livestock Income	No. of households	Average Income
Nil	56	0
Less than 1,000	2	335
1,001 to 5,000	10	3080
5,001 to 1,0000	14	7064
10,001 to 20,000	15	13102
20,001 to 40,000	2	28000
Greater than 40,000	1	62000

9 percent of the households derive more than half their income from livestock, however given that 30 percent (14) get livestock income, between 20 and 50 percent (Refer Annex 6.4).

65 respondents report expenditure on livestock ranging between Rs.100 and Rs.36,000 per annum, however only 40 of these report incomes from livestock. The investment in livestock rearing need not necessarily be on cash in the rural economy, and the correlation between expenditure on livestock and income is weak, if any.

Table 6.11: Livestock related Expenditures and Incomes

Livestock Expenditure Slabs	Average Expenditure	Average Income
Nil	0	710
Less than 1,000	315	1690
1,001 to 5,000	2900	8340
5,001 to 1,0000	6790	5440
10,001 to 20,000	13690	5880
20,001 to 40,000	36400	32000

The comparison of expenditures and corresponding incomes does not suggest any trend. While it is understandable that livestock expenditure need not translate into cash incomes, given the value of livestock produce to the household. Trying to assess non-monetised value of livestock produce within the house is not something that can be done across the board.

6.2.4 *Agriculture-Labour Income*

The average of Labour Incomes across the 28 respondents who earn incomes from labour is Rs.5511 per annum. Labour incomes provide very small contributions to household incomes and only 3 households earn more than 50 percent, and most households (75 percent) earn less than 20 percent of their total income from agri-labour (Refer Annex 6.5).

The average per-day rates were reasonable to high, being between Rs.50 on the lower side and a highest of Rs.150 per day. In absolute terms, the incomes from agri-labour for the larger number of people were small and averaged around Rs.2700, other than this there were very few cases of either high or very low incomes.

Table 6.12: Average Agri-labour Income by Income slab

Agri-labour Income	No. of households	Average Income
Nil	72	0
Less than 1,000	12	613
1,001 to 5,000	10	2745
5,001 to 10,000	2	8000
10,001 to 20,000	1	10500
20,001 to 40,000	2	25000

Of all the households earning agri-labour incomes, only 20 percent (6) households are landless. Out of the landed households, most have small land holdings, except for two households. It is difficult to establish that agri-labour income is a part of livelihoods of low income households. While it is the lowest income categories where this concentration is the highest, even households in the highest income category earn agri-labour incomes. The latter has been treated as a data issue.

Table: 6.13: Number of Households earning Agri-labour Incomes, by Income category

Income Category	No. of households earning agri-labour Incomes
Subsistence	3
Low	9
Medium	10
High	5
V high	1

6.2.5 Migration Income

Very few respondents reported migrating for work, and the incomes from this activity were also not very high. Besides the two families which earned around Rs.20,000 for the year from this activity, most families earn much lower incomes. Almost all the families that reported migrating for income reported migrating for agricultural-labour.

Table 6.14: Average Incomes from Migration, by Income Slab

Migration Income	No. of households	Average Income
Nil	92	0
Less than 1,000	1	800
1,001 to 5,000	3	2325
5,001 to 1,0000	2	8000
10,001 to 20,000	1	20000
20,001 to 40,000	1	21000

The contribution of migration income to the total income of the households was marginal. For most households it contributed less than 20 percent of the total incomes. (Annex 6.6).

Even up to the income segment of Rs.80,000 per annum, the relative contribution of migration is between 6 percent and 13 percent. The households in the upper income categories do not depend on migration, as the figures show.

Table 6.15: Migration Incomes earned by Households in Different Income Groups

Income Category	No. of households earning Migration Incomes
Subsistence	1
Low	2
Medium	3
High	2
V high	Nil

The households migrating for work are spread across all income categories, and even the high and medium income segments engage in migration. Even though the proportion of households migrating is very small at 8 percent, there seems to be some value in trying to understand the imperatives of the higher income households to migrate for work.

7   Expenditure Profile

7.1   Expense Heads and their Relative Significance

The surveyed households spend 31 and 30 percent of their budget respectively on food and non-food (consumption) items. The other significant expenditures were those for farm production (13%), NFA related (11%), livestock (6%), house repair and maintenance (9%). Social and capital expenses are also significant but we do not talk of them here as a percentage of regular expenditure "budget".

Across households, food expenses proportion varied between 4 percent and 78 percent. Within food, the sub-items probed for were cereals, pulses, meat/milk/vegetables, spices, chai/chini, milk/milk products, and cooking oil. On an average the households spend 30 percent of their food budget on meat/eggs/vegetables and around 29 percent on cereals (inc 5% on bajra etc). Cooking oil and spices take 11 percent of the food budget each. Chai-chini also accounts for 11% of total expenditure plus there is 5% reported on milk.

Table 7.1: Food Consumption Expenditure

Expenditure Slab	No. of households	Average Food Expenditure
Upto 5,000	2	3185
5 to 10	25	7880
10 to 20	48	14270
20 to 30	19	22565
30 to 40	6	34790
Total	100	

The Non-Food Expenditure of households include clothing/footwear, soaps/detergents/ cosmetics, medical expenses, education, and smoking/alcohol related expenses. The highest share of the non-food consumption expenditure is for medical expenses, which account for 36 percent of the total expenditure. The annual expenditure on health ranged between Rs.200 and Rs.50,000 for the sample. Clothes/footwear come next with 24 percent, and alcohol/tobacco/gambling etc., account for 17 percent of the expenditure.

The annual reported expenditure on alcohol/tobacco/gambling ranged between Rs.100 and Rs.14,000.

19 percent families report no expenditure on education, and overall education expenditure accounts for only 11 percent of non-food consumption expenditure. 52 percent of the families that did not report spending on education were Meos.

Table 7.2: Average Non-Food Consumption Expenditure

Expenditure Slab	No. of Households	Average Non-Food Consumption Expenditure
Upto 5,000	5	3190
5,000 to 10,000	34	7740
10,001 to 20,000	36	14410
20,001 to 30,000	17	24690
30,001 to 40,000	3	36970
40,001 to 60,000	2	48800
60,001 to 80,000	1	63080
Greater than 80,000	1	86600
Total	100	

7.1.1 Farm Expenditure

71 households report farm expenditure, and this expenditure averages at around Rs.9500. For these households, farm expenses are 16 percent of the total expenditure. Within farm expense, leaving aside a few extremely high reported expenditures, the share of seeds, fertilisers, and water/electricity, are more or less equal at around 23 to 24 percent each. Hired labour costs 17 percent, and insecticides/pesticides cost 9 percent of the total expenditure on farm production.

7.1.2 NFA Expenditure

35 households report NFA expenditure, and this expense head accounts for 22 percent of the total for these households. Interestingly, the incomes from NFA are proportionately much higher than the expenses incurred. Within this head, we probed for expenses towards raw-materials, electricity, hired labour, and storage/transport/marketing and others. The primary expenses quoted were under raw-materials, and there were no expenditures reported under electricity, hired labour and storage/transport/marketing.

7.1.3 House Repair and Maintenance

65 percent of the households reported expenditures under this head. House repairs and maintenance account for 13 percent of the expenditure of these families on an average. From sums smaller than Rs.500 to higher sums ranging upto Rs.50,000, and averaging around Rs.7000 for the year. Within this broad head, the largest expenditure of 73 percent is made for repair of houses, and electricity expenditure comes next at 23 percent. Fuelwood and water account for only around 3 and 1 percent respectively.

7.1.4   Social Expenditure

74 percent of the households in our sample reported social expenditures. 31 percent of these households were landless. Five of these landless households spent between Rs.40,000 and Rs.1.8 lakhs on social uses. Out of the landed households, around 20 percent spent between Rs.30,000 and Rs.3 lakh. As a proportion of the total expenditure of the households, social expenditure ranged between 1 percent and 80 percent, and averaged at around 23 percent. There were 22 households spending between Rs.10,000 to Rs. 50,000 and another 22 spending only between Rs.1000 to Rs.5000. As many as 16 households spent over Rs. 50000 to Rs. 3 lakhs on this account. Overall, there were 20 percent of the sampled households that reported spending more than half their total expenditure on social uses.

7.1.5   Capital Expenditure

32 percent of the sampled households reported capital expenditure. Of these, 85 percent were for purchase of livestock. The remaining included one instance of purchase of land, another of electricity connection and three households purchasing consumer durables. In actual terms, this expense ranged between Rs.550 and Rs.35,000 and averaged at around Rs.12,500.

8   Surplus/Deficit of Households

The total income in our sample ranges between Rs.1800 to Rs.2.54 lakhs. 55 percent households in the sample have negative net incomes (income less than expenditure), as shown in Table 8.a. If we account for the agricultural produce held back, and not sold in the market, 7 percent of the deficit respondents move into the positive net income category, and 47 percent remain in the negative. The total income, as revised by adding back value of agricultural produce, ranges between Rs. 2600 and Rs.3.52 lakhs.

That holding back of agricultural produce is primarily for subsistence purposes is highlighted by the fact that of the households which have moved up, the largest number of households have moved up from the lowest income segments. There has been upward movement right from the below Rs.10,000 per annum segment to the Rs.60,000 per annum segment.

Table 8a: Number of Households in Surplus/Deficit by Net Income Slab

Net Income Range	Number of Households	
	Net Income	Revised Net Income[2]
<100,000	3	2
-50,000 to -100,000	6	5
-20,000 to -50,000	12	12
-10,000 to -20,000	13	9
-5,000 to -10,000	12	8
-2000 to -5000	4	6
0 to -2000	5	6
0 to 2000	4	3
2,000 to 5,000	5	6
5,000 to 10,000	12	11
10,000 to 20,000	8	9
20,000 to 50,000	10	13
50,000 to 100,000	3	5
> 100,000	3	5
Total	100	100

The surplus/deficit of households of different income segments is shown in table 8b below. 45 percent of the respondents have positive net incomes and 55 percent have negative net incomes. The extreme cases of net incomes greater than and less than one lakh on both sides are three on either side.

Table 8b: Income Classes and Number of Households in Deficit/Surplus

Income Class (Rs.)	Total Households	No. of Surplus Households	No. of Deficit Households
Upto 10,000 Subsistence	5	0	5 (100%)
10,000-30,000 Low	29	8 (28%)	21 (72%)
30,000-50,000 Medium	38	18 (47%)	20 (53%)
50,000-80,000 High	18	12 (67%)	6 (33%)
> 80,000 Very High	10	7 (70%)	3 (30 %)
Income Range 1800 – 2.5 lakh	100	45	55

8.1 Social Expenditure and Surplus/Deficit

There is no clear correlation between social expenditure and the surplus or deficit of households. The ten households with the highest social expenditure include only three

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[2] After accounting for agricultural produce held back, and not sold in the market

households with the highest deficit. There are 26 households that have reported no social expenditure for the year, and ten of these have deficits, ranging between Rs.300 and Rs.23,000 and averaging at around Rs.9,500.

While heavy social expenditures are likely to be a big contributor to the deficits of households and their indebtedness, the data does not support this overwhelmingly.

8.2   Credit taken versus Surplus/Deficit

The data here shows that on an average, households with low deficits tend to take less credit. The converse argument of high loan taking by households with very high deficits is weak though. The conventional understanding that the more income flows are in line with expenditures, the lower the indebtedness of the household is reinforced by the data.

The households with the lowest amount of credit taken (upto a maximum of Rs.3300) did not have very high surplus or deficits, barring one case, which had a very high surplus. Only three of the ten households with the lowest credit uptake reported a deficit. The largest deficit amongst these is also rather small at Rs.3,300.

Comparing the 20 households with deficits upto Rs.10,000, we observe that there are only two households with very high loan amounts. Removing the very high and low loan amounts, the average loan taken for these households is around Rs.21,000.

Considering the largest loans taken, the ten households taking the largest amount of credit corresponded with households having the largest deficits only in three cases. Two of the remaining seven households were, surprisingly amongst those with the largest surpluses. The converse argument of high loan taken corresponding to higher deficits is weak therefore.

8.3   Landholding compared with Surplus/Deficit

A comparison of net incomes with land holding did not yield any significant results. The top ten landed households include four deficits and six surplus households. We do see both extremes here with two of the ten largest deficits, and three of the ten largest surpluses corresponding to the largest land holders. Our sample clearly did not have agriculture as the mainstay of their livelihoods, and this shows because the largest landholders did not have the larger income surpluses.

Out of all the households in deficit, only 31 percent are landless. This is not surprising because the non-farm economy is vibrant in the area. The average deficit for all landless households was Rs.25,300 and the range is Rs.300 to Rs.47,000. The average deficit for all landed households is Rs.28,400 and it ranges between Rs.1,000 and Rs.1.7 lakhs. Smaller proportion of Landless households are in deficit, and the per household deficit average is lower, as compared with those of landed households.

8.4........................Financial Flows and Seasonality

The study gathered information on households' Expenditure and Income season wise. The three seasons were: Winter comprising 7 months from October to April, Summer of 2 months namely May and June, and Rainy season comprising the 3 months of June, July and August.

Table 8.4a: Season wise Income[3] and Expenditure[4] of all Households

Particulars	All year(12 mth)	Winter(7 mths)	Summer (2mths)	Rainy (3 mths)
Tot. Income(Rs)	44,84,031	28,17,384	8,41,165	8,25,482
Monthly average	*3,73,669*	*4,02,483*	*4,20,583*	*2,75,161*
Tot. Expenditure	50,93,125	32,62,424	8,23,650	10,07,051
Monthly average	*4,24,427*	*4,66,061*	*4,11,825*	*3,35,683*
Surplus/Deficit (Income-Exp.)	-6,09,095	-4,45,041	17,515	-1,81,569
Monthly average	*-50,758*	*-63,577*	*8,757*	*-60,523*

Taking the totals for a year, we find that the sample group is in deficit – all households together have an excess of expenditure over income. (Refer Table 8.4a). When this is disaggregated seasonally, the Winter and Rainy season shows total expenditures to be in excess of income for the season and the deficit averaged monthly for each season is in the magnitude of Rs. 60,000. The summer season – May/June, has a different picture and income exceeds expenditure resulting in a surplus of Rs. 8,757. Further analysis reveals that:

- in Summer on the one hand, Income averaged monthly is a little higher than that of Winter and marginally higher than Rainy season. On the other hand, Summer's monthly average Expenditure is lower than that for Winter although higher than that of the Rainy season.

- Of the three seasons, per month average Income is highest in Summer, little lower in Winter and much lower in Rainy season. Per month average Expenditure is highest in Winter, little lower in Summer and much lower in Rainy season.

- The above two points explain why the three seasons show surplus or deficit - Winter is a high Expenditure/not-very-high Income season. Rainy season is one of low Expenditure but even lower Income. Summer is a season of lower Expenditure and high Income.

We further analyze what constituent heads of income or expenditure are high or low, contributing to enhancing surplus or deficit situations. (Refer Table 8.4b below).

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[3]Income for a household includes cash income earned from all livelihood sources (agriculture, agri-labor, NFA, Livestock, Migration).

[4]Expenditures cover only the regular expenditure heads of households (Food, non-food, Farm, NFA, Household), and do not include social and capital expenditures.

- Food Expenditure includes grains, pulses, cooking oil, spices, vegetables, milk, meat/eggs, Chai-chini.

- non-Food expenditure includes soap/detergent, alcohol, clothes, medicine, education.

- Household expenditure includes house repairs and maintenance, electricity, fuelwood, water.

Table 8.4b: Proportions of different Items of Income and Expenditure in different Seasons

	INCOME (Rs.) (Monthly averages)				EXPENDITURE (Rs.) (monthly averages)		
Income Items	Winter	Summer	Rainy	Expenditure Items	winter	summer	Rainy
Total	402483	420583	275161	Total	466061	411825	335684
Agriculture	64699	45100	4533	Food	145789	109589	95376
Agri-labor	10601	21000	12700	Nonfood	123882	144204	146563
NFA	277102	318906	228609	Agri/livestock	104292	49232	48530
Livestock	42774	33077	26443	NFA	49653	47262	35695
Migration	7307	2500	2875	Household	42445	61539	9520

- Relatively higher Total Income in Summer is contributed mainly by a high monthly average income from NFA and to a marginal extent the higher monthly average of Agri-labor earning compared to the Winter and Rainy season.

- Relatively lower Total Expenditure in Summer is contributed by the fact that the monthly average expense on Food is lower. Agriculture/livestock related monthly average expenses are also on the lower side.

- Per month average expenditure is highest in Winter and is contributed by the relatively higher per month average expenditure on Food and Agri/Livestock. Especially in the latter case, the average is double that of Summer or rainy season.

- Winter is also a season where per-month average income from Livestock is higher than other seasons. The average monthly income from Migration is more than double in Winter compared to Summer and Rainy seasons.

- In the Rainy season monthly average from most income sources is lowest compared to the figures of Summer and Rainy season – be it Agriculture, NFA or Livestock. The average from Agriculture is abysmally low – one-tenth or even less than that earned in Summer/Winter. It records a better monthly average only in the case of Agri-labour where it is a little higher than the monthly average for Winter; and Migration, where the monthly average is slightly better than that of Summer. For no income source does the Rainy season record a highest among the seasons.

- In the Rainy season the monthly average for all but one Expenditure head (be it food, agri/livestock, NFA or HouseHold) is lower compared to the other seasons. In the case of Household expenses the monthly average for Rainy season is exceptionally low compared to Winter and Summer – it is just one-fourth or even less. The exception of Rainy season having highest average expenditure per month is case of Non-food items, and only marginally so. However, as a

proportion of all total expenses made by the sample households in this season, its share is a hefty 44%.

Even though the total or average of all households may be in surplus or deficit for different seasons, each and every individual household may or may not be in surplus or deficit for the season. Table 8.4c below shows how atleast 38-48% share of the total households in any given Season have a surplus while the rest of the households may be in deficit or vice versa.

Table 8.4c: No. of Households showing Surplus or Deficit

	Total year	Winter	Summer	Rainy
All HH Surplus/Deficit	-6,09,095	-445041	17515	-181569
All HHMonthly Ave.	*-50,758*	*-63,577*	*8,757*	*-60,523*
No. HH Surplus	45	38	52	48
No. HH Deficit	55	62	48	52

9   Credit

Data shows that households with the larger land holdings account for a larger share of loans taken by the community. Some broad findings vis-à-vis the profile of households versus their credit taking behaviour are given here. Refer to Annex 9.1 for the details.

- The three largest loans have been taken by the top three land holders.
- The top ten loan taking households in our sample account for 40 percent of total loans taken.
- These 10 households also have 32 percent of the total irrigated land of all households.
- All the landless households, (34 percent) in the sample account for 22 percent of total loans taken.

9.1   Source of Loans

At the first level, dividing our sample of 98 households[vii] into two sections, we compare SHG loans with loans from all other sources, clubbed as 'non-SHG' sources. 88 households have taken loans 97 loans from SHG, and 68 households report having taken 86 loans from Non-SHG sources.

Table 9.1a: Number of Loans from SHG and Non-SHG Sources across different Loan Values

	SHG Loans	Non-SHG loans
Upto 1000	7	2
1000 to 5000	27	20
5000 to 10000	27	19
10,000 to 30,000	32	32
30,000 to 50,000	4	5
Greater than 50,000	-	8
Total	97	86

Checking for the mix of credit from SHGs and other sources for the sample, we observe the following:

- 28 households have loans only from SHGs
- 68 households have sourced 86 loans from various non-SHG sources
- The most common loan size ranges somewhere between Rs.10,000 and Rs.30,000, both for SHG and non-SHG sources.
- Out of all SHG loans, 62 percent respondents have loans smaller than Rs.10,000; for non-SHG sources, this proportion is somewhat smaller at 55 percent.
- The largest SHG loan is around Rs.47,000 and that from an non-SHG source is Rs. 2 lakh

Table 9.1b: Number of Loans taken and Sources

No. of Loans	Loan Source Combination	No. of households
One loan only	SHG	25
	Other	7
Two loans	SHG, Other	38
	SHG, SHG	2
	Other, Other	1
Three loans	SHG, SHG, Other	5
	SHG, Other, Other	17
	SHG, SHG, SHG	1
More than 3 loans		7

Table 9.1b shows details of the number of loans taken and the combination of loan sources for various households

- Out of 96 households having at least one loan, 67 percent have more than one loan, and the balance 33 percent households have only one loan.

- There are 7 households with more than 3 loans.
- There are 8 households which have no SHG loan but have loan from other sources.

Table 9.1c below shows **that the average loan amount of all loans taken by the community in last one year (SHG and non-SHG) is Rs. 16,337.**

Table 9.1c: Sources of Loans and Average Loan Size

Source	No. of loans	Average Loan
Bania/ Mahajan	36	26,643
Committee	13	17,907
Relative/ Neighbour	24	10,306
RRB/PSB/Coop bank	5	57,200
*Zamidar/*Trader	6	31,217
Goldsmith	2	17,500
Total 'other'	**86**	**22,647**
Total SHGs	**97**	**10,743**
Grand Total of loans	**183**	**16,337**

Within the non-SHG sources, the *Bania/Mahajan* account for a good 42 percent of the loans, the second common source is 25 percent loans from relatives and neighbours. Only 13 percent are from committee/society. The average loan size from *baniya/mahajan* is high at over Rs.26,000, much higher than that from relatives/neighbours at around Rs.10,000. The highest loans size is from the formal banking institut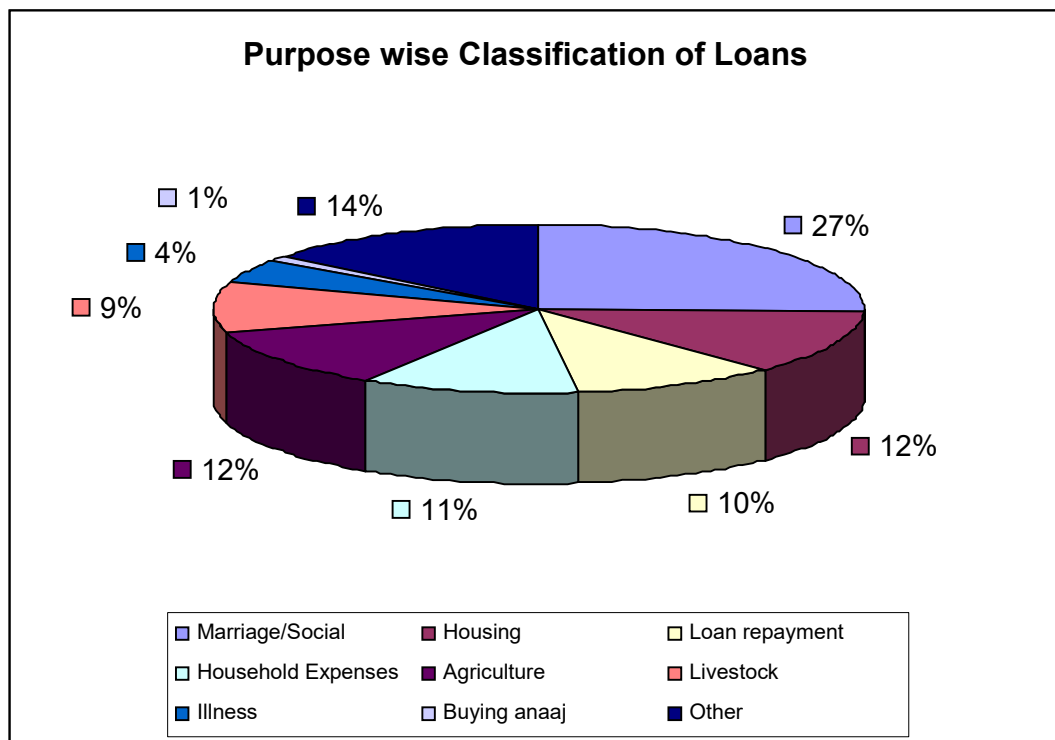ions, at around Rs. 57,000. All the five households borrowing from banks are landed, two belong to the medium and three to the high income category, which shows that access to the formal financial sector is available largely to the higher income classes. The largest loan in this category is Rs.2 lakh, for a

tractor. The other four ranged between Rs.10,000 - Rs.40,000, 3 of which were for productive purposes, and one for marriage.

The average amount of loan non- SHG sources is over twice that from SHGs. The average loan from SHGs is Rs. 10,700, and the highest loan amount reported from an SHG is around Rs.47,000. This could mean that the poor access informal sources for their larger credit needs, and to that extent the formal institutions and SHGs have failed to deliver to the poor. We could examine this as we get into the next sections and analyse the purpose of loans.

9.2   Purpose of Loans

Purpose wise Classification of Loans

Legend:
- Marriage/Social
- Housing
- Loan repayment
- Household Expenses
- Agriculture
- Livestock
- Illness
- Buying anaaj
- Other

In terms of number of loans, the maximum loans, 27 percent of all loans taken are for marriages and related social functions. Housing, agriculture, household expenditure, loan repayment, and livestock all come next at between 12 and 9 percent of the total loans in that order. Loans for "Other" purpose which accounts for 14% of total number of loans taken, are mostly for capital investment in agriculture or non-farm assets. It includes purchase of land, pumps, cart, motorcycle, making up for losses, etc. The average loan amount is also highest after Agriculture and Marriage loan.

In terms of amount of loan, Marriage/Social purpose account for 35% and Agriculture accounts for 22% of total loan taken by sample households. Housing loan amount is 11% and "other" purpose loan is 14% of the total amount. (Refer Table 9.2 and Annex 9.2 for more details). In terms of total amount of loan taken, in case of SHGs, Housing and

Marriage are the highest. From non-SHG Sources, the highest loan amounts are for Marriage and Agriculture.

Table 9.2: Purpose of loans taken and Amount

	No. of Loans			Average Loan Amt		Total Loan Amt
Purpose	SHG	Other	Total	SHG	Other	SHG and Other
Marriage/Social	20	30	50	11,980	27,063	10,51,490
Housing	16	6	22	16,603	8,167	3,14,650
Loan repayment	12	6	18	10,838	7,592	1,75,600
Household Expenses	11	8	19	4,786	5,825	99,250
Agriculture	9	12	21	11,811	44,250	6,37,300
Livestock	8	9	17	9,438	15,700	2,16,800
Other*	13	12	25	10,131	23,604	4,14,950
Illness	6	2	8	5,450	17,500	67,700
Buying *anaaj*	2	0	2	3,950	0	7,900
TOTAL	97	85	182	10,743	22,647	29,85,640

For both SHG and non-SHG loans, the average loan amount is lowest for *ghar kharcha* at Rs.4,700 and Rs.5,800 respectively. Loan taking for purposes of illness and buying *anaaj* is among the least common. Loan amounts for illness/health purposes are on the lower side, maximum loan size being Rs. 7500. Loan taking for purposes of illness, and buying *anaaj* are among the least common.

In absolute terms, the number of loans taken for marriage, agriculture and livestock is higher from 'other' sources compared with SHG. The average loan taken for agriculture from 'Other' sources is as high at Rs.44,250, and in this category, there are loans as high as over a lakh of rupees. For housing and loan repayment purposes however, the members seem to prefer the SHG to other sources. Interestingly, we also find that for these purposes, the average loan amount from SHG is much higher than loans for same purpose taken by members from other sources, where as for all other loan purposes the average is higher in case of the loan taken from 'other' sources.

9.3   Extent of Indebtedness in Households

Table 9.3a: Total Loan Outstanding with Households*

Loan o/s Rs (000)	0	0-5	5-10	10-15	15-20	20-25	25-30	30-35	35-50	>50
No. of households	2	14	17	12	12	10	6	7	6	12
HH with >		0	1	1	1	2	1	3		

3 loans o/s*									

* The loan outstanding amounts are total of upto 3 main loans of a household.. We have not taken loan details of any further loans o/s and to that extent, indebtedness for these households may be greater.

From the data here, we see that the maximum number of households, 17 percent fall in the loan category of Rs. 5,000 to 10,000. There are 10 households out of 98 whose total o/s between Rs. 20000-25000. There are even over 12 households having total loan o/s of more than Rs. 50,000. Households with debt of greater than Rs.50,000 come from all income segments. Half of these come from the very-high income group; one of these 12 is from subsistence, two from low, and three from the medium income categories. However, as seen in Table 9.3b below, the High and very High income classes take larger loans on an average. The Subsistence Class however has a high average loan size too.

Table 9.3b Relationship between Loan Taken Amount and Income Class

Income Class (Rs.)	Total Households	Average Loan Taken Amount (Rs)	Loan Taken Amount Range
Upto 10,000 Subsistence	5	34,570	1,400 – 78,700
10,000-30,000 Low	29	20,946	1,000 – 88,000
30,000-50,000 Medium	36*	24,335 (1 household has 0 loan)	1,000 – 86,000
50,000-80,000 High	18	37,022	1,600 – 1,50,000
> 80,000 Very High	10	66,690 (1 household has 0 loan)	8,600 – 2,30,000
Income Range 1800 – 2.5 lakh	100	30,507	

* out of 38 households in this income class, credit/saving data of 2 households Not Available.

9.4 Credit needs of Meos

Among the Meo households the maximum number of loans for any single purpose is for marriages. 17 households have taken 26 loans averaging Rs.20,181 per loan and Rs.30,865 per household. Loans for agriculture and agri-allied purposes number second to marriage, with 14 households borrowing for this purpose, the average loan size being Rs.30,493 which is very slightly lower than the average amount taken for marriages. Refer to Annex 9.3 for the data.

Comparing the credit needs of Meos with that of non-Meos, we find that 36 percent Meo households have taken loans for agriculture, livestock and allied activities, as against 29 percent non-Meo households. Refer Annex 9.3 for data on this comparison.

In terms of number of loans taken, of all loans that Meos took, 22 percent were for agriculture and agri-allied and 23 percent for non-Meos. So we see that both meos and non Meos have a similar proportion of total loans for agri-allied purposes. The average loan size, however was higher for Meos at Rs.30,493, compared with Rs.26,953 for non-

Meo households. 33 percent of the total loan amount taken by Meos is towards agriculture and agri-allied, and 27 percent by non-Meos.

The credit needs of Meos seem to be marginally higher compared with other households for agriculture and agri-allied uses.

10 Savings

- Comparing the amounts saved in SHG and Committee, the community does not differentiate between the two as avenues to save.
- Comparing households falling in different categories of total cumulative savings from a low of below Rs.1,000 to over Rs.100,000, did not reveal any pattern of high savers being high loan takers or otherwise.
- Returns on saving amount received were reported by 37 SHGs out of 101 SHGs. The return amount ranged from Rs. 500 – 2000 for most groups, the most common being 1000 for 8 SHGs[viii].

10.1 Avenues for Saving

Table 10.1: Different Avenues of Savings

No. of savings made	No. of HH	SHG		Committee	Bank	LIC	PO	PF	Pvt. Co.	Other*
1	59	59								
2	22	22	2	13	3	1	1		1	1
3 and more	16	16	1	10	2	6	3	3	1	6
Total	97**	97	3	23	5	7	4	3	2	7

*Including "money lent out" as a saving avenue, as one RD
**One household has no savings

- 35 percent households have 50 savings in avenues other than SHG.
- 21 percent households have put savings in a Committee. There are however 28 households, which report membership in one or more committees.
- Only 16 percent of the households have put savings in formal financial institutions (Bank, LIC, PO, PF, Private Co., and Recurring Deposit).
- Of the 16 households, 6 households have 2 saving instruments in the formal sector such as LIC policies and bank savings.
- 4 percent households have reported 6 "other" savings, which is mostly saved money that has been lent out in the village.

10.2 Amounts of Saving in Different Avenues

A cumulative saving between Rs.1000 to Rs.3000 is the most common with 41 percent SHGs falling in this category. Saving of Rs.40 per month in the SHG is most common with 50 percent SHGs in this category. Rs.100 pm is the next common rate of saving pm with 31 SHG in this category. Between these two rates of saving pm at Rs. 40 & Rs. 100,

a good 80 percent of the SHGs are covered. Most committees (18 of 23) have monthly saving between Rs.100 and Rs.400.

Table 10.2: Amounts Saved in different Instruments/Avenues

SHG			Committee	Formal/Other Avenues
Cumulativ savings In SHG (Rs.)	No. of Households	Cum. Savings in non-shg	No. of Households	No. of Households
Less than Rs. 500	7			
Rs.500 to 1000	14	Less than Rs.1000	6	5
Rs.1000 to 3000	41	Rs.1000 to 3000	10	4
Rs.3000 to 5000	29	Rs.3000 to 10000	4	10
Rs.5000 to 8500	6	Greater than Rs.10000	3	7
Average Saving	Rs.2,521		Rs. 5,838	20,120*
			Ave for FI Ave for Other	17,712 (for 15 hh) 29,150 (for 4 hh)

* The average does not take into account one PF saving since figure was not available..

Table 10.3: Monthly Savings in SHG (Figures in Rupees)

Saving p.m. In SHG	No. of Households	Saving p.m. in committee	No. of Households
Nil	3		
40	48	100	10
50	3	200-400	8
60	5	670	1
80	7	1000	1
100	30	2000	1
>100	2	3000	1
	98		21

The average figures of cumulative saving per household in SHGs (Refer Table 10.2) is the lowest at Rs.2,521 per household. The saving per household in a committee at Rs.5,838 is more than double that made in SHGS. As expected, if we look at per households saving by community in other avenues/formal institutions, it is far higher at Rs. 20,120, which shows the community as a whole saves smaller amounts in SHGs and Committees as compared to formal institutions and other means. The last figure of Rs.20,120, when disaggregated for savings only in Formal/Organized Sector, stands at

Rs.17,712 for the 15 households that have saved in them and Rs. 29,150 in Other avenues such as "lending out" saved money to others.

10.3 Comparing Savings in SHGs and Committees

There are 21 households with savings in both SHGs and committees. Their total savings in Committees is Rs.122,600 compared with their total savings in SHG at Rs.54,470. A deeper examination shows that the larger cumulative total of Committee saving is due to two households that show an inordinately large amounts saved in Committee of approximately Rs.20,000 and Rs.50,000 respectively. If we do not take these two households into account, the remaining 19 households show an equal total of approximately Rs.50,000 in each in both committees and SHGs. Further amongst the balance 19 households, 9 have more savings in the Committee and 11 have larger savings in SHGs.

There are 77 households that have only SHG and no Committee saving (though they may have other savings). The average cumulative SHG saving of these households is Rs.2441. The average saving in SHG of the 21 households having SHG as well as Committee saving is Rs.2,594. **This leads us to understand that the member-community sees SHG and Committee as equally significant saving avenues.**

On comparison of the amount of savings in both SHGs and committees, neither avenue seems to be more important in comparison to the other. It might however be useful to examine if SHGs catalysed the overall saving behaviour of the community in question.

11   Conclusions and Recommendations

11.1   Testing the Hypotheses

The following hypotheses formulated before the Study and the summary conclusions thereof are:

1. *More than 50 percent of SHG members are dependent on wage labour as primary source of income.*

Agricultural wage labour is a marginal income source and livelihood activity for most households and therefore members. However, it is one of the livelihood activities where it is mainly the women who offer their services.

Non-farm Sector activities emerge as dominant income source for most households. Men are by far more active in NFA than women. Within Non-farm activities, Non-farm casual labour (such as stone breaking, carpentry, masonry, pulling rented rickshaws, etc.) is one of the sub-categories in this sector in which households are involved. A more comprehensive exercise in understanding the exact nature and involvement in different categories of non-farm activities is recommended, to assess the level of involvement in form of labour, own enterprise or service.

2. *Women put more time than men in productive activities.*

In each of the following activities/sectors: Agriculture (on own land), Agri-labour, Migration, Livestock rearing/tending, the total person days spent by Females is more than male person days. If we include the time on "productive" Household activities (fetching drinking water, firewood, house repair), this entire amount to almost double the time spent by females compared to males. However in all of NFA sector, males spend more person days by far than females. This too in a sector which is dominant in the community both in terms of time spent and income contribution.

3. *Meos need more credit for agriculture and allied activities.*

The credit needs of Meos seem to be marginally higher compared with other households for agriculture and agri-allied uses.

4. *Indebtedness is in a family may be around 20,000-25000/- at any point of time.*

There are just 10 percent households having a total o/s between Rs. 20000-25000.
The maximum number of households (17) fall in the loan o/s amount of Rs. 5,000 – 10,000. The next common is 12 households having a loan o/s amounts range from Rs.10,000-20,000. There are even over 12 households having total loan o/s of more than Rs. 50,000.

5. *Surplus income from agriculture is marginal.*

Only 46 out of the 61 cultivation households report cash incomes from agriculture. Only 53% of these have an income greater than Rs.1000 from agriculture. 87% of these respondents receive less than 50% of their income from agriculture. Therefore surplus income from agriculture is marginal.

11.2 Major Conclusions and Recommendations

Given the dominance of NFA, this economy is not an agricultural economy determined by size and nature of landholding. It is worth examining as to how the shift from agriculture to non-farm sector has a bearing on the socio-economic, and skills-education context of the community, particularly the poor, the women and the next generation of working youth.

Looking at the total income of sample households, 7% of total income is from capital sales. With a few exceptions, capital income is from sale of livestock. This recurring and fairly widespread phenomenon of livestock sale and purchase needs to be studied further.

It would be worthwhile to now compare the repayment behaviour of SHG members against incomes, activities, loan amount etc. This can help in analysing reasons for good/bad repayments, and in designing microfinance services suitable to their income patterns, savings and borrowing patterns.

There are some households in the extremely poor and very high income category. Ibtada needs to approach their livelihood and microfinance needs with separate focus and thrust.

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[i] Winter Season has been defined to include months from October to April, Summer includes May and June, and Rainy season includes July to September.

[ii] Income for a household includes cash income earned from all livelihood sources.

[iii] Expenditures, unless qualified cover only the regular expenditure heads of households (food, non-food, farm, NFA, house), and do not include social and capital expenditures.

[iv] Housing includes expenditure on house repairs and maintenance, electricity, fuelwood and water.

[v] An element of underreporting of incomes and overstating expenditures in this section cannot be ruled out. There is for example a case with very high farm expenditure with no farm income or produce.

[vi] There are some cases, where expenditure on farm incomes has been reported but no corresponding income has been reported. We have treated these as outliers, and are not commenting on these cases.

[vii] All the data in the Credit and Savings sections are given for 98 households, there were two households which did not give any responses in this section.

[viii] One SHG return is reported as high as Rs 5000, even though the cumulative saving is only Rs. 3500.

ANNEXES

Annex 6.2: Farm Income as a Proportion of Total Income

Share of Total Income	No. of Households
Nil	54
upto 10%	13
10.1% to 20%	12
20.1% to 30%	8
30.1% to 50%	7
50.1% to 75%	3
75.1% to 99.9%	2
100%	1
Grand Total	100

Annex 6.3: NFA Income as a proportion of Total Income

Share of Total Income	No. of Households
Nil	7
upto 10%	2
10.1% to 20%	3
20.1% to 30%	1
30.1% to 50%	7
50.1% to 75%	23
75.1% to 99.9%	31
100%	26
Grand Total	100

Annex 6.4 Share of Income from Livestock as a proportion of Total Income

Share of Total Income	No. of Households
Nil	56
Upto 10%	12
10.1% to 20%	14
20.1% to 30%	6
30.1% to 50%	8
50.1% to 75%	3
75.1% to 99.9%	1
Grand Total	100

Annex 6.5 Labour Income as a % of Total Income

Share of Total Income	No. of Households
Nil	73
Upto 10%	15
10.1% to 20%	6
20.1% to 30%	2
30.1% to 50%	1
50.1% to 75%	2
75.1% to 99.9%	1
Grand Total	100

Annex 6.6 Count of Migration work

Share of Total Income	No. of Households
Nil	92
Upto 10%	3
10.1% to 20%	3
20.1% to 30%	0
30.1% to 50%	1
50.1% to 75%	0
75.1% to 99.9%	1
Grand Total	100

Annex 8.5: Season-wise Income and Expenditure and Percentage of different Items

Item	All year (12mth)	Winter(7 mth)	Summer (2mth	Rainy (3 mth)
Tot Inc. all HH	44,84,031	28,17,384	8,41,165	8,25,482
Monthly ave.	*3,73,669*	*4,02,483*	*4,20,583*	*2,75,161*
Agri Income	5,56,690 (12%)	4,52,890 (16%)	90,200 (11%)	13,600 (2%)
Agri Labor	1,54,310 (3%)	74,210 (3%)	42,000 (5%)	38,100 (5%)
NFA	32,63,356 (73%)	19,39,717 (69%	6,37,811 (76%	6,85,828 (83%
Livestock	4,44,900 (10%)	2,99,417 (11%)	66,154 (8%)	79,329 (10%)
Migration	64,775 (1%)	51,150 (2%)	5,000 (1%)	8,625 (1%)
Tot Exp.all HH	50,93,125	32,62,424	8,23,650	10,07,051
Monthly ave	*4,24,427*	*4,66,061*	*4,11,825*	*3,35,683*
Food	15,25,830 (30%)	10,20,526 (31%	2,19,178(27%)	2,86,127 (28%)
Non Food	15,95,271(31%)	8,67,173 (27%)	2,88,408(35%)	4,39,690 (44%)
Agri/Livestock	9,74,096 (19%)	7,30,042 (22%)	98,464(12%)	1,45,590 (14%)
NFA	5,49,180 (11%)	3,47,572 (11%)	94,523(11%)	1,07,085 (11%)
HouseHold	4,48,748 (9%)	2,97,112 (9%)	1,23,077(15%)	28,559 (3%)

Annex 9.1: Comparison between Land Ownership and Loan Amounts

Top Ten total loans taken	Landholding (Bigha)		Net Income Less social and capital expenditure
	Total	Irrigated	
230000	19	19	181280
205000	25	25	26110
150000	7	7	-386892
120000	0.5	0.5	-31580
88000	4	4	-117127
86000	4	4	-86883
78700	1	0	-99741
77500	1.5	1.5	-9430
76200	0	0	-39782
69000	3	3	-5860

Annex 9.2 : Purpose of Loan Taken and Amount

	No. of Loans			Total Loan Amount (Rs.)			Average Loan Amt	
Purpose (1)	Shg (2)	Other (3)	Total (4)	SHG (5)	Other (6)	Tot Rs. (7)	SHG	Other
Shaadi #	17	28	#45	2,03,250	7,84,900	988150	11,956	28,032
Housing	16	6	22	2,65,650	49,000	314650	16,603	8,167
Ln rpmt	12	6	18	1,30,050	45,550	175600	10,838	7,592
Ghr khr	11	8	19	52,650	46,600	99250	4,786	5,825
Other*	13	12	*25	1,31,700	2,83,250	414950	10,131	23,604
Agri	9	12	21	1,06,300	5,31,000	637300	11,811	44,250
Livestock	8	9	17	75,500	1,41,300	216800	9,438	15,700
Illness	6	2	8	32,700	35,000	67700	5,450	17,500
Social#	3	2	#5	36,340	27,000	63340	12,113	13,500
Anaaj	2	0	2	7,900	0	7900	3,950	0
TOTAL	97	85	182	10,42,040	19,43,600	29,85,640	10,743	22,647

*The 25 loans taken for "Other" purpose, includes 3 loans which can be counted under agr- allied category since they are for nyaar-fodder, well-motor .

Note: details of more- than 3 loan of 7 households not included.

Annex 9.3: Loans taken for different purposes by the Meo and non-Meo Households

Purpose	No. meo hh	No. of loans	Tot. amt meo	Non-meo hh	No. of loans	Non-meo amt
Marriage/Social	17	26	524700	19	24	526790
Housing	8	10	98400	11	12	216250
Loan Repayment	9	9	92400	9	9	83200
Ghar Kharcha	3	3	15400	13	16	83850
Other non-agri	5	8	94800	10	14	289150
Other agri	1	1	4000	2	2	27000
Agri	6	7	271600	9	14	365700
Livestock	7	9	151300	6	8	65500
Total agriallied	14	17	426900	17	24	458200
Illness/health	2	3	49700	5	5	18000
Social cerem	0	0	0	5	5	63340
Anaaj	2	2	7900	0	0	0
Total	60	78	13,10,200	84	104	16,75,440

*2 non-meo hh out of the 59 total have no loan from any source.