



# Impact Assessment

## Survey Report 2010-2013



By **Delphi Research Services Private Limited**



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Microfinance has been recognized as one of the key tools for poverty alleviation over the last four decades. However, a direct causal impact of microfinance in view of multitude of factors which impact the lives of the poor is difficult to prove empirically.

We undertook this study over a period of three years and chose a random sample of 3000+ customers in their first loan cycle spread across different states in 2010 and collected data. We went back to them again three years later to collect data and find out how well they were doing. The entire study was conducted independently by Delphi Research Services and we from Ujjivan gave them complete independence and freedom in their research and findings. We thank them for the professional job they have done.

Our 'social investors' are most keen to find out our double bottom line impact and two of them funded this study. We gratefully thank Michael & Susan Dell Foundation and Lok Foundation for the financial support given to conduct this important research and publish this report. We would specially like to thank Shri Brij Mohan, who is considered to be the 'father' of the microfinance industry, for writing the preface.

For us at Ujjivan the outcome of this study has re-enforced our belief that we are able to have a positive impact on the lives of our customers by enabling to achieve financial inclusion. The 1300+ customers who stayed with us in that turbulent period were able to improve their well-being significantly by a combination of factors: our loans which delivered them from the clutches of money lenders; a vast majority were able to save in banks; increasing number had availed of life insurance; surprisingly high number had their own identity through the Aadhaar Card; most of them were mobile users. It is a combination of all these factors which helped improve their well being.

The second factor which this study highlights is that only if customers stay with us in the long haul, do we see real improvements in their lives. In the microfinance industry we need to pay higher attention to customer retention.

Finally, the steep inflation and growth in the last three years already has made the income cut-offs established for the rural & urban poor by the Reserve Bank of India, out of date. Unless we are able to scientifically monitor and keep changing these limits, they will be serious impediments to serve the working poor in India. It is best to remove such limits.

**Samit Ghosh, Managing Director, Ujjivan Financial Services Pvt Ltd.**

October 2013

# Preface

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Questions have always been raised on the basic intent of microfinance, not just by critics but even by its supporters. Is it a tool for financial inclusion or a route to economic development or a mechanism for improving quality of life and social empowerment? In spite of several studies, especially in the last two years by various entities, the findings indicating positive economic and social impact in the lives of Microfinance clients have not been found acceptable for want of statistical rigour. This latest study by Ujjivan provides clear empirical evidence that well managed microfinance meets all three objectives.

Ujjivan Financial Services commissioned Delphi Research Services in 2010 to conduct an exhaustive Baseline Survey. The 'Impact Assessment Survey', part of Ujjivan's Social Performance Management Program, was designed to capture data relating to various socio-economic and quality of life indicators that would enable monitoring and tracking of changes in the overall well-being of Ujjivan customers occurring over a 3-year period.

Round 1 of the study, a Baseline Survey completed in 2010, utilized the Cerise and PPI (Progress out of Poverty Index) methodology. 3,272 Ujjivan customers who were in the First Loan Cycle between September and November 2009, across 9 states in India were interviewed in January and February 2010. This robust sample provided rich insights into the incomes, expenses and savings patterns of Ujjivan customers. The primary objective of Round 1 was to obtain tangible benchmarks that could be used as an efficient comparison mechanism for the data collection that would follow in Round 2 after 3 years.

Round 2 of the 'Impact Assessment Survey' commenced in February 2013, when Delphi returned to nearly 1500 customers from the original pool, who were still active Ujjivan borrowers. Results yielded insights into changes in income and consumption patterns as well as quality of life indicators.

## **There are three special features of this present study:**

- 1) Unlike other studies, there is a clear control group of 3272 clients covered in 2010 and the survey seeks to measure the change on the same control group clients;
- 2) Impact study has been done by an independent reputed group viz. Delphi Research Services who were also involved in the Round 1 survey, in 2010;
- 3) The intervening period 2010-2013 was the most challenging time for the Microfinance industry, which gets fully reflected in very high drop outs, and the significance of positive change during these difficult times is very assuring.

Overall, data from Round 2 indicated a marked improvement in the lives a majority of the active customers. The quality of life metrics including the PPI scores resonate with the positive well-being of the customers over the 3-year period. 87% defined their current state of well-being as “Positive” (Good to Very Good) vs. 60% three years ago.

Optimism was noted, as 96% percent of this group reported that they believe their lives ‘will continue to improve in the next three years’ (up from 85% in reported in 2010).

From 2010 to 2013, the average monthly income among all respondents increased by over 51%, after adjusting for inflation.

There was a substantial increase in the number of self-employed women from 48 % in 2010 to 61% in 2013, and the monthly incomes for these self- employed women rose by an average of 85% over the three year period, after adjusting for inflation.

It was also observed that 81% of customers were able to save money, while only 63% were adopting this behavior as per 2010/Round1.

Additionally, 24% of the customers are now well-protected by a life insurance policy as compared to 16% in 2010.

On the social indicators, education has also gained importance. 40% of school-going children of customers attend private schools as compared to 28% in 2010, with 12% of them making a shift from government to private schools.

Likewise, there was an assuring increase in clients having access to home toilet (84% from 70% in 2010), running water ( 71% from 54% in 2010) and LPG as a cooking fuel (71% from 55% in 2010), which is a clear sign of social mobility.

The PPI Score is 70, up from 57 in the Baseline Survey.

It is true, that combinations of both intrinsic and extrinsic factors contribute to the improvement of any household, and therefore Ujjivan cannot be singled out as the sole contributor to the well-being of its clients. However, Ujjivan, by providing an alternative, affordable source of finance and support services is enhancing the potential for these customers to ‘Build a Better Life’. The positive impact of microfinance on the well-being of the active customers re-iterates the key role which microfinance institutions play to achieve financial inclusion and consequently help alleviate poverty at no cost to exchequer or any other subsidy.

**Brij Mohan, Former Executive Director, SIDBI**

October 2013

## Glossary of Terms & Abbreviations

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- Aadhaar Aadhaar is a 12 digit individual identification number issued by the Unique Identification Authority of India (UIDAI) on behalf of the Government of India. This number will serve as a proof of identity and address, anywhere in India. (<http://uidai.gov.in/what-is-aadhaar-number.html>; <http://uidai.gov.in/>)
- Cerise CERISE (Comité d’Echanges de Réflexion et d’Information sur les Systèmes d’Epargne-crédit), is a knowledge exchange network for microfinance practitioners. Founded in 1998, CERISE is richly diverse, bringing together a variety of practitioners, researchers, donors and investors from the North and South. CERISE was founded out of the desire of its five members to share and learn from each other. Our work is focused on four themes: Impact and Social Performance, Agricultural and Rural Finance, Governance and Social Viability, Intervention methods CERISE has spearheaded a whole new facet of performance assessment to complement financial analysis. Our goal is to help MFIs become sustainable while genuinely contributing to development. Cerise has developed a range of innovative tools offer constructive solutions for social performance management for MFIs. <http://www.cerise-microfinance.org/-impact-and-social-performance->
- PPI Progress out of Poverty Index, developed by Grameen Foundation. The Progress out of Poverty Index® (PPI®) is a poverty measurement tool for organizations and businesses with a mission to serve the poor. The PPI is statistically-sound, yet simple to use: the answers to 10 questions about a household’s characteristics and asset ownership are scored to compute the likelihood that the household is living below the poverty line - or above by only a narrow margin. With the PPI, organizations can identify the clients, customers, or employees who are most likely to be poor or vulnerable to poverty, integrating objective poverty data into their assessments and strategic decision-making.
- MFI Micro Finance Institution
- NBFC Non Banking Finance Company
- SKS SKS Microfinance Limited (<http://www.sksindia.com/>)



• MHI	Monthly Household Income
• MHE	Monthly Household Expenses
• PAN Card	Permanent Account Number Card
• SHG	Self-help Group
• Salaried	Individuals employed in vocations that pay a regular wage or salary
• Self-employed	Individuals who earn an income through a small or micro-enterprise
• Job Worker	Individuals who are paid on a piece rate basis
• MNREGA	Mahatma Gandhi National Rural Employment Guarantee Act
• Anganwadi	A Program started by the Indian government in 1975 as part of the Integrated Child Development Services (ICDS) to combat child hunger and malnutrition. A typical <i>Anganwadi</i> centre also provides basic health care in Indian villages. It is a part of the Indian public health-care system. Basic health-care activities include contraceptive counseling and supply, nutrition education and supplementation, as well as pre-school activities. The centres may also be used as depots for oral rehydration salts, basic medicines and contraceptives. These centres provide supplementary nutrition, non-formal pre-school education, nutrition and health education, immunization, health check-up and referral services of which later three services are provided in convergence with public health systems
• Zari work	Embroidery with gold thread
• Beedi	Smokable Tobacco rolled in tobacco leaf
• Agarbathi	Incense Stick
• Rakhi	Sacred Thread tied by a sister around a brother's wrist during Raksha Bandhan (the bond of protection), a Hindu festival
• Bindhi	A decorative dot worn in the middle of the forehead by women, especially Hindus

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## Introduction

- 1.1 Ujjivan Financial Services Private Limited (Ujjivan), as part of its Social Performance Management Program, as well as its ongoing efforts to measure the impact of its activities, felt the need to evolve a formal mechanism for tracking changes in the lives of its customers.
- 1.2 As a step in this direction, in January 2010, Ujjivan commissioned Delphi Research Services Private Limited (Delphi), an independent market research and strategic consulting company, to conduct a Baseline Survey among 3,200 customers who were in their first Loan Cycle (customers who had taken their first loan between 1st September and 7th November 2009) in 15 cities and towns across 9 states. *(Refer Box 1)*
- 1.3 It was intended that these 3,200 customers would be contacted after two to three years to track changes in their income, expenses, saving patterns as well as along a host of other quality of life and Well-being indicators.
- 1.4 The results of the Baseline Survey were submitted to Ujjivan in April 2010.
- 1.5 In February 2013, 3 years after completion of the Baseline Survey, Ujjivan commissioned Delphi to undertake an Impact Assessment Survey that would entail contacting the 3,272 customers who were interviewed in the Baseline Survey.
- 1.6 The first step, prior to conducting this survey, entailed determining the number of customers interviewed in the Baseline Survey who were “Active” customers and the number that may have “dropped out” for one reason or another, as of the end of January 2013.
- 1.7 This task was revealing and came as a surprise to the authors of this report. Consider this: Almost 54% of customers contacted in the Baseline survey had dropped out. *(Refer Box 2)*

Box 1

Baseline Survey (2010) - A Snapshot		
Sample Size	3,272 1st Cycle customers (who took their first loan between 1st September and 7th November 2009)	
Geographical Coverage	9 States in North, South and East	
States covered	North	Delhi & U.P (Ghaziabad)
	South	Karnataka & Tamil Nadu
	East	West Bengal, Bihar, Jharkhand, Odisha
Number of Branches	49	
Sampling Method	Stratified Random Sampling	
Mode of Data Collection	Face-to-Face Interviews	
Research Instrument	Semi-structured questionnaire	
Timing of Data Collection	January and February 2010	

## Status of 3,272 baseline survey customers (2013)

Active Customers	1,484 (45.3% of Baseline customers)
Dropped Customers	1,750 (53.5% of Baseline customers)
Customers with Duplicate ID Numbers	38 (1.2% of Baseline customers)

- 1.8 On the face of it, such a high proportion of drop outs, a little more than half the number of customers contacted 3 years ago seems alarming. However, if we annualize the drop-out proportion over 3 years, it works out to below 18% per year, which does not seem as worrying as 54%. In order to get more meaningful insights into this phenomenon (drop outs among urban poor MFI customers), one will need to analyze the drop out proportions in terms of customers who drop out after 1 loan cycle, 2 loan cycles, 3 loan cycles and so on; classify drop outs in terms of customers exiting on their own and those weeded out by the MFI; as well as undertake a comprehensive study among drop out customers who chose to exit of their own volition.
- 1.9 It appears that data relating to drop outs among MFI customers are not being

shared at the moment by MFIs. Hence, there do not seem to be empirical industry norms or data from recent studies to benchmark with, for this phenomenon.

- 1.10 The almost 54% drop out proportion of this set of Ujjivan's customers (customers contacted in the Baseline Survey of 2010) also needs to be viewed in the context of various industry developments since 2010, (Refer Box 3) basic characteristics of the microfinance industry (Refer Box 4) and the Joint Liability Group (JLG) model of lending to urban poor customers.

**1.11 Given this backdrop, based on extensive discussions between Ujjivan and Delphi, it was decided to:-**

- Undertake a comprehensive analysis of Drop Out customers based on data available from the Baseline Survey conducted in 2010 as well as from data made available by Ujjivan for this purpose. The results of this analysis have been submitted to Ujjivan but are not featured in this report, given its strategic nature.
- Restrict the Impact Assessment Survey of 2013 to the 1,484 Active Customers who were contacted during the Baseline Survey.

## Developments in the microfinance industry since March 2010

- The industry has been in turmoil since the second half of 2010, attributed to the developments in SKS, overzealous lending and intense competition among MFIs, negative press with respect to heavy handedness during collection, suicides by borrowers, ambiguity in the regulatory environment, drying of funds to the industry, and over-regulation. In short, clouds of uncertainty, shortage of funds and over-regulation blight the industry.
- The government of Andhra Pradesh announced state-specific laws and measures to regulate the industry and actively encouraged non repayment by customers. Hence, most players with a presence in the state are severely affected including 3-4 of the largest players in the industry.
- Credit Bureaus for the industry commenced operations and credit reports help in detecting and reducing multiple borrowing from MFI lenders.

### Industry characteristics that have a bearing on drop outs

- For regulatory reasons, most MFIs have a single product offering, namely, a Loan Product, albeit with several variants.
- Several MFI customers may have a need for significantly higher loan ticket sizes (especially for medical, education and housing purposes) than that offered by MFIs at present.
- This restricted portfolio and the absence of products for savings, insurance and other financial services, of most MFIs, comes in the way of sustaining a long term relationship with customers whose gamut of financial needs encompass much more than loan products alone.
- Strict credit bureau checks forced many customers to withdraw their applications for loans to one or more MFIs or had their applications rejected.

**1.12 In the 2013 survey, we were able to contact and interview 1,319 'Active Customers' out of the 1,484 available customers contacted in the Baseline Survey of 2010. (Refer Box 5)**

### 1.13 Sample Composition - by Region & States

Box 5

Round 2 of survey (2013) - A Snapshot		
Sample Size	1,319 Active Customers	
Geographical Coverage	9 States in North, South and East	
States covered	North	Delhi & U.P (Ghaziabad)
	South	Karnataka & Tamil Nadu
	East	West Bengal, Bihar, Jharkhand, Odisha
Number of Branches	42	
Mode of Data Collection	Face-to-Face Interviews	
Research Instrument	Face-to-Face Interviews	
Research Instrument	Identical Semi-structured questionnaire used in the Baseline Survey with a few additional questions, for "apples to apples" comparisons	
Timing of Data Collection	February and March 2013	

Table 1

Sample Composition	
State	Sample Size Achieved
Delhi & U.P. (Ghaziabad)	176
Rajasthan	89
<b>Total - North</b>	<b>265</b>
Karnataka	431
Tamil Nadu	154
<b>Total - South</b>	<b>585</b>
West Bengal	262
Bihar	90
Jharkhand	52
Orissa	65
<b>Total - East</b>	<b>469</b>
<b>Grand Total - All 3 Regions</b>	<b>1,319</b>



### **1.14 This report features a gist of the key study findings and their implications.**

### **1.15 Purpose of the Report**

The primary purpose of this report is to:-

- Document the key learning from this survey.
- Provide a factual description of changes over 3 years in the lives of a sample of Ujjivan's customers, as reported by them and as derived by the authors from stated as well as disaggregated information obtained during the study.

### **1.16 Caveats and Limitations**

The findings of the study need to be qualified based on the following observations of the research team that conducted the study:-

- During the timing of the data collection during the Baseline Survey (January & February 2010), when the industry was characterized by intense competition and over-lending, many respondents seemed to be very "microfinance savvy" and sometimes gave what seemed like "politically correct" responses; such responses were fairly common during the 2013 survey as well.

- Some respondents, especially in the East, may have over-stated their monthly income and expenses in both rounds of the survey, ostensibly to give the impression that they can continue to service more loans.
- With respect to levels of indebtedness and loans taken from sources other than Ujjivan, most respondents have understated these aspects in both rounds of the survey. Hence, such data must be viewed with abundant caution.
- Since the sample size for this study comprised tracking 1,319 active customers, well under half the number of 3,272 customers contacted in the Baseline Survey of 2010, the opportunity for detailed analysis of various sub-groups is somewhat limited. The report features a wide range of charts and tables that offer insights into various sub-groups of customers along a host of indicators. Wherever the base number of the sub-groups is very small, data corresponding to such sub-groups must be viewed with caution.

## Summary of Findings

### 2.1 More Women Gainfully Employed

- The proportion of non-working/unemployed customers has declined to 18% in 2013 from 21% in 2010 (See Chart 1, figures indicated under “Others”).
- This decline is most pronounced in two Eastern states:-
  - Orissa (down from 74% in 2010 to 56% in 2013); and
  - Jharkhand (down from 46% in 2010 to 17% in 2013).

### 2.2 Changes in Occupation Patterns

- The proportion of “Job Workers”/“Piece Workers” has almost doubled to 23%, up from 12% in 2010.
- This phenomenon is highest in the eastern states:-
  - West Bengal (22%, up from 4% in 2010);
  - Jharkhand (31%, up from 4% in 2010); and
  - Odisha (12%, up from 0% in 2010).
- The proportion of “Self-Employed” has dropped from 45% in 2010 to 36% in 2013.

- This decline is most steep in two eastern states:-
  - West Bengal (36%, down from 71% in 2010); and
  - Bihar (37%, down from 60% in 2010).

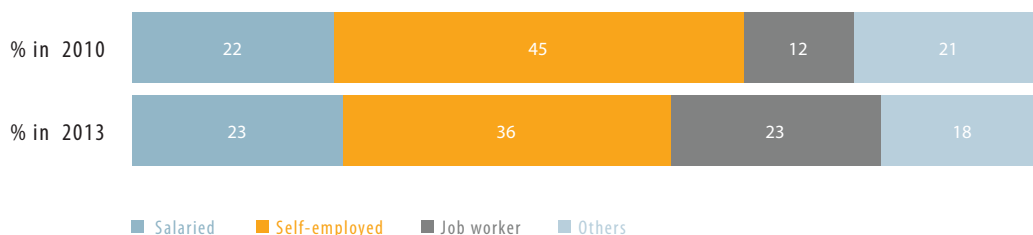
**Key Insight:** A shift in respondents’ occupation from “Self-Employed” to “Job Workers” appears to have taken place across all regions (North, South and East) but is most pronounced in the East.

### 2.3 Respondents Monthly Income has Increased

- The respondents’ monthly income has increased among 80%, remained the same among 3% and declined among 17%.
- The average monthly income of respondents has increased in all the states.
- The average monthly income of respondents has increased by 47% at Rs. 4,347 after adjusting for inflation, from Rs. 2,357 in 2010.

### Respondents Occupation

Chart 1

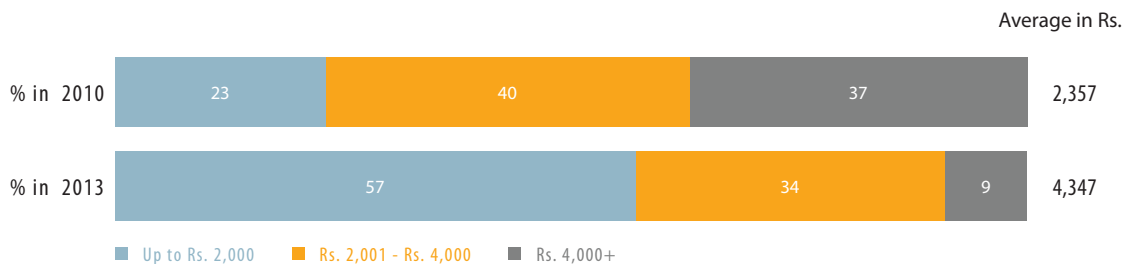


- The inflation adjusted increase is highest among Self-Employed at 85% (Rs. 5,877 in 2013 from Rs. 2,534 in 2010); and lowest among Job Workers at 10% (Rs. 2,470 in 2013 from Rs. 1,790 in 2010).

**Key Insight:** A natural process of weeding out of unsuccessful “Self-Employed” respondents seems to have taken place over the last 3 years. There has been a steep decline among the Self-Employed (refer Chart 1). However, respondents who continue to be Self-Employed have been able to register the highest inflation adjusted income growth.

### Respondents Monthly Income

Chart 2A



### Proportion of respondents whose Monthly Income (MI) has increased, remained same, decreased

Chart 2B



## 2.4 Changes in Occupation of Main Earner of Household

- The ‘Main Earner’ of the household was defined as the member earning the highest amount per year. They are predominantly Salaried or Self-Employed.
- Among Main Earners of the household, the proportion of Self-Employed has increased to 61% from 48% in 2010. This proportion has increased in all states and across all Monthly

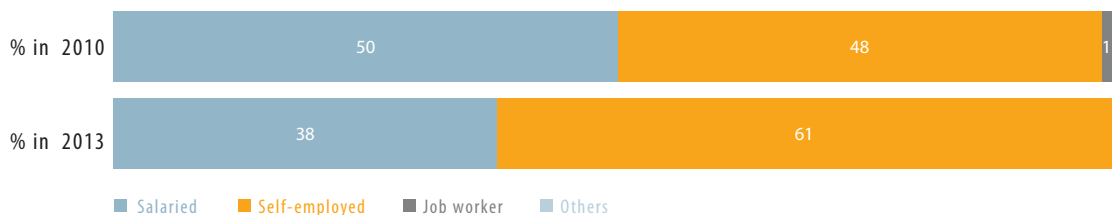
Household Income (MHI) groups.

- The proportion of Salaried Main Earners has declined to 38%, down from 50% in 2010.

**Key Insight:** Higher the proportion of Self-Employed Main Earners, higher are the Monthly Household Income (MHI), Well-being Rating and PPI

## Main Earner Occupation

Chart 3



### 2.5 Increase in Number of Earning members in the Household

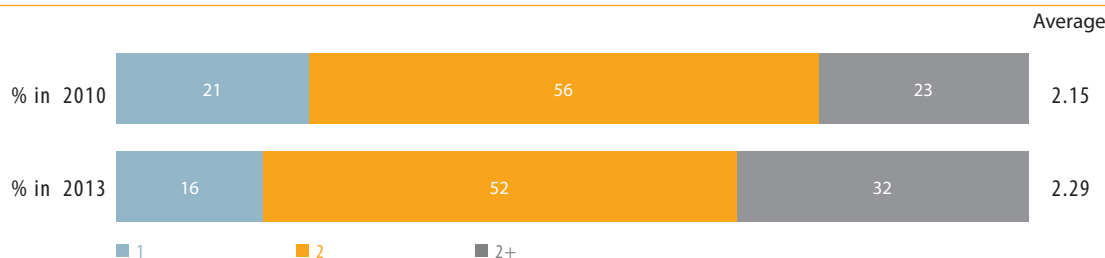
- The proportion of households with more than 1 earning member has increased to 84% from 79% in 2010.

- This proportion has increased in all states except in West Bengal.

**Key Insight:** Higher the number of earning members in households, higher are the Monthly Household Income (MHI) and Well-being Rating

## No. of Earning Members in Household

Chart 4A



## Proportion of households where number of Earning Members has increased, remained same, decreased

Chart 4B



### 2.6 Increase in Monthly Household Income (MHI)

- The monthly household income (MHI) has increased among 88%, remained the same among 1% and decreased among 11%.

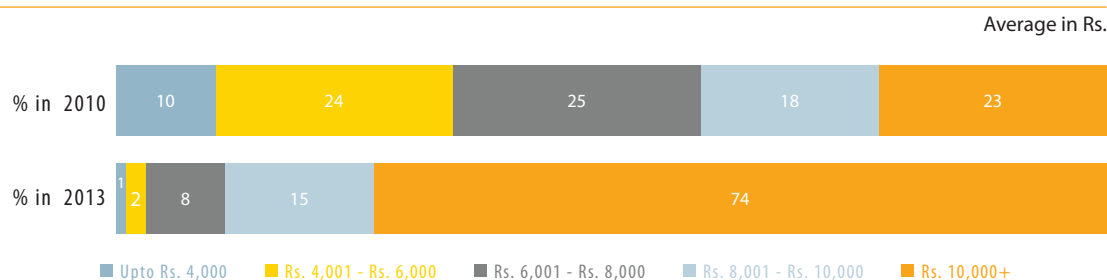
- 74% of respondents have a monthly household income of more than Rs. 10,000, up from 23% in 2010.
- The average monthly household income of respondents has increased in all the states.

- The average monthly household income has increased by 51% at Rs. 15,864, after adjusting for inflation, from Rs. 8,391 in 2010.
- The inflation adjusted increase is highest among Salaried at 59% (Rs.15,641 in 2013 from Rs. 7,863 in 2010), followed by Self-Employed at 44% (Rs. 16,149 in 2013 from Rs. 8,934 in 2010).

**Key Insight:** Household Incomes have grown significantly (upwards of 44% after adjusting for inflation), over the last 3 years in all states, all sub-groups and among both the Salaried and Self-Employed, signifying substantial increase in wages and earnings as well as growth in number of earning members in households.

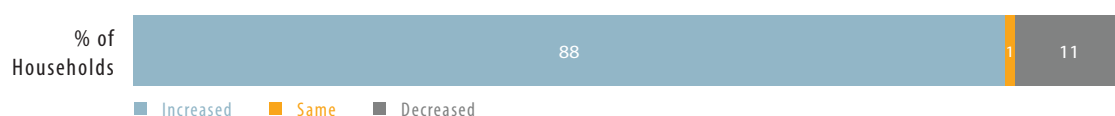
### Monthly Household Income (MHI) in Rupees

Chart 5A



### Proportion of households whose MHI has increased, remained same, decreased

Chart 5B



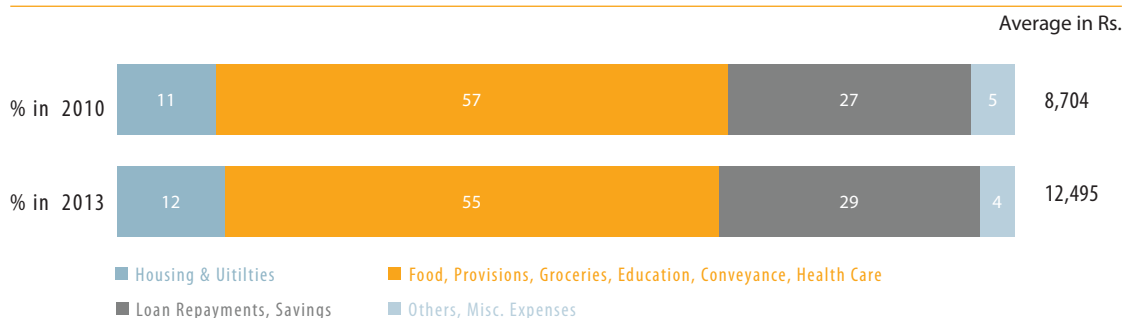
## 2.7 Increase in Monthly Household Expenses (MHE)

- The monthly household expenses (MHE) have increased among 81% and decreased among 19% of households.
- The average monthly household expenses have increased by 15% at Rs. 12,495 after adjusting for inflation, from Rs. 8,704 in 2010.

**Key Insight:** Monthly Household Expenses have grown by 15% while Monthly Household Incomes grew by 51%, after adjusting for inflation. Monthly household savings in 2013 accounted for 18% of total monthly household expenses, up from 13% in 2010.

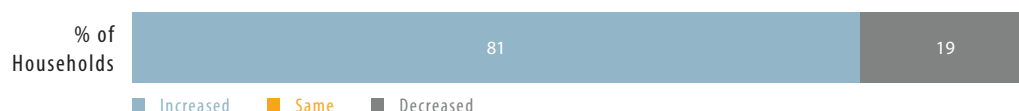
## Monthly Household Expenses (MHE)

Chart 6A



## Proportion of households whose MHE has increased, remained same, decreased

Chart 6B



- Overall, the biggest heads of expense are Food & Provisions (42%) and Loan Repayments (12%), while Savings account for about 18%. The data relating to MHE composition in the present survey and that of the baseline seem very consistent.

Table 2

Detailed Composition of Monthly Household Expenses (MHE) - by Value		
Head of Expense	% in 2013	% in 2010
Rent	2.4	2.3
Electricity	4.1	3.8
Water	0.5	0.5
Cooking Fuel	4.5	4.5
<b>Sub-Total</b>	<b>11.5</b>	<b>11.1</b>
Food, Provisions	42.2	43.0
School Fees, Books etc.	6.5	6.5
Conveyance	2.4	3.4
Health-Care	4.0	4.3
<b>Sub-Total</b>	<b>55.1</b>	<b>57.2</b>
Loan Repayments	11.5	13.3
Savings	17.9	13.3
<b>Sub-Total</b>	<b>29.4</b>	<b>26.6</b>
Others, Miscellaneous Expenses	4.0	5.1
<b>Grand Total</b>	<b>100</b>	<b>100</b>

## 2.8 Notional Monthly Household Surplus/ Deficit

- The notional average monthly household surplus is Rs. 3,369 in 2013 as against a notional average monthly deficit of Rs. 313 in 2010.
- Most households with a monthly household income of below Rs. 10,000 still end up with a monthly deficit and find it very difficult to generate a surplus. However, in such households, the extent of the monthly deficit seems to be on the decline.

*Key Insight: All sub-groups are relatively better off financially than they were in 2010 and those with shortfalls have been able to reduce their monthly deficits*

## 2.9 Share of Respondents' Income in Monthly Household Income (MHI)

- The share of respondents' income as a percentage of the average monthly household income is 27%, a notch below 28% in 2010.

## 2.10 Share of Respondents' Income in Monthly Household Expenses (MHE)

- This is a very important metric since, in reality, only a part of the household's gross monthly income is generally made available to the woman of the house towards meeting the monthly household expenses.
- The share of respondents' income as a percentage of the average monthly household expenses is 35%, up from 27% in 2010.
- This proportion has gone up in almost every state. However, the most significant increase is in the two southern states - Karnataka (43% from 27% in 2010) and Tamil Nadu (41% from 31% in 2010).

- The most significant increase among other sub-groups is:-
  - Self-Employed respondents: 44% from 27% in 2010.
  - PPI of up to 49: 44% from 29% in 2010.

*Key Insight: The upside of this phenomenon is the empowerment of women, manifested in their increasing contribution to the household's kitty. The downside, however, may be that male earners in such households may reduce their contributions to the household kitty, which seems to be happening more in the south than in other regions.*

## 2.11 Changes in Select Quality of Life Indicators

### 1. ACCESS TO BASIC AMENITIES IN DWELLING

- Access to basic amenities has improved significantly in all the states.

### 2. OWNERSHIP OF RATION CARD, VOTER ID CARD, PAN CARD, AADHAR NUMBER

- Most of the respondents contacted have a Ration card (94%) and Voter ID card (99%). About 1 in 8 respondents has a PAN card. 57% have an Aadhar number.

### 3. ASSET OWNERSHIP

- Ownership of durables has increased across the board. Mobile Phone ownership is 92% in 2013, up from 69% in 2010.

### 4. EDUCATION OF CHILDREN

- The proportion of children attending school is 67%.

Table 3A

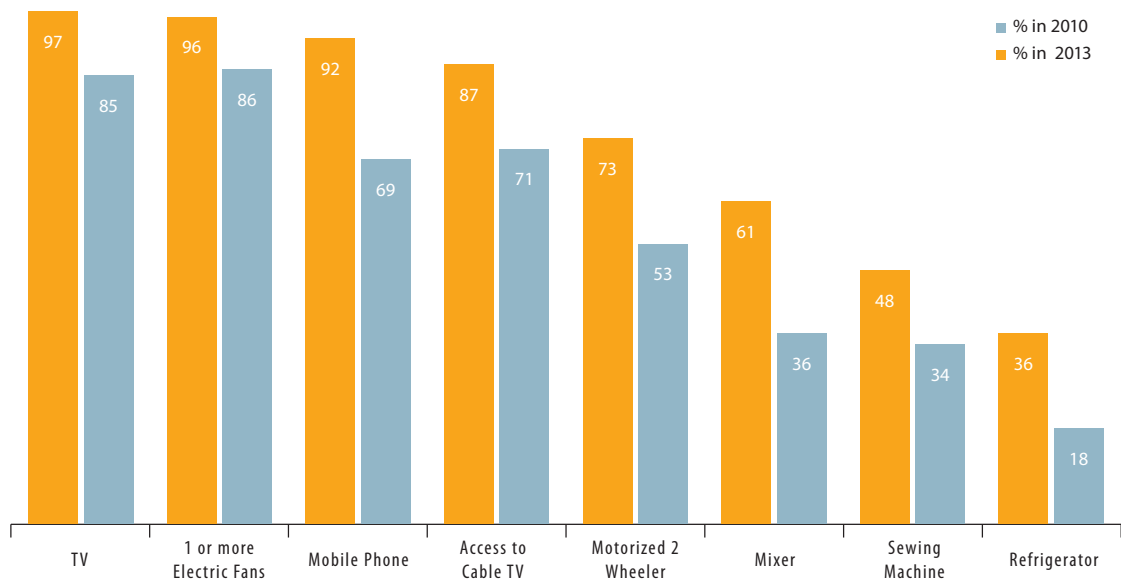
Access to Basic Amenities in Dwelling - Toilet, Running Water & LPG		
Amenity	% in 2013	% in 2010
Toilet in dwelling	<b>84</b>	70
Access to running water	<b>71</b>	54
LPG used as main fuel for cooking	<b>71</b>	55

Table 3B

Ownership of Ration card, Voter ID card, PAN card, Aadhar Number		
Ownership of:	% in 2013	% in 2010
Ration card	<b>94</b>	88
Voter ID card	<b>99</b>	93
PAN card	<b>13</b>	NA
Aadhar number	<b>57</b>	NA

### Asset Ownership

Chart 7



- There is a significant increase in the proportion of children attending private schools (40%) and private tuition (50%), underscoring the importance urban poor women attach to the education of their children.

Table 3C

Education of Children		
	% in 2013	% in 2010
% of households with 1 or more kids of school going age, attending school	<b>72</b>	71
Proportion of children attending school	<b>67</b>	66
Of these, % who go to a private school	<b>40</b>	28
% who attend private tuition	<b>50</b>	46



## 5. ACCESS TO BANKING SERVICES

- 63% of respondents have a bank account in 2013 from 39% in 2010.
- Of these, 73% have transacted against their accounts in the last 30 days, mitigating somewhat concerns of dormant bank accounts among the urban poor.
- 36% of those who have bank accounts claim to receive sms-based transaction updates for their bank accounts.

Table 3D

Access to Banking Services		
	% in 2013	% in 2010
Have a bank account	63	39
Of these, % carried out a transaction in last 30 days	73	NA
% get transaction updates via sms	36	NA

## 6. INSURANCE COVER

- 24% of respondents claim to have a life insurance policy in 2013 from 16% in 2010; while barely 3% have a Health Insurance policy.

Table 3E

Insurance Cover		
	% in 2013	% in 2010
Life Insurance Policy	24	16
Health insurance Policy	3	3

## 7. REPORTED SAVINGS

- 81% of respondents in 2013 say they are able to save some money from time to time from 63% in 2010.
- The average amount saved per year is Rs. 1,469.

Table 3F

Reported Savings		
	2013	2010
Proportion of respondents who are able to save (%)	81	63
Average Saving per year	Rs. 1,469	Rs. 1,169

## 8. LOANS FROM OTHER SOURCES, AS REPORTED

- About one in three respondents claims to have taken a loan from sources other than Ujjivan, that they are servicing at present.
- The major sources from which such loans have been taken are Microfinance Institutions (79%).

Table 3G

Loans from Other Sources, as reported		
	2013	2010
% who have taken 1 or more other loans at present	29	20
Of these, % who have taken Loan of Rs. 10,000 or more	82	48
<b>Major Sources - Other Loans</b>	%	%
Microfinance Institutions (MFIs)	79	61
Self Help Groups (SHGs)	8	7
Individual Financiers, Pawn brokers, Money Lenders	3	15
Banks	2	2

## Detailed Findings

# Detailed Findings

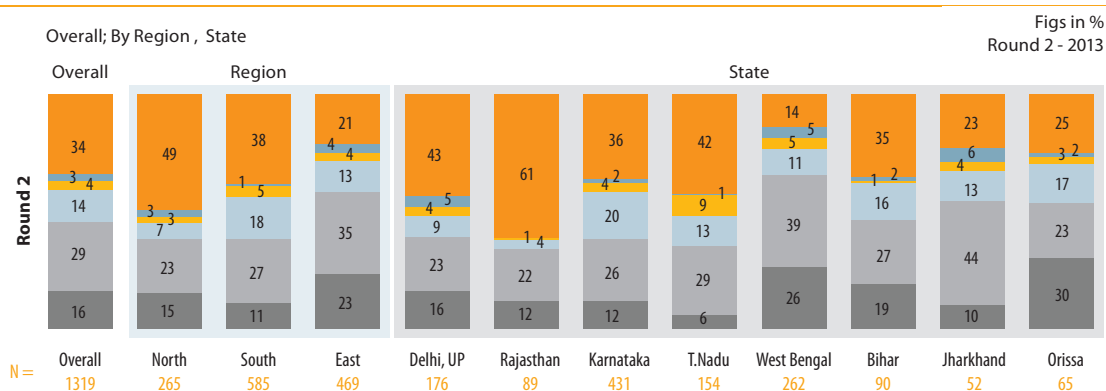
## 3.1 Sample Demographics & Socio-economic Indicators

### EDUCATION LEVEL OF RESPONDENTS

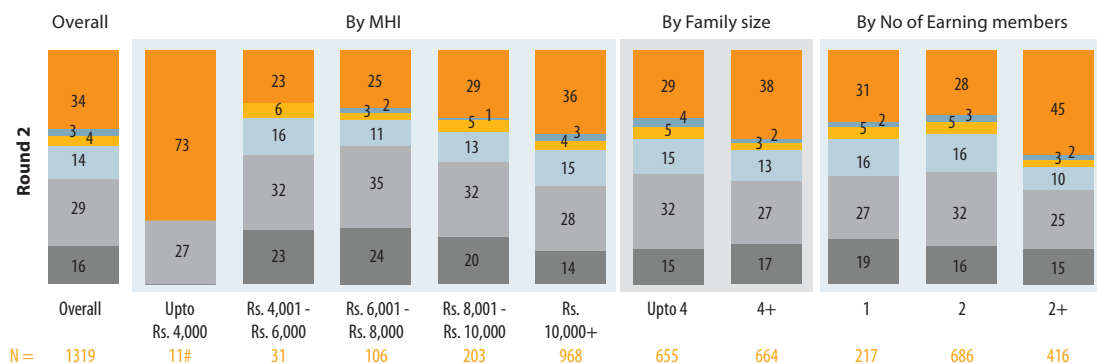
- 34% of respondents are illiterate.
- This proportion is highest in the North (49%), followed by the South (38%) and East (21%), among regions; and highest in Rajasthan (61%) and lowest in West Bengal (14%), among states.

### Education Level of Respondents

Chart 8

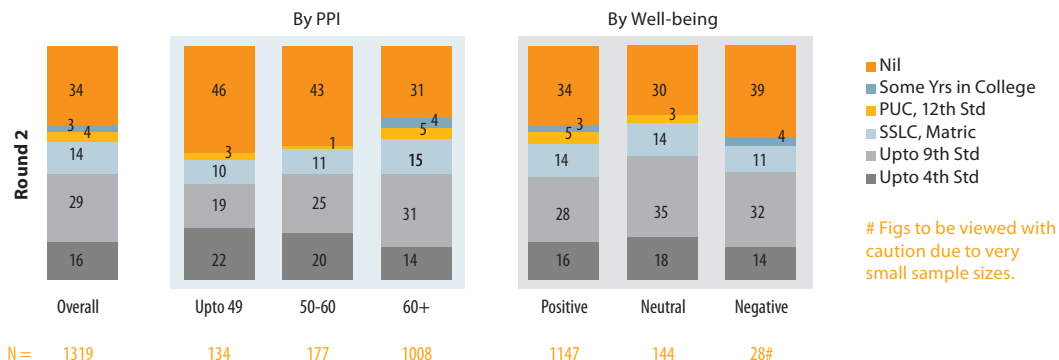


Overall; By Monthly Household Income (MHI), By Family Size, By No of Earning members



■ Nil ■ Some Yrs in College ■ PUC, 12th Std ■ SSLC, Matric ■ Upto 9th Std ■ Upto 4th Std  
# Figs to be viewed with caution due to very small sample sizes.

Overall; By PPI, Well-being

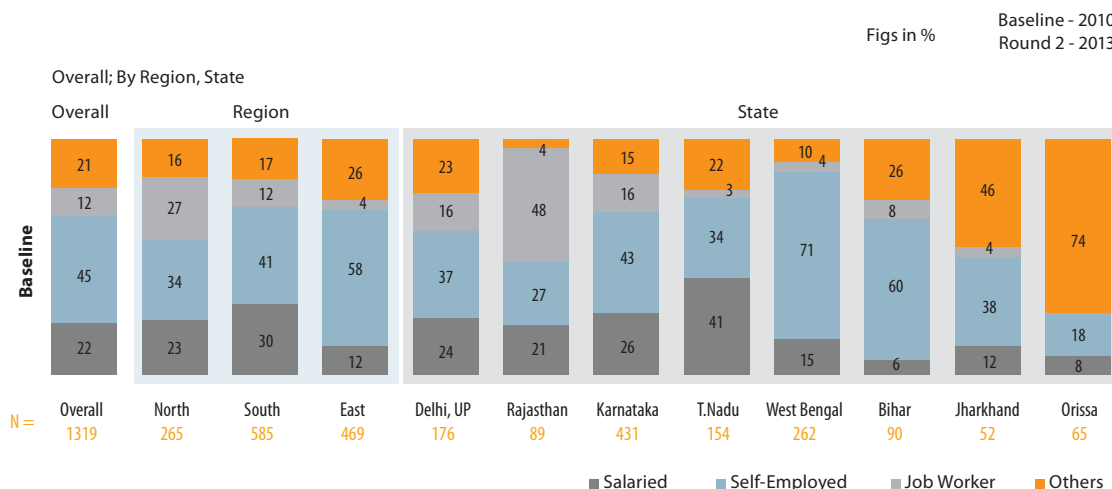


## OCCUPATION OF RESPONDENTS

- The proportion of non-working customers has declined to 18% in 2013 from 21% in 2010.
- This decline is most pronounced in two Eastern states:-
- Orissa (down from 74% in 2010 to 56% in 2013) and Jharkhand (down from 46% in 2010 to 17% in 2013).
- While the proportion of Salaried respondents has stayed more or less the same at 23% in 2013, the most significant change in the occupation pattern of respondents is among Self-employed (down from 45% in 2010 to 36% in 2013) and Job Workers (almost doubling to 23% in 2013 from 12% in 2010).

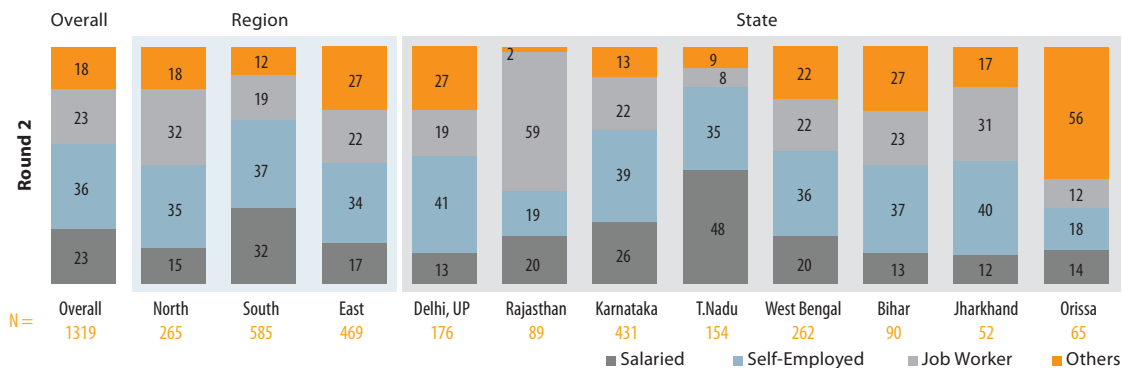
## Occupation of Respondents - Overall, by Region & State

Chart 9A



Overall; By Region, State

Figs in %



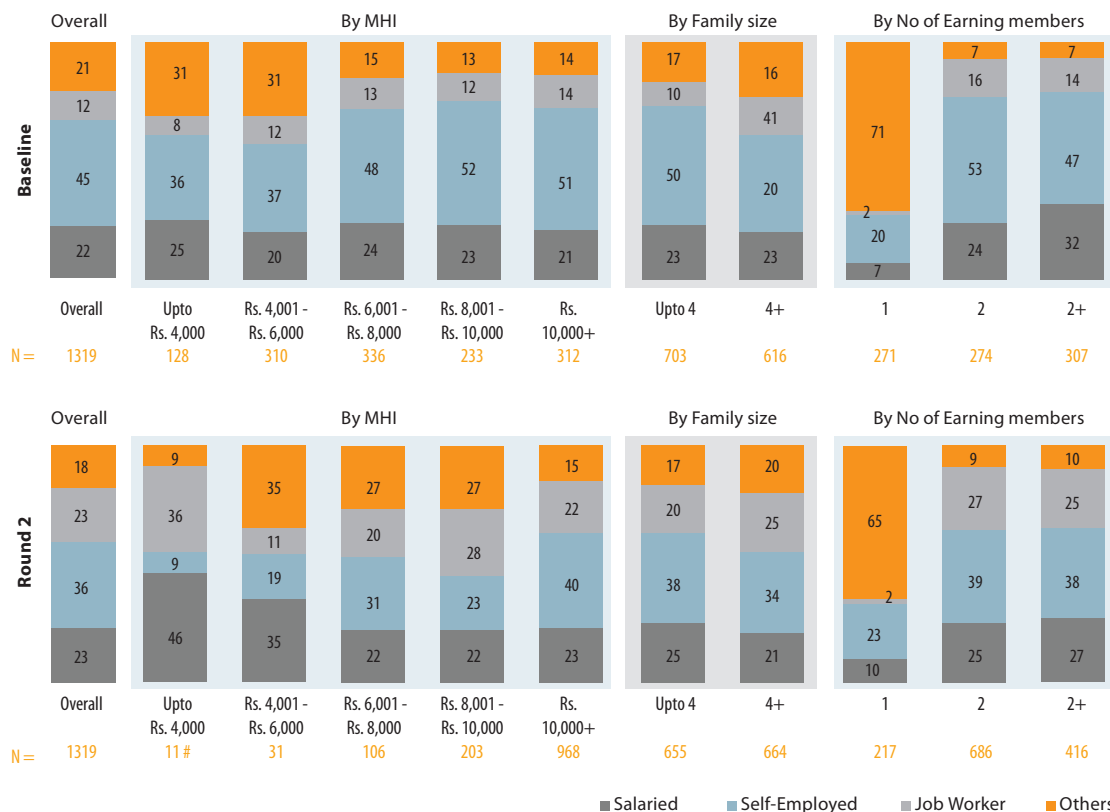
## Occupation of Respondents - by MHI, Family Size, No. of Earning Members

Chart 9B

Figs in %

Baseline - 2010  
Round 2 - 2013

Overall; By Monthly Household Income (MHI), By Family Size, By No of Earning members



## Occupation of Respondents - by PPI, Current Well-being rating

Chart 9C

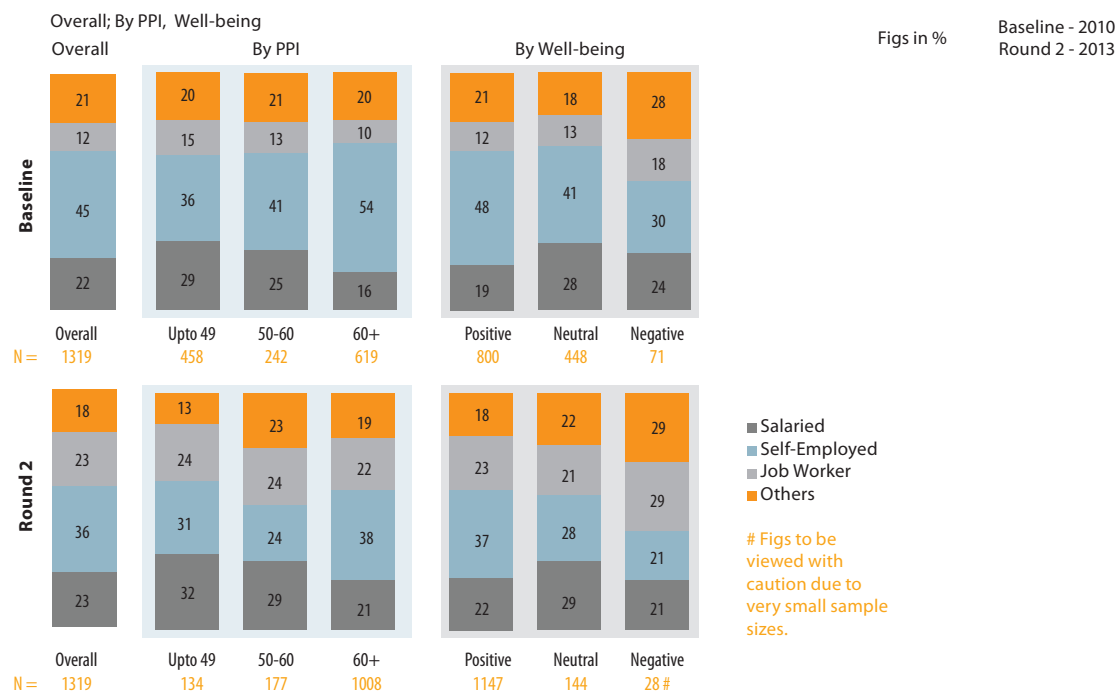


Table 4A

- Table 4 features a description of the major occupation groups among respondents who are Salaried, Self-employed or Job Workers and the changes in this pattern since 2010.

Major Occupations among Salaried Respondents		
Occupation Group	% in 2013	% in 2010
Labour, Coolie, Construction Labour	26	36
Factory worker/Garment factory worker	16	14
Domestic maid, servant, cook	16	10
Agricultural labour, Animal husbandry labour	10	16
Support staff in Company/Office	9	7
Teacher, Anganwadi teacher	5	4
Support staff in Crèche, School, Educational institution	4	1
Support staff in Anganwadi	3	5
Support staff in Retail Outlet	3	6
Support staff in Healthcare Institution	2	2
Worker-Assorted small Manufacturing enterprises	1	7
Others	5	2
<b>Total</b>	<b>100</b>	<b>100</b>

Table 4B

Major Occupations among Self-employed Respondents		
Occupation Group	% in 2013	% in 2010
Other Small businesses	21	21
Petty shop, Grocery shop, General/Provisions store	18	11
Tailor/Dress maker	13	34
Vendor-Fruits, flowers, vegetables	11	7
Help husband in business/ help in family business	11	6
Agriculture, animal husbandry	8	4
Sari business, sari sales	6	8
Vendor-Milk	4	3
Business-Clothes, Garments	4	3
Beautician/ beauty parlor/barber/salon	2	1
Embroidery, crochet, zari work, handicrafts	2	2
<b>Total</b>	<b>100</b>	<b>100</b>

Table 4C

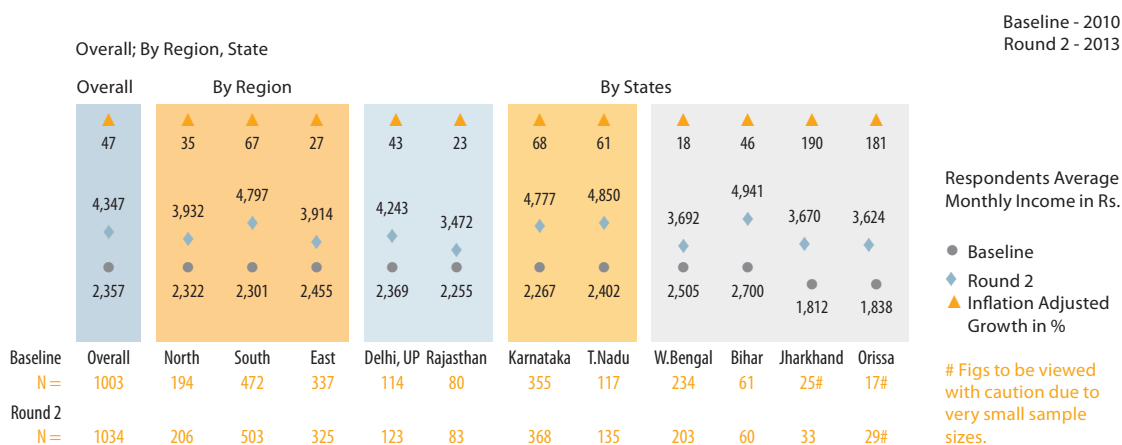
Major Occupations among Job Worker Respondents		
Occupation Group	% in 2013	% in 2010
Tailoring, embroidery, crochet, zari work	70.6	35.0
Beedi rolling	12.8	21.5
Agarbathi (Incense sticks) rolling	7.0	19.0
Rakhi making	1.7	2.5
Leather work/footwear	1.3	0.0
Bindi making	0.3	6.1
Paper packets/envelopes	0.3	1.2
Flower tying	0.0	4.3
Others	6.0	10.4
<b>Total</b>	<b>100</b>	<b>100</b>

## MONTHLY INCOME OF RESPONDENTS

- The average monthly income of respondents is Rs. 4,347 in 2013 as against Rs. 2,357 in 2010, registering a growth of 47%, after adjusting for inflation.
- State-wise, in 2013, this figure is highest in Bihar (Rs.4,941) and lowest in Rajasthan (Rs.3,472).
- Among respondent occupation groups, the monthly income of self-employed respondents registers the highest inflation adjusted growth (85%) while Job Workers register the lowest growth (10%).

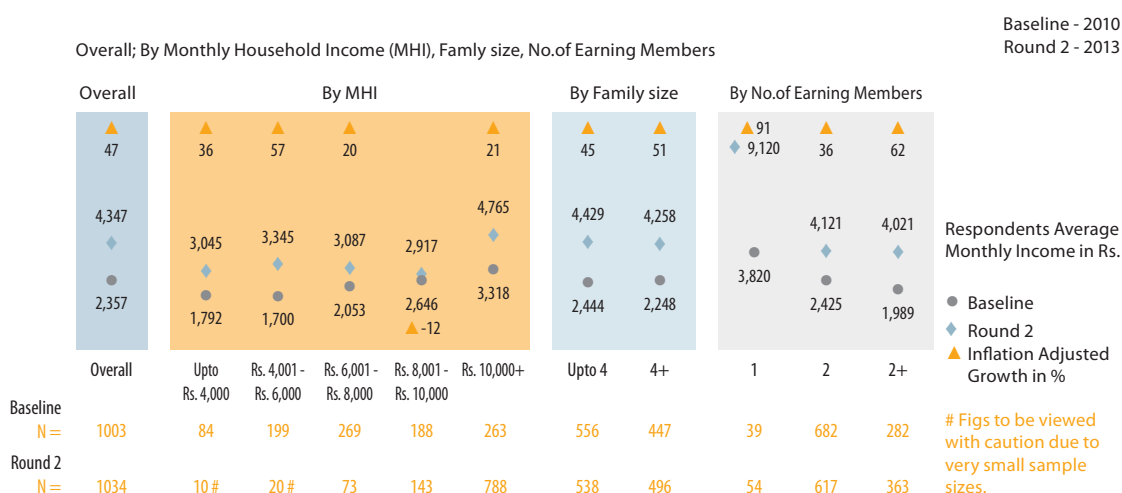
### Respondents Monthly Income (in Rs.) - Overall, by Region & State

Chart 10A



### Respondents Monthly Income (in Rs.) - by MHI, Family Size, No. of Earning Members

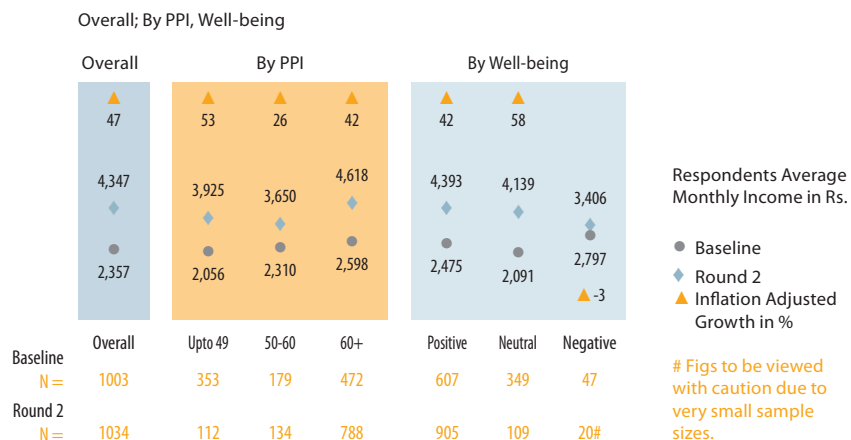
Chart 10B





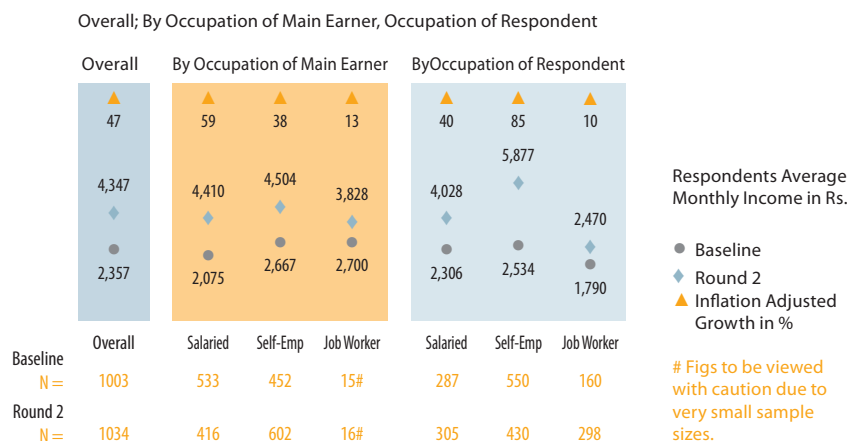
## Respondents Monthly Income (in Rs.) - by PPI, Current Well-being Rating

Chart 10C



## Respondents Monthly Income (in Rs.) - by Occupation of Main Earner, Respondent

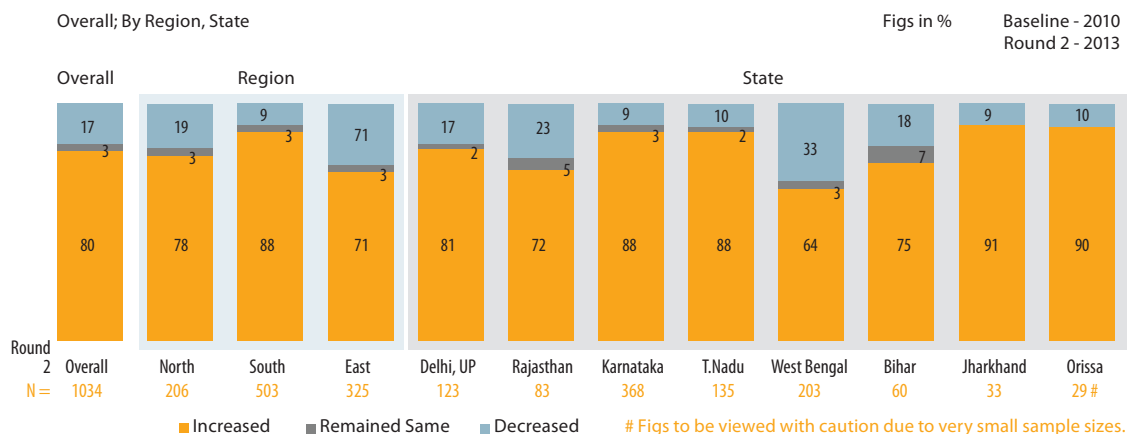
Chart 10D



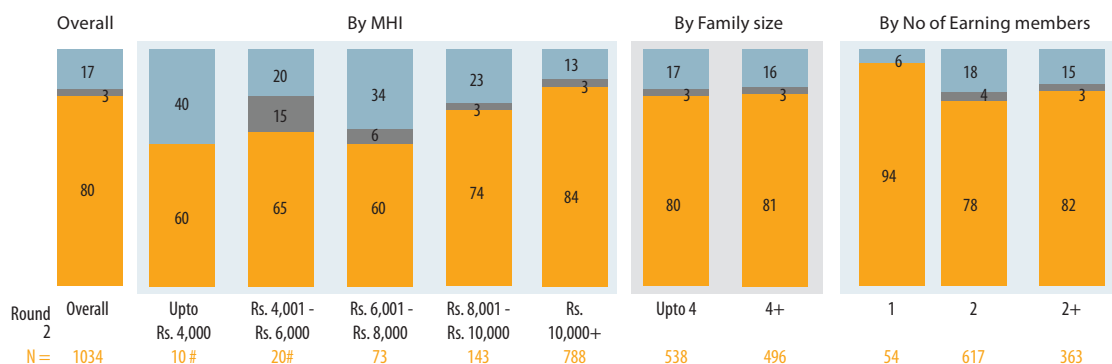
- The monthly income of respondents has increased among 80% of the customers contacted, remained the same among 3% and declined among 17%.

### Proportion of Respondents whose Monthly Income (MI) has Increased, Remained same, Decreased

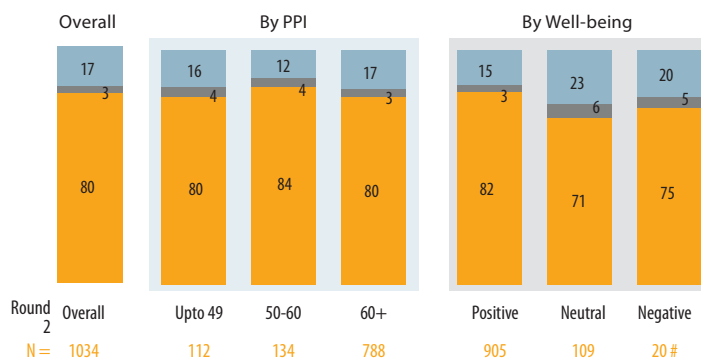
Chart 11



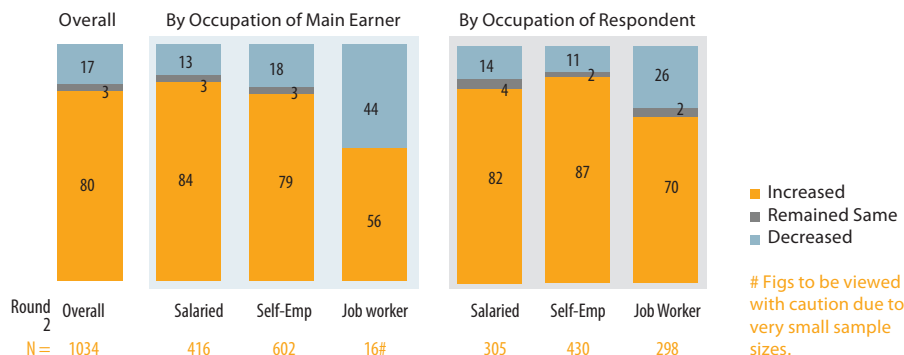
### Overall; By Monthly Household Income (MHI), Family size, No. of Earning Members



### Overall; By PPI, Well-being



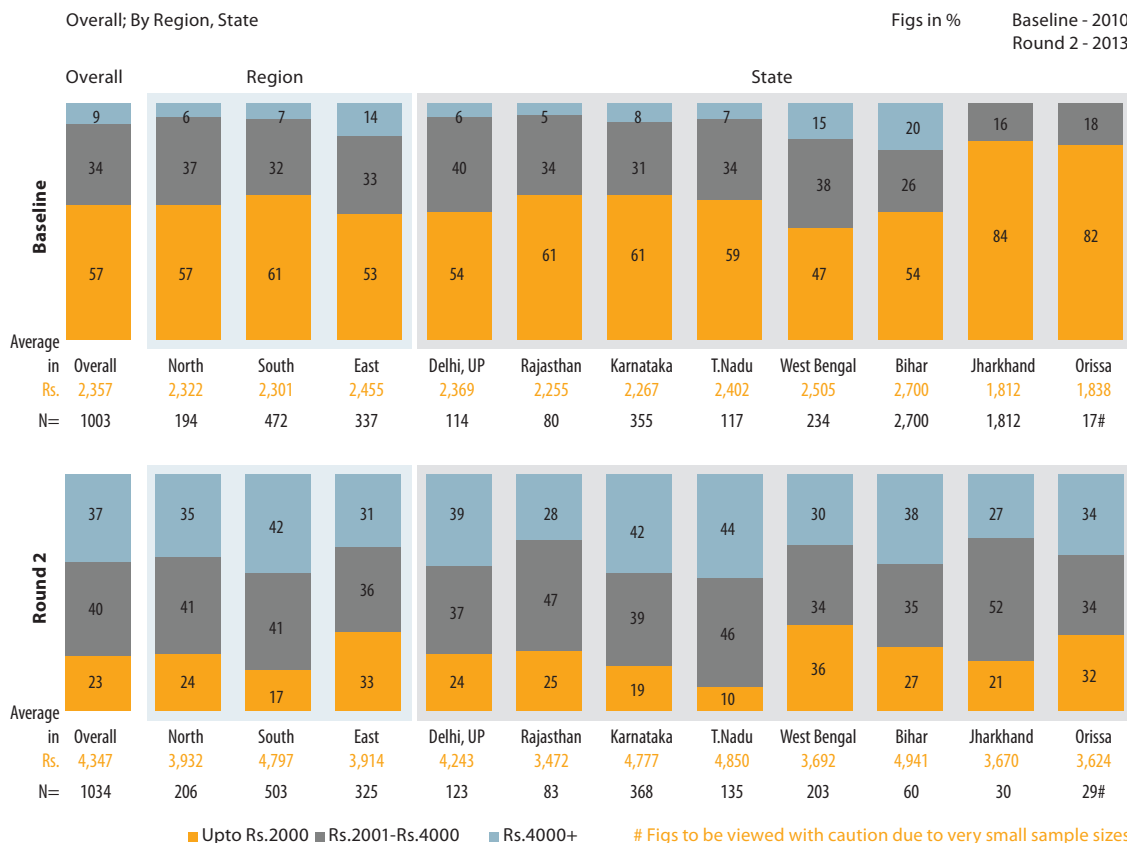
### Overall; Occupation of Main Earning, Occupation of Respondent



- In 2013, 37% of respondents have a monthly income of more than Rs. 4,000 as against just 9% in 2010.
- Incomes of respondents have increased in all regions and states.

### Monthly Income Distribution of Respondents - Overall, by Region & State

Chart 12

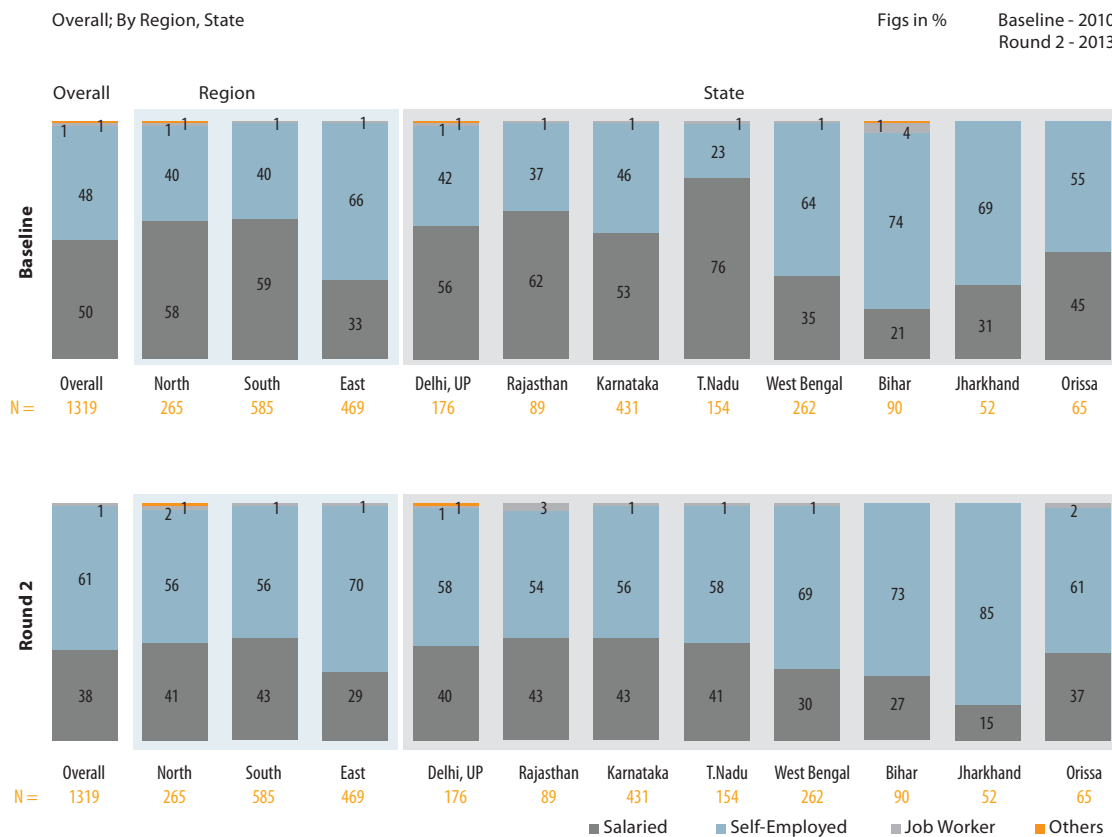


## OCCUPATION OF MAIN EARNER

- In 2013, 61% of households, up from 48% in 2010, have Main earners who are Self-Employed.
- State-wise, this figure is highest in Jharkhand (85%) & Bihar (73%).
- The biggest shift since 2010 in the pattern of employment of the Main earner of the household is a 13% increase in the Self-employed and a corresponding 12% decline in the Salaried, in 2013.

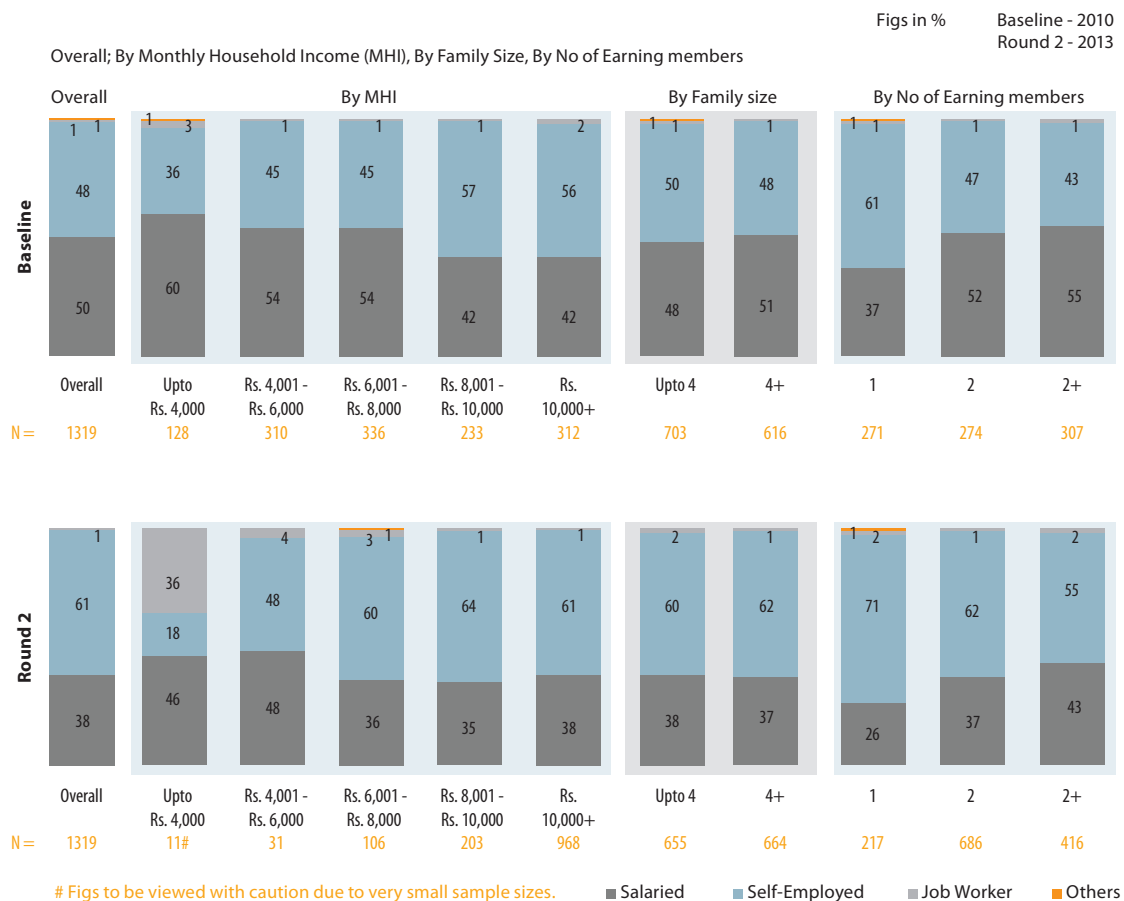
### Occupation of Main Earner - Overall, by Region & State

Chart 13A

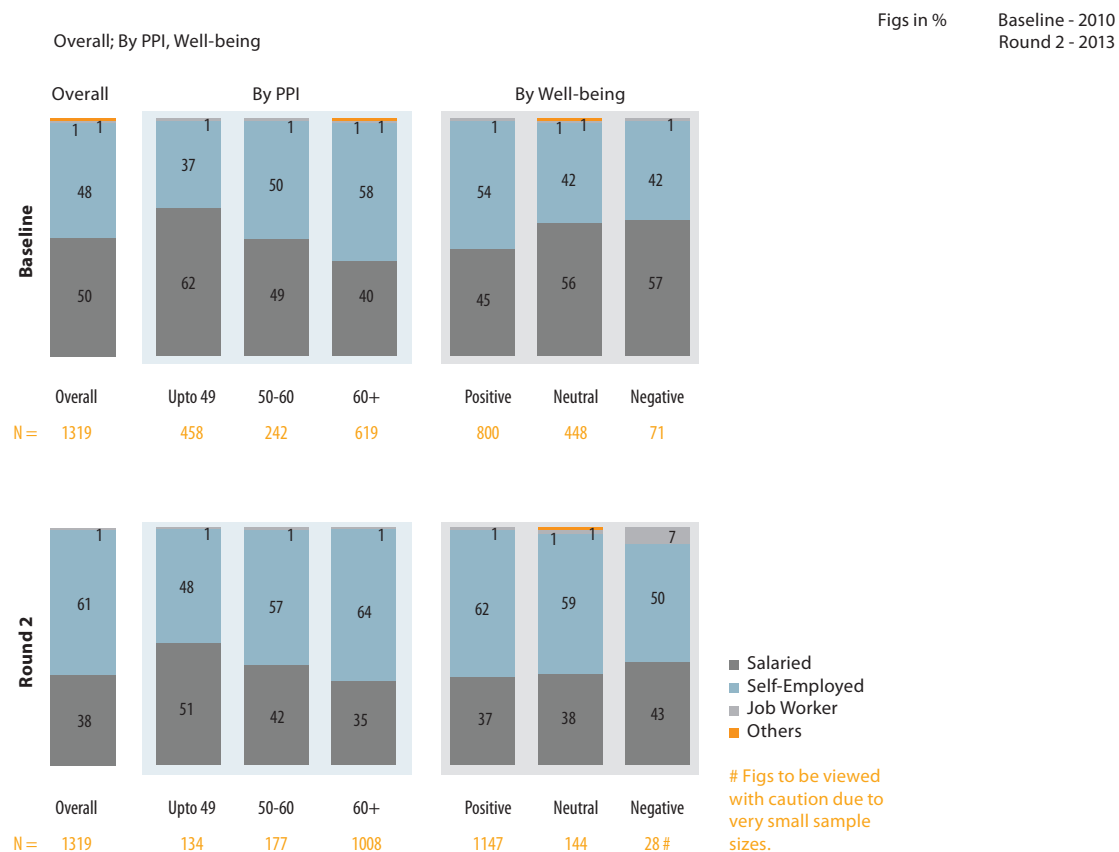


## Occupation of Main Earner - by MHI, Family Size, Number of Earning Members

Chart 13B



## Occupation of Main Earner - by PPI, by Current Well-being Rating



- Table 5 features a description of the spectrum of major occupations among Main Earners of households for Salaried and Self-employed and the changes in this pattern since 2010.

Table 5A

Major Occupations among Main Earners-Salaried		
Occupation Group	% in 2013	% in 2010
Labour, Coolie, Construction Labour	<b>32.3</b>	26.5
Support staff in Company/Office	<b>21.7</b>	10.5
Driver-Motorized vehicle	<b>18.9</b>	14.6
Factory worker/Garment factory worker	<b>09.2</b>	16.5
Support staff in Retail Outlet	<b>05.5</b>	06.1
Domestic maid, servant, cook	<b>02.6</b>	01.4
Teacher, Anganwadi teacher	<b>02.4</b>	01.2
Construction supervisor/Mason	<b>01.8</b>	09.5
Support staff in Healthcare Institution	<b>01.2</b>	00.6
Agricultural labour, Animal husbandry labour	<b>01.0</b>	02.5
Support staff in Crèche, School, Educational institution	<b>00.8</b>	00.3
Driver-Non-motorized vehicle (Rickshaw etc.)	<b>00.4</b>	-
Employee-Government/Municipality	<b>00.2</b>	00.5
Technical Tradesmen-Electrician, Carpenter, Plumber, Painter	-	04.3
Others	<b>02.0</b>	05.5
<b>Total</b>	<b>100</b>	<b>100</b>

Table 5B

Major Occupations among Main Earners-Self-employed		
Occupation Group	% in 2013	% in 2010
Other Small businesses	<b>36.6</b>	47.7
Independent Construction supervisor/Mason/Mistry	<b>10.0</b>	00.6
Technical Tradesmen-Electrician, Carpenter, Plumber, Painter	<b>08.6</b>	04.2
Agriculture, animal husbandry	<b>06.6</b>	05.4
Vendor-Fruits, flowers, vegetables	<b>06.3</b>	07.2
Driver-Own Motorized vehicle	<b>06.2</b>	07.0
Tailor/Dress maker	<b>05.7</b>	04.8
Petty shop, Grocery shop, General/Provisions store	<b>05.4</b>	08.6
Business-Clothes, Garments	<b>04.6</b>	05.0
Garage/Workshop/Auto Mechanic/ Metal working	<b>03.2</b>	01.7
Embroidery, crochet, zari work, handicrafts	<b>01.9</b>	00.3
Vendor-Milk	<b>01.6</b>	02.6
Sari business, sari sales	<b>01.2</b>	02.3
Beautician/ beauty parlor/barber/salon	<b>01.2</b>	01.1
Others	<b>00.9</b>	01.5
<b>Total</b>	<b>100</b>	<b>100</b>



## HOUSEHOLD SIZE & NUMBER OF EARNING MEMBERS

- In 2013, 84% of households have more than one earning member, up from 79% in 2010.

Family Size & Number of Earning Members in Household - Overall, by Region & State

Table 6A

Overall; By Region, State												
Figs in %												
Baseline - 2010												
Round 2 - 2013												
	Over all	By Regions			By State							
		North	South	East	Delhi, UP	Raja-sthan	Karn-ataka	Tamil Nadu	West Bengal	Bihar	Jhar-khand	Orissa
<b>Baseline N=</b>	<b>1319</b>	<b>265</b>	<b>585</b>	<b>469</b>	<b>176</b>	<b>89</b>	<b>431</b>	<b>154</b>	<b>262</b>	<b>90</b>	<b>52</b>	<b>65</b>
Average No. of Members in Household	<b>4.58</b>	4.98	4.4	4.59	4.94	5.08	4.46	4.22	4.15	5.69	4.75	4.68
<b>Number of Earning Members in Household</b>												
1	<b>21</b>	18	18	25	24	7	16	24	10	32	46	58
2	<b>56</b>	61	53	57	57	67	53	55	69	44	42	37
2+	<b>23</b>	21	29	18	19	26	31	21	21	24	12	5
Total	<b>100</b>	100	100	100	100	100	100	100	100	100	100	100
Average No. of EM's in HH	<b>2.15</b>	2.11	2.23	2.06	2.01	2.31	2.29	2.06	2.27	2.07	1.71	1.48
<b>Round 2 N=</b>												
<b>Round 2 N=</b>	<b>1319</b>	<b>265</b>	<b>585</b>	<b>469</b>	<b>176</b>	<b>89</b>	<b>431</b>	<b>154</b>	<b>262</b>	<b>90</b>	<b>52</b>	<b>65</b>
Average No. of Members in Household	<b>4.73</b>	5.26	4.5	4.7	5.27	5.26	4.53	4.44	4.31	5.26	4.96	5.31
<b>Number of Earning Members in Household</b>												
1	<b>16</b>	14	13	22	19	4	11	17	16	30	29	31
2	<b>52</b>	58	52	48	55	65	53	50	52	48	46	35
2+	<b>32</b>	28	35	30	26	31	36	33	32	22	25	34
Total	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>
Average No. of EM's in HH	<b>2.29</b>	2.27	2.37	2.21	2.16	2.47	2.38	2.35	2.27	2.08	2.13	2.2

## Family Size & Number of Earning Members in Household - by MHI, Family Size, No. of EM's

Table 6B

Overall; By Monthly Household Income (MHI), Family Size, No. of Earning Members

Figs in %

Baseline - 2010  
Round 2 - 2013

	Overall	By MHI					By Family Size	
		Upto Rs. 4,000	Rs. 4,001 - Rs. 6,000	Rs. 6,001 - Rs. 8,000	Rs. 8,001 - Rs. 10,000	Rs. 10,000+	Upto 4	4+
<b>Baseline N=</b>	<b>1319</b>	<b>128</b>	<b>310</b>	<b>336</b>	<b>233</b>	<b>312</b>	<b>703</b>	<b>616</b>
Average No. of Members in Household	<b>4.58</b>	4.13	4.34	4.51	4.62	5.06	3.52	5.8
<b>Number of Earning Members in Household</b>								
1	<b>21</b>	51	33	16	14	6	21	19
2	<b>56</b>	46	60	70	58	41	64	48
2+	<b>23</b>	3	7	14	28	53	15	33
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>
Average No. of EM's in HH	<b>2.15</b>	1.54	1.76	2.03	2.25	2.82	1.98	2.34
<b>Round 2 N=</b>								
<b>Round 2 N=</b>	<b>1319</b>	<b>11 #</b>	<b>31</b>	<b>106</b>	<b>203</b>	<b>968</b>	<b>655</b>	<b>664</b>
Average No. of Members in Household	<b>4.73</b>	2.82	3.97	3.84	4.39	4.94	3.47	5.97
<b>Number of Earning Members in Household</b>								
1	<b>16</b>	82	55	40	27	10	20	13
2	<b>52</b>	9	45	53	66	50	61	43
2+	<b>32</b>	9	-	7	7	40	19	44
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>
Average No. of EM's in HH	<b>2.29</b>	1.27	1.45	1.69	1.81	2.5	2.03	2.55

# Figs to be viewed with caution due to very small sample sizes.

## Family Size & Number of Earning Members in Household - by PPI, Current Well-being Rating

Table 6C

Overall; By PPI, Well-being

Figs in %

Baseline - 2010  
Round 2 - 2013

	Over all	By PPI			By Well-being		
		Upto 49	50-60	60+	Positive	Neutral	Negative
<b>Baseline N=</b>	<b>1319</b>	<b>458</b>	<b>242</b>	<b>619</b>	<b>800</b>	<b>448</b>	<b>71</b>
Average No. of Members in Household	<b>4.58</b>	4.78	4.71	4.38	4.58	4.56	4.76

### Number of Earning Members in Household

1	<b>21</b>	22	21	19	20	20	30
2	<b>56</b>	55	57	57	56	57	54
2+	<b>23</b>	23	22	24	24	23	16
<b>Total</b>	<b>100</b>	100	100	100	100	100	100
Average No. of EM's in HH	<b>2.15</b>	2.13	2.12	2.17	2.16	2.15	1.93

<b>Round 2 N=</b>	<b>1319</b>	<b>134</b>	<b>177</b>	<b>1008</b>	<b>1147</b>	<b>144</b>	<b>28 #</b>
Average No. of Members in Household	<b>4.73</b>	5.21	5.23	4.57	4.73	4.78	4.32

### Number of Earning Members in Household

1	<b>16</b>	19	15	16	16	17	18
2	<b>52</b>	57	46	52	51	56	57
2+	<b>32</b>	24	39	32	33	27	25
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>
Average No. of EM's in HH	<b>2.29</b>	2.13	2.45	2.29	2.31	2.23	2.11

# Figs to be viewed with caution due to very small sample sizes.

- The proportion of households where the number of earning members has increased in 2013 is 30%, remained the same is 51% and decreased is 19%

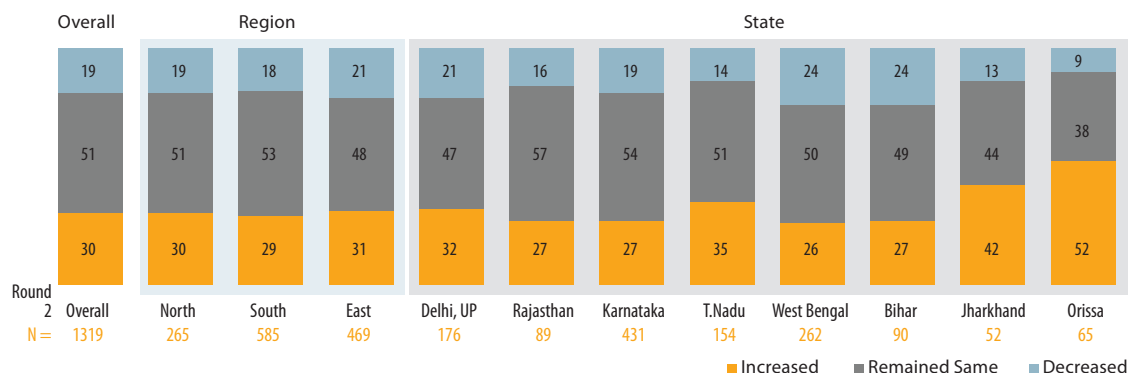
## Proportion of Households where number of Earning Members has Increased, Remained the same or Decreased

Chart 14

Overall; By Region, state

Figs in %

Round 2 - 2013



## HOUSING STATUS

- In 2013, 82% of customers contacted during this study own the homes they reside in with the balance either renting or leasing their homes.
- This pattern reflects no significant change since 2010.

### Housing Status - Overall, by Region & State

Table 7

Overall; By Region, State

Figs in %

Baseline - 2010  
Round 2 - 2013

	Over all	By Regions			By State							
		North	South	East	Delhi, UP	Raja- sthan	Karn- ataka	Tamil Nadu	West Bengal	Bihar	Jhar- khand	Orissa
<b>Baseline N=</b>	<b>1319</b>	<b>265</b>	<b>585</b>	<b>469</b>	<b>176</b>	<b>89</b>	<b>431</b>	<b>154</b>	<b>262</b>	<b>90</b>	<b>52</b>	<b>65</b>
Rented	<b>18</b>	12	19	20	16	3	19	19	22	23	21	3
Lease	<b>2</b>	1	3	1	1	0	4	3	0	0	2	2
Own	<b>80</b>	87	78	79	83	97	77	78	78	77	77	95
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>

<b>Round 2 N=</b>	<b>1319</b>	<b>265</b>	<b>585</b>	<b>469</b>	<b>176</b>	<b>89</b>	<b>431</b>	<b>154</b>	<b>262</b>	<b>90</b>	<b>52</b>	<b>65</b>
Rented	<b>15</b>	13	14	18	18	3	13	17	21	19	21	3
Lease	<b>3</b>	1	5	0	2	0	6	3	0	0	0	2
Own	<b>82</b>	86	81	82	80	97	81	80	79	81	79	95
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>
2+	<b>32</b>	28	35	30	26	31	36	33	32	22	25	34
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>

## ACCESS TO BASIC AMENITIES IN DWELLING

### - TOILET, RUNNING WATER, ELECTRICITY, LPG AS COOKING FUEL

- There has been significant improvement in access to most basic amenities (such as access to running water, use of LPG and toilet in the dwelling) among a majority of households over 2010.
- There are improvements in all regions and states along each of these indicators.

Table 8

#### Access to Basic Amenities

Overall; By Region, State

Figs in %

Baseline - 2010  
Round 2 - 2013

	Over all	By Regions			By State							
		North	South	East	Delhi, UP	Raja- sthan	Karn- ataka	Tamil Nadu	West Bengal	Bihar	Jhar- khand	Orissa
<b>Baseline N=</b>	<b>1319</b>	<b>265</b>	<b>585</b>	<b>469</b>	<b>176</b>	<b>89</b>	<b>431</b>	<b>154</b>	<b>262</b>	<b>90</b>	<b>52</b>	<b>65</b>
Toilet in Dwelling	<b>70</b>	86	50	86	97	65	53	42	89	91	94	58
Access to Running Water	<b>54</b>	77	39	61	84	64	44	23	49	96	90	37
Electricity in Dwelling	<b>96</b>	95	96	98	98	91	95	97	97	99	98	98
Main Fuel Used for Cooking - LPG	<b>55</b>	86	43	52	93	74	39	51	49	80	65	17
<b>Round 2 N=</b>	<b>1319</b>	<b>265</b>	<b>585</b>	<b>469</b>	<b>176</b>	<b>89</b>	<b>431</b>	<b>154</b>	<b>262</b>	<b>90</b>	<b>52</b>	<b>65</b>
Toilet in Dwelling	<b>84</b>	95	71	96	100	84	75	58	100	100	98	72
Access to Running Water	<b>71</b>	93	65	67	97	87	73	44	57	98	100	40
Electricity in Dwelling	<b>99</b>	100	99	100	100	100	99	99	100	100	100	100
Main Fuel Used for Cooking - LPG	<b>71</b>	94	67	62	98	87	67	68	58	88	77	26

## OWNERSHIP OF RATION, VOTER ID, PAN CARDS & AADHAR NUMBER

- In 2013, 99% of customers contacted during the study, have Voter ID cards (93% in 2010), 94% have Ration cards (88% in 2010), 13% have PAN cards (not elicited in 2010) and as many as 57% have Aadhar numbers.
- The proportion of customers having Aadhar numbers is very encouraging but is also a reflection of the states where the Aadhar Program is focusing on, at present.

Ownership of Ration, Voter ID, PAN Cards, Aadhar Number - Overall, by Region & State

Table 9

Overall; By Region, State		Figs in %										Baseline - 2010 Round 2 - 2013
	Over all	By Regions			By State							
		North	South	East	Delhi, UP	Raja- sthan	Karn- ataka	Tamil Nadu	West Bengal	Bihar	Jhar- khand	Orissa
<b>Baseline N=</b>	<b>1319</b>	<b>265</b>	<b>585</b>	<b>469</b>	<b>176</b>	<b>89</b>	<b>431</b>	<b>154</b>	<b>262</b>	<b>90</b>	<b>52</b>	<b>65</b>
Ration Card	<b>88</b>	84	95	81	77	99	97	90	97	52	46	89
Voter ID Card	<b>93</b>	91	92	94	89	94	94	90	93	96	96	97
<b>Round 2 N=</b>	<b>1319</b>	<b>265</b>	<b>585</b>	<b>469</b>	<b>176</b>	<b>89</b>	<b>431</b>	<b>154</b>	<b>262</b>	<b>90</b>	<b>52</b>	<b>65</b>
Ration Card	<b>94</b>	91	98	91	86	100	99	95	99	71	77	94
Voter ID Card	<b>99</b>	98	99	99	98	100	99	99	98	99	100	100
PAN Card	<b>13</b>	16	6	21	20	7	6	5	27	11	12	18
AADHAR/ UIDAI Card	<b>57</b>	61	70	40	65	52	89	16	24	38	83	71

## ASSET OWNERSHIP

- Since 2010, ownership of all consumer durables is on the rise among customers contacted during the study.
- In 2013, durables with the highest ownership are TVs (97%), Electric fans (96%), Mobile phones (92%) and Pressure cookers (91%).

Table 10

### Asset Ownership - Overall, by Region & State

Overall; By Region, State												
Figs in %      Baseline - 2010												
	Over all	By Regions			By State							
		North	South	East	Delhi, UP	Raja-sthan	Karn-ataka	Tamil Nadu	West Bengal	Bihar	Jhar-khand	Orissa
<b>Baseline N=</b>	<b>1319</b>	<b>265</b>	<b>585</b>	<b>469</b>	<b>176</b>	<b>89</b>	<b>431</b>	<b>154</b>	<b>262</b>	<b>90</b>	<b>52</b>	<b>65</b>
TV	<b>85</b>	91	79	88	91	91	76	86	87	88	88	92
Two Wheeler	<b>53</b>	39	44	71	34	49	42	47	67	64	69	98
Almirah/ Dressing Table	<b>60</b>	52	60	65	52	51	58	64	78	43	50	55
Sewing Machine	<b>34</b>	57	19	39	63	47	20	18	32	61	46	26
Pressure Cookers-1 or more	<b>74</b>	94	63	78	98	85	65	58	78	86	83	60
Electric Fans - 1 or more	<b>86</b>	97	72	96	98	94	68	85	97	99	88	95
Gas Stove	<b>52</b>	84	46	41	95	63	43	54	30	73	60	28
Cable TV	<b>71</b>	71	75	65	84	46	73	80	76	52	62	40
Mixer	<b>36</b>	23	61	12	30	9	63	56	6	11	12	35
Refrigerator	<b>18</b>	41	6	19	51	20	5	10	20	17	12	23
Mobile Phone	<b>69</b>	81	60	74	78	88	65	44	69	83	81	75

## Asset Ownership - Overall, by Region & State

Table 10

Overall; By Region, State

Figs in %

Round 2 - 2013

	Over all	By Regions			By State							
		North	South	East	Delhi, UP	Raja- sthan	Karn- ataka	Tamil Nadu	West Bengal	Bihar	Jhar- khand	Orissa
<b>Round 2 N=</b>	<b>1319</b>	<b>265</b>	<b>585</b>	<b>469</b>	<b>176</b>	<b>89</b>	<b>431</b>	<b>154</b>	<b>262</b>	<b>90</b>	<b>52</b>	<b>65</b>
TV	<b>97</b>	100	95	98	99	100	93	100	97	99	98	98
Two Wheeler	<b>73</b>	64	66	85	59	74	65	69	83	81	85	100
Almirah/ Dressing Table	<b>84</b>	81	87	83	90	63	85	92	91	72	75	72
Sewing Machine	<b>48</b>	73	30	55	77	65	31	29	51	71	65	38
Pressure Cookers-1 or more	<b>91</b>	97	88	91	99	93	89	86	92	94	92	82
Electric Fans - 1 or more	<b>96</b>	100	90	100	100	100	87	97	100	100	100	100
Gas Stove	<b>77</b>	96	72	73	99	91	72	72	68	90	83	65
Cable TV	<b>87</b>	85	90	86	94	66	87	97	93	73	75	85
Mixer	<b>61</b>	50	85	37	57	36	87	81	25	37	52	72
Refrigerator	<b>36</b>	71	16	43	82	48	13	22	44	47	33	42
Mobile Phone	<b>92</b>	95	90	93	94	96	93	84	94	92	85	98
Satellite Dish/ Dish TV	<b>16</b>	28	11	16	24	35	12	6	4	47	40	0

### 3.2 Perceived Overall Well-being

- As in the Baseline survey of 2010, in this survey as well, all respondents were asked to indicate their perceived level of Well-being, keeping in mind their present circumstances and quality of lives. Responses were elicited using a 5 point scale going from "Very Good" to "Very Bad".
- In this survey, respondents were also asked to indicate their likely future

levels of Well-being over the next 2 years, in an attempt to gauge their levels of optimism or pessimism as the case may be.

- With respect to the current Well-being, in 2013, 87% of customers contacted indicate positive Well-being (up from 60% in 2010); 11% indicate neutrality, while only 2% indicate negative Well-being (down from 6% in 2010).



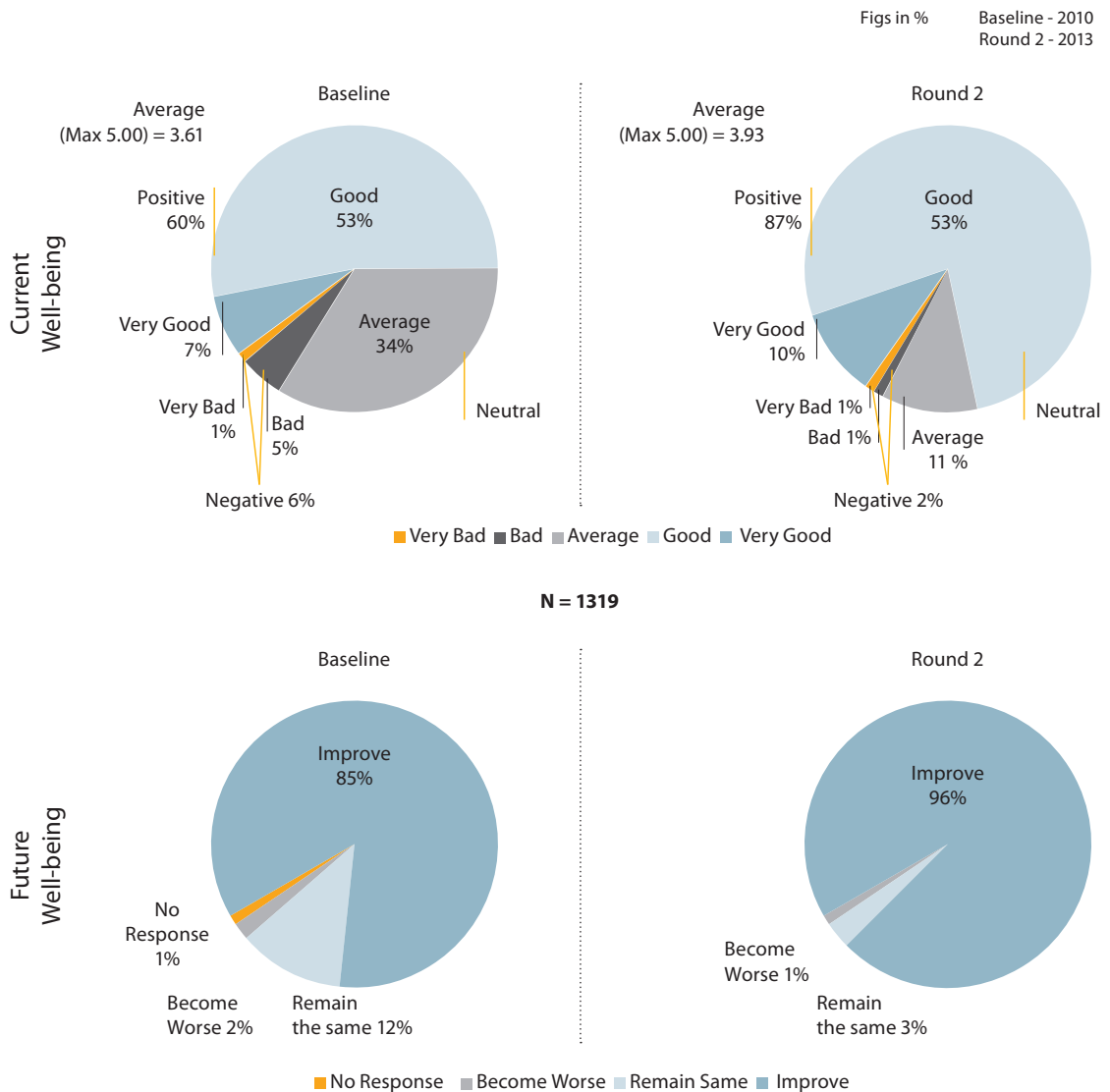
- With respect to the future Well-being, in 2013, 96% of customers contacted expect a brighter & positive future Well-being (up from 85% in 2010); 3% indicate neutrality, while 1% indicate

things will get worse in the next 2 years/negative Well-being.

- Charts 15A to 15C that follow, offer more information and insights across states and various sub-groups.

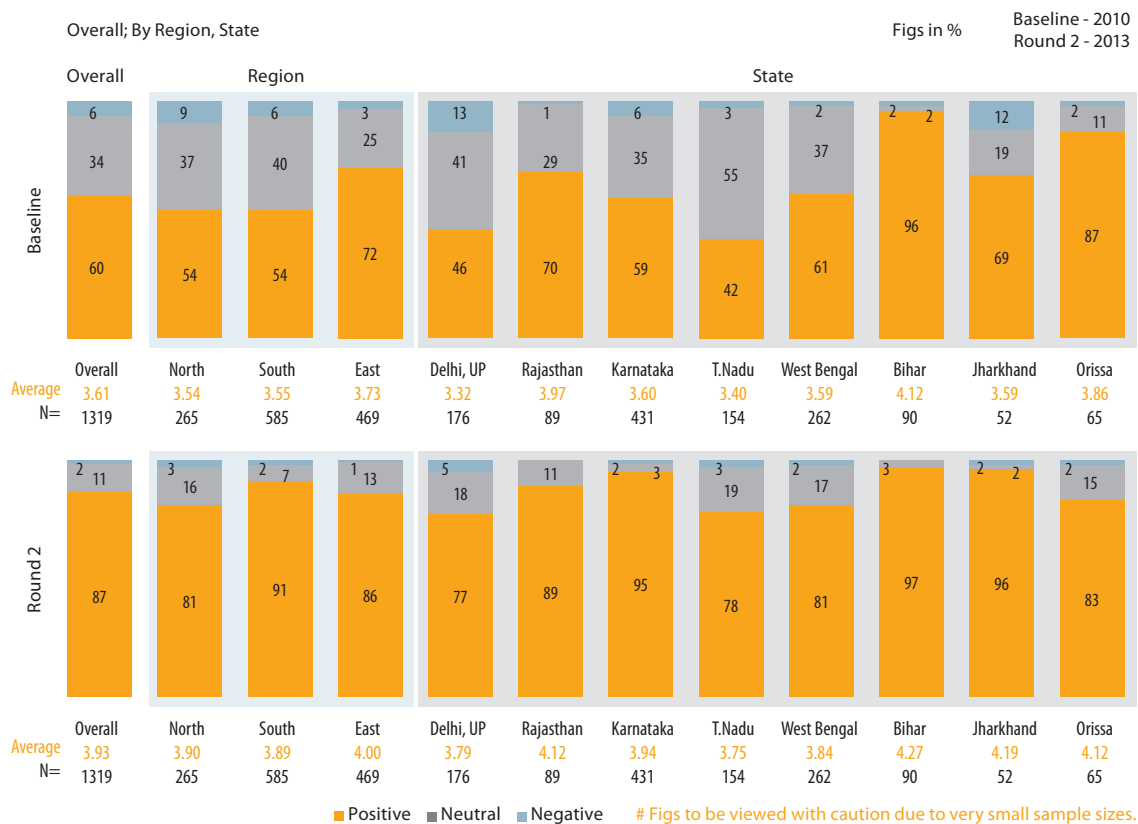
## Current & Likely Future Overall Well-being Rating

Chart 15A



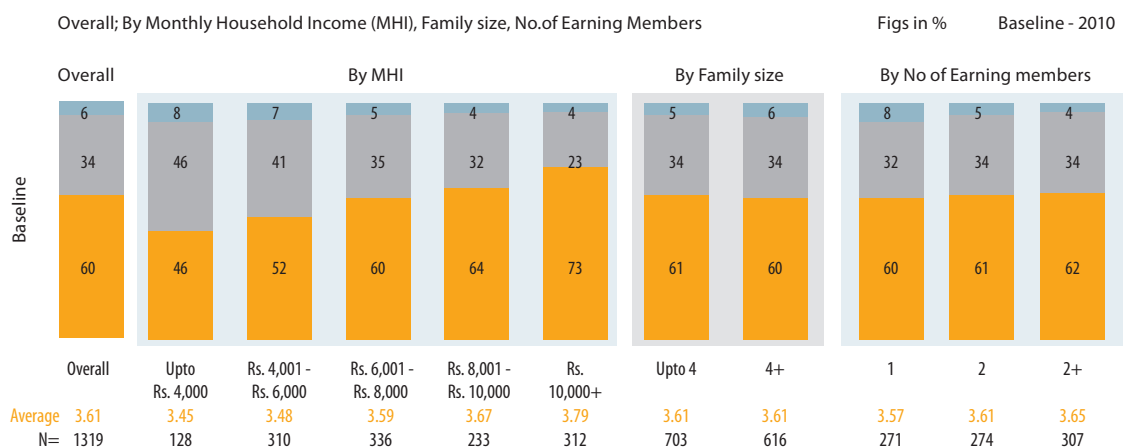
## Current Overall Well-being Rating- Overall, by Region & State

Chart 15B (1)



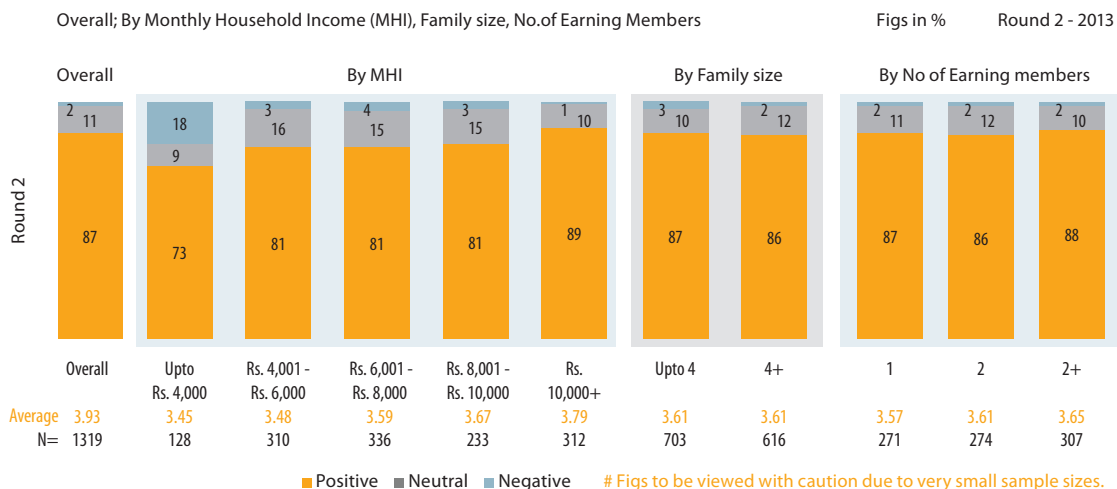
## Current Overall Well-being Rating- Overall, by by MHI, Family Size, No. of Earning Members

Chart 15B (2)



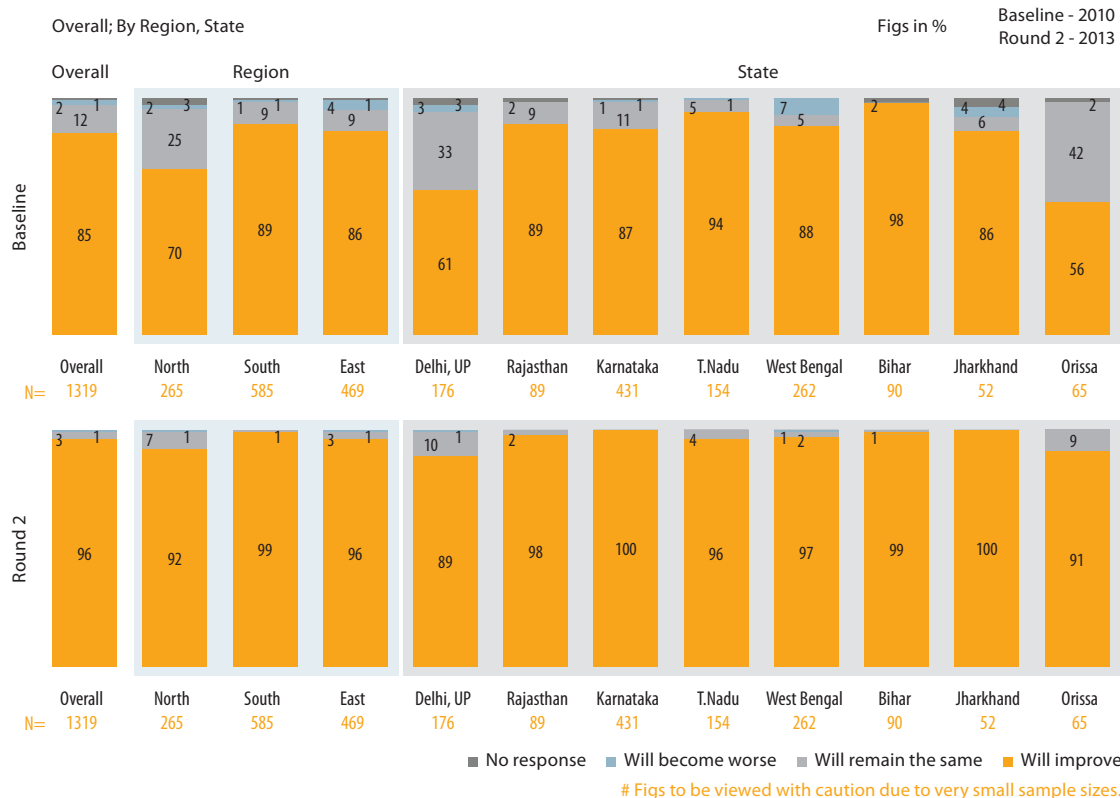
## Current Overall Well-being Rating- Overall, by by MHI, Family Size, No. of Earning Members

Chart 15B (2)



## Future Overall Well-being Rating - Overall, by Region & State

Chart 15C (1)



## Future Overall Wellbeing Rating- by MHI, Family Size, No. of Earning Members

Chart 15C (2)



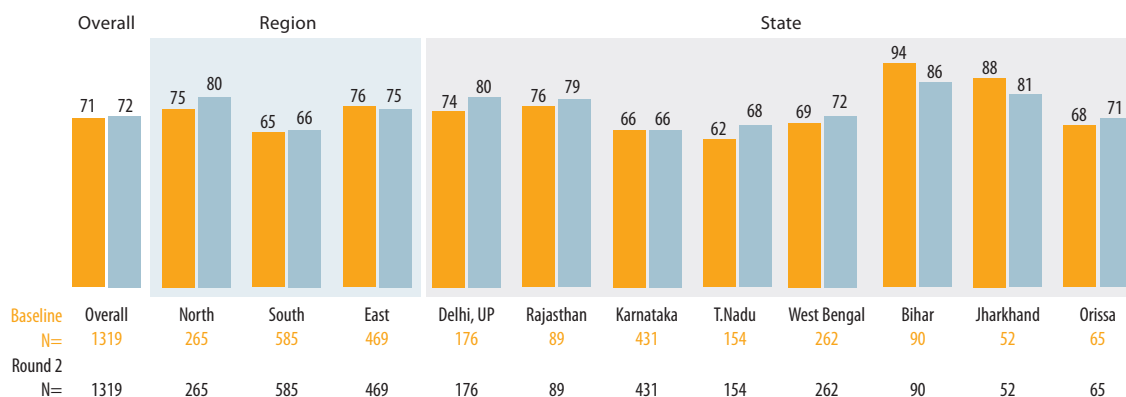
### 3.3 Education of Children of School Going Age

- In 2013, 72% of households (71% in 2010) have one or more children of school going age that attend school.
- Of the total number of such children in these households,
  - 67% come from households with 2 or more children attending school (66% in 2010).
  - 40% of the children attend a private school (28% in 2010).
  - 50% of the children attend private tuition (46% in 2010).

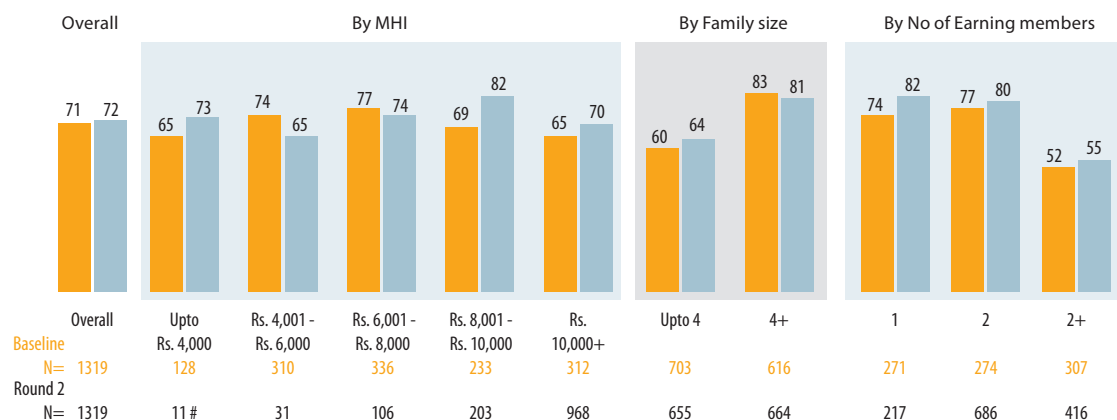
# Proportion of Households whose kids of school going age attend school

Overall; By Region, State

Figs in %

Baseline - 2010  
Round 2 - 2013

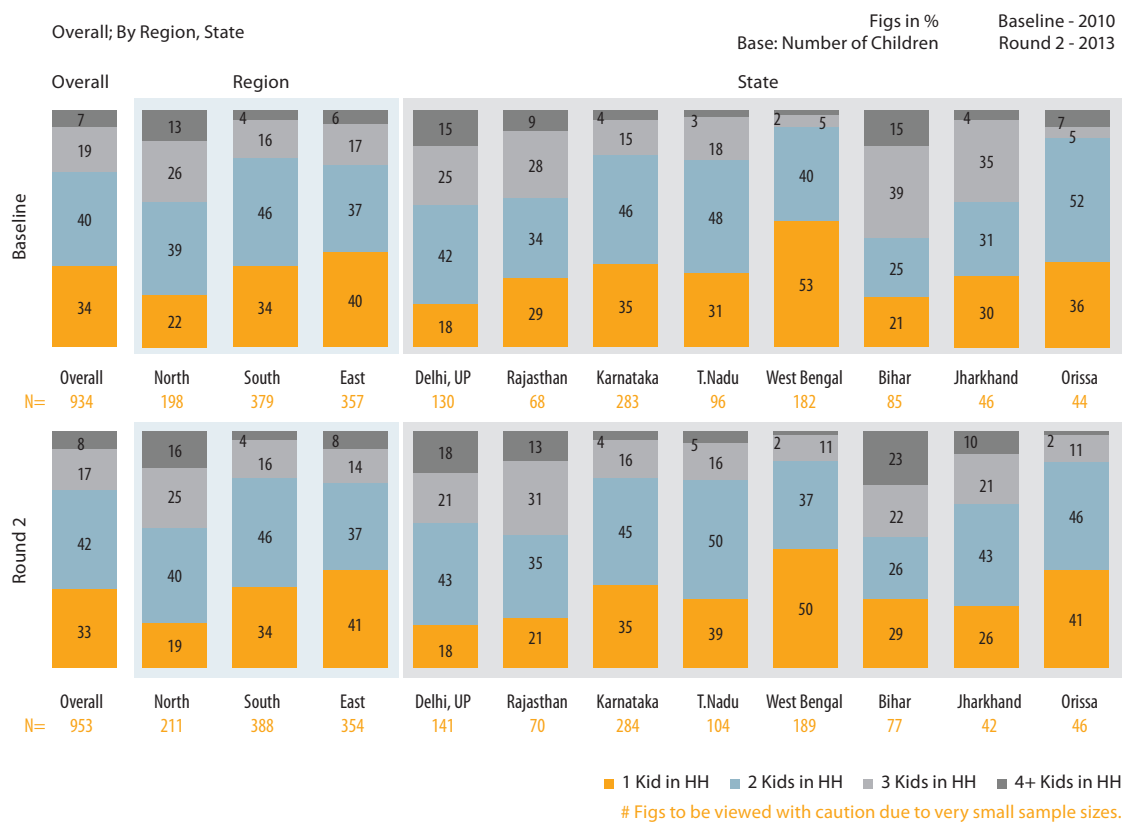
Overall; By Monthly Household Income (MHI), Family size, No. of Earning Members



■ Baseline ■ Round 2 # Figs to be viewed with caution due to very small sample sizes.

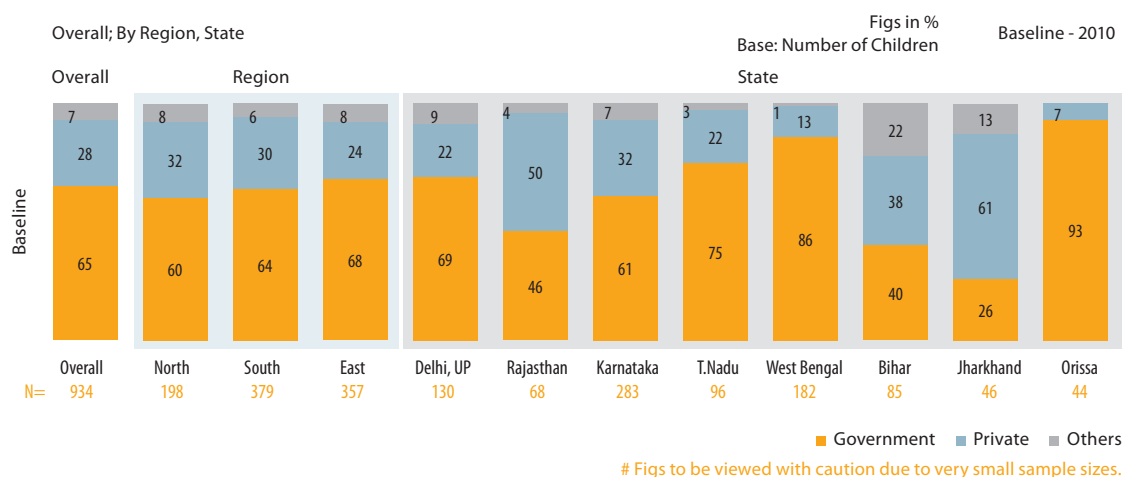
## Number of Kids of School Going Age Going to School - Overall, by Region & State

Chart 16B



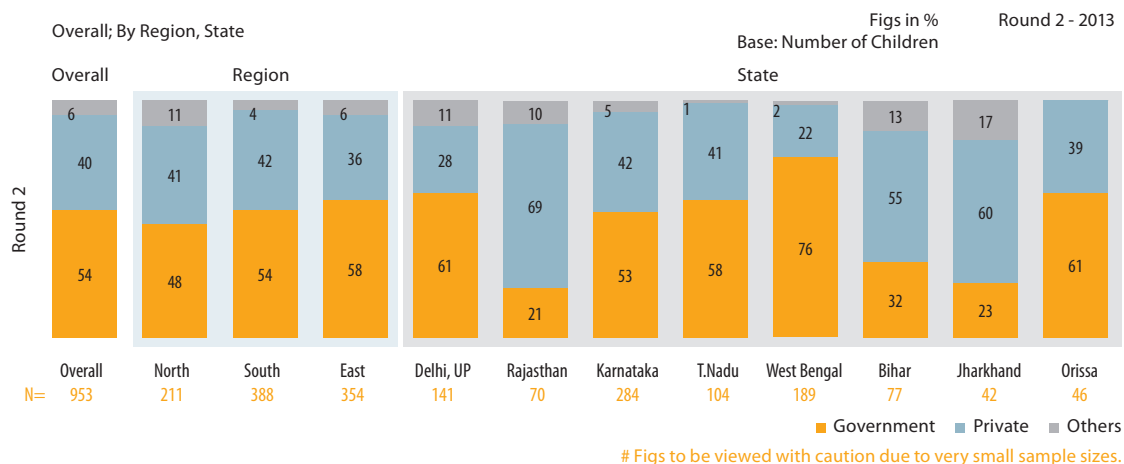
## Type of School attended - Overall, by Region & State

Chart 16C



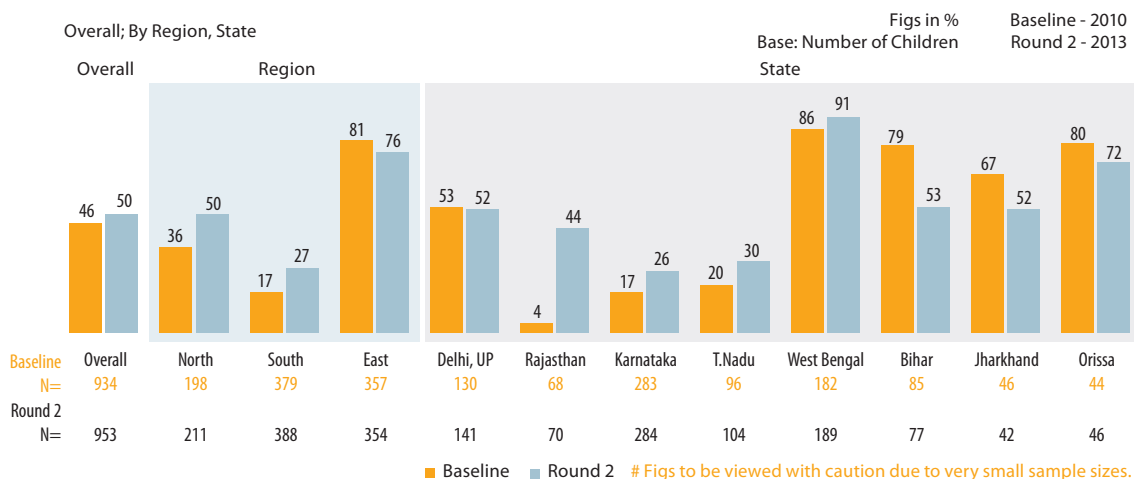
## Type of School attended - Overall, by Region & State

Chart 16C



## Kids attending Private Tuition - Overall, by Region & State

Chart 16D



### 3.4 Access to Banking Services

- In 2013, 63% of customers contacted during this study, have bank accounts, which is very encouraging, as against barely 39% in 2010.
- Of these, 54% have carried out a banking transaction in the last 30 days while 18% have transacted more than 90 days prior.
- Among those who have bank accounts, 36% claim to receive sms-based updates on their mobile phones from the bank, each time they transact against their accounts.

## Access to Banking Services

Table 11

Figs in %  
Baseline - 2010  
Round 2 - 2013

Overall; By Region, State

	Over all	By Regions			By State							
		North	South	East	Delhi, UP	Raja-sthan	Karn-ataka	Tamil Nadu	West Bengal	Bihar	Jhar-khand	Orissa
<b>Baseline N=</b>	<b>1319</b>	<b>265</b>	<b>585</b>	<b>469</b>	<b>176</b>	<b>89</b>	<b>431</b>	<b>154</b>	<b>262</b>	<b>90</b>	<b>52</b>	<b>65</b>
Access to Banking Services	<b>39</b>	42	31	48	40	45	33	25	43	48	56	65
<b>Round 2 N=</b>	<b>1319</b>	<b>265</b>	<b>585</b>	<b>469</b>	<b>176</b>	<b>89</b>	<b>431</b>	<b>154</b>	<b>262</b>	<b>90</b>	<b>52</b>	<b>65</b>
Access to Banking Services	<b>63</b>	64	60	66	65	63	62	53	60	68	83	78

Overall; By Monthly Household Income (MHI), Family Size, No. of Earing Members

	Over all	By MHI					By Family Size		By No. of EMs		
		Upto Rs. 4,000	Rs. 4,001 - Rs. 6,000	Rs. 6,001 - Rs. 8,000	Rs. 8,001 - Rs. 10,000	Rs. 10,000 +	Upto 4	4+	1	2	2+
<b>Baseline N=</b>	<b>1319</b>	<b>128</b>	<b>310</b>	<b>336</b>	<b>233</b>	<b>312</b>	<b>703</b>	<b>616</b>	<b>271</b>	<b>741</b>	<b>307</b>
Bank Account	<b>39</b>	27	39	36	40	47	42	37	45	37	40
<b>Round 2 N=</b>	<b>1319</b>	<b>11 #</b>	<b>31</b>	<b>106</b>	<b>203</b>	<b>968</b>	<b>655</b>	<b>664</b>	<b>217</b>	<b>686</b>	<b>416</b>
Bank Account	<b>63</b>	82	61	58	60	64	64	62	69	63	60

Overall; By PPI, Well-being

	Over all	By PPI			By Well-being		
		Upto 49	50-60	60+	Positive	Neutral	Negative
<b>Baseline N=</b>	<b>1319</b>	<b>458</b>	<b>242</b>	<b>619</b>	<b>800</b>	<b>448</b>	<b>71</b>
Bank Account	<b>39</b>	25	32	52	3	34	27
<b>Round 2 N=</b>	<b>1319</b>	<b>134</b>	<b>177</b>	<b>1008</b>	<b>1147</b>	<b>144</b>	<b>28#</b>
Bank Account	<b>63</b>	48	46	68	63	62	57

# Figs to be viewed with caution due to very small sample sizes.



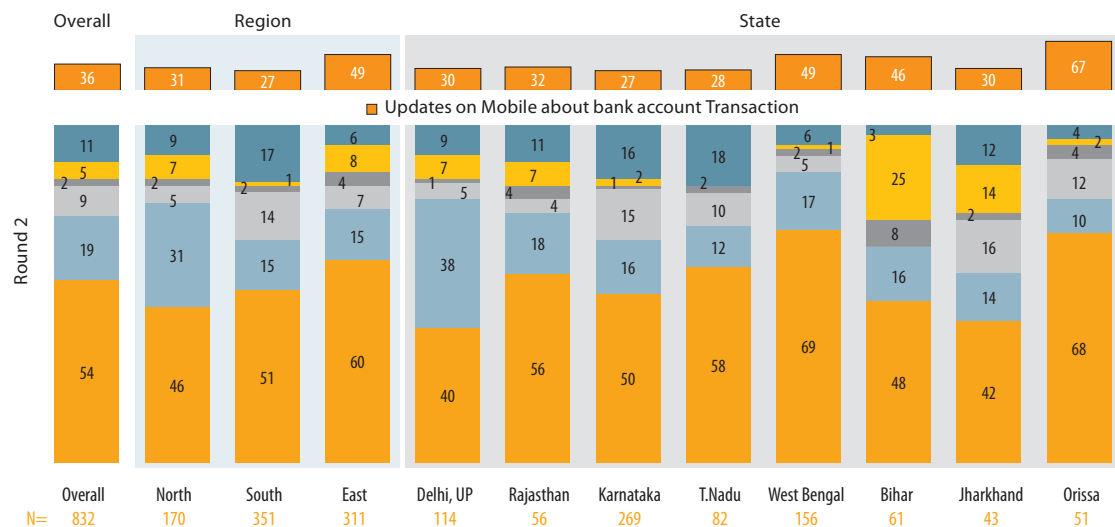
## Last banking transaction & receipt of transaction updates on Mobile Phone

Chart 17

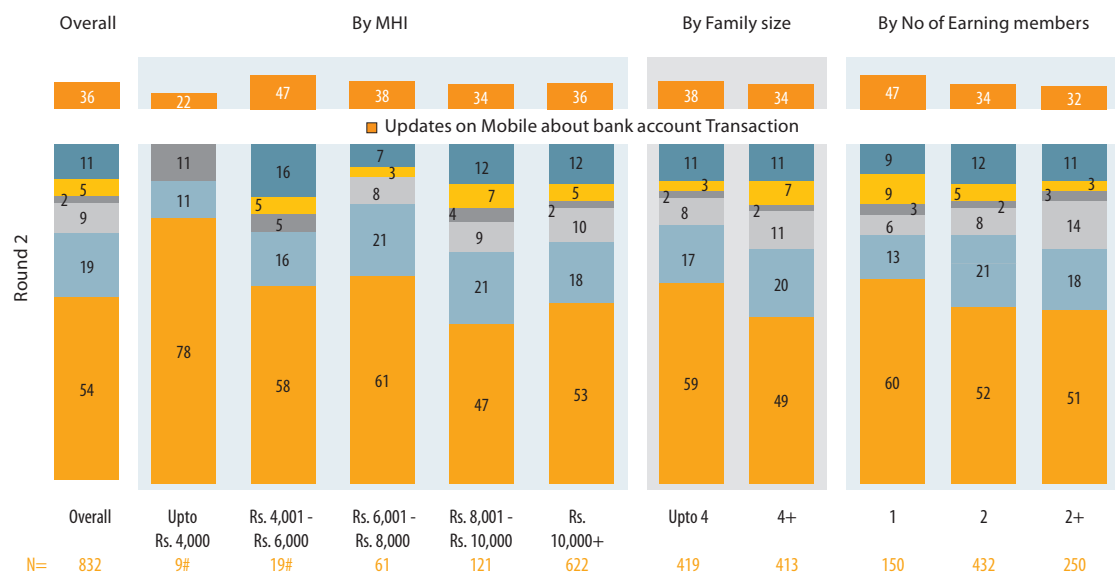
Overall; By Region, State

Figs in %

Baseline - 2010  
Round 2 - 2013



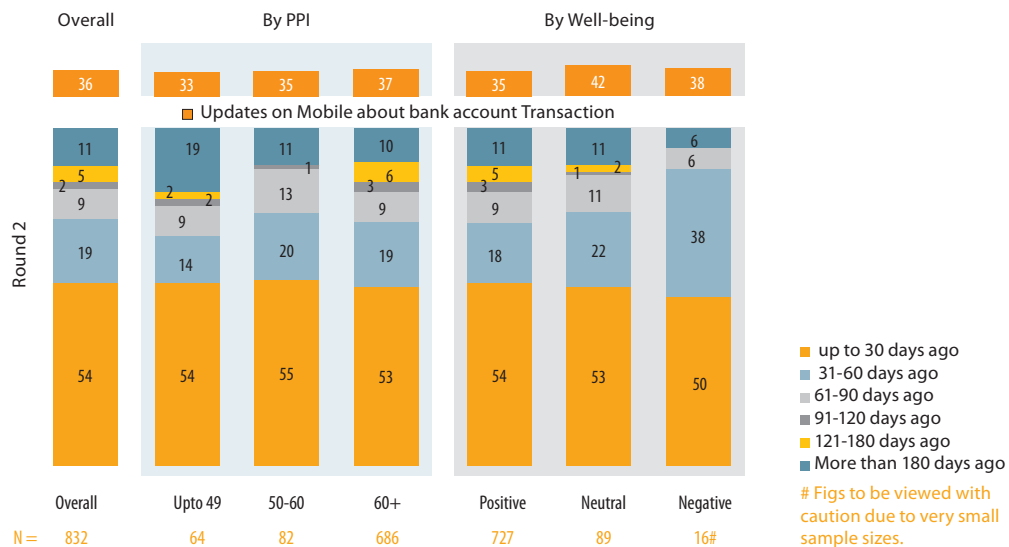
Overall; By Monthly Household Income (MHI), Family size, No. of Earning Members



■ up to 30 days ago ■ 31-60 days ago ■ 61-90 days ago ■ 91-120 days ago ■ 121-180 days ago ■ More than 180 days ago

# Figs to be viewed with caution due to very small sample sizes.

Overall; By PPI, Well-being

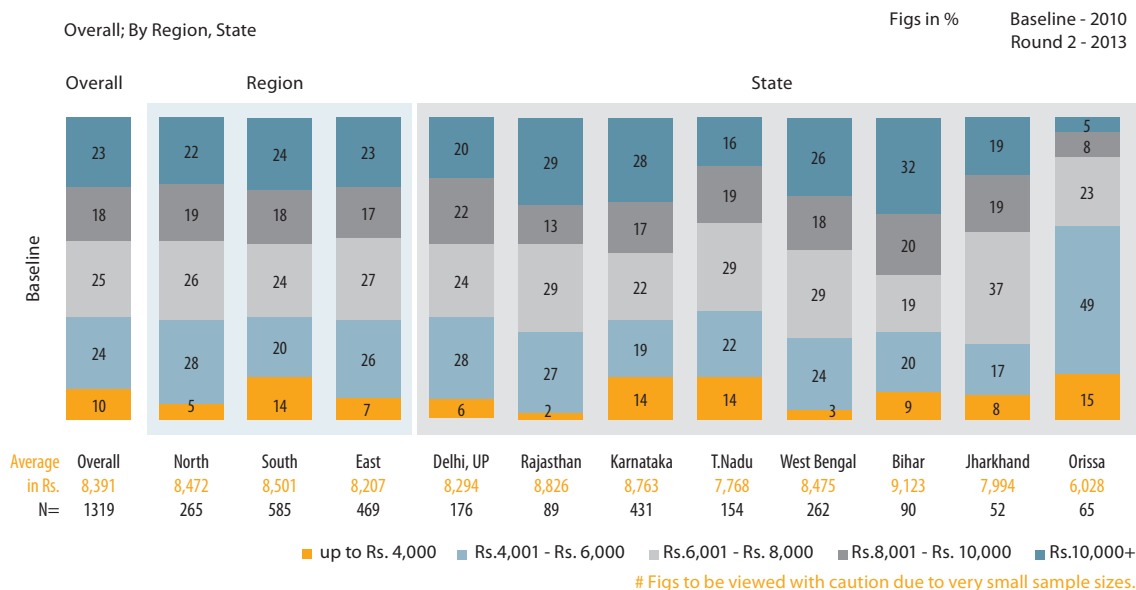


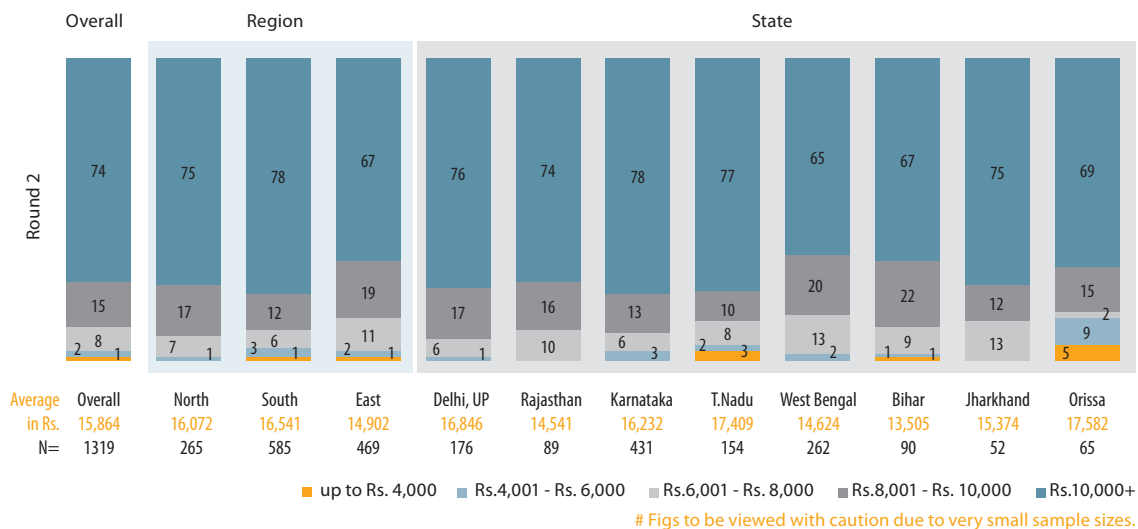
### 3.5 Monthly Household Income (MHI)

- In 2013, 74% of customers contacted during the survey have a Monthly Household Income (MHI) of more than Rs. 10,000 as against just 23% in 2010.
- Undoubtedly, a combination of factors may have contributed to this phenomenon such as increase in incomes of the respondents and other earning members of the household, inflation, significant rise in wages over the last 3 years, the likely impact of the MNREGA scheme, additional earning members in the household, the main earner of the household shifting to a more remunerative occupation, besides a host of other factors.
- In absolute terms, the average household income in 2013 is Rs. 15,864 from Rs. 8,391 in 2010, representing an increase of 51%, after adjusting for inflation.
- In 2013, the MHI has increased among 88%, declined among 11% and remained the same among 1% of households contacted during the study.

#### Monthly Household Income (MHI) - Overall, by Region & State

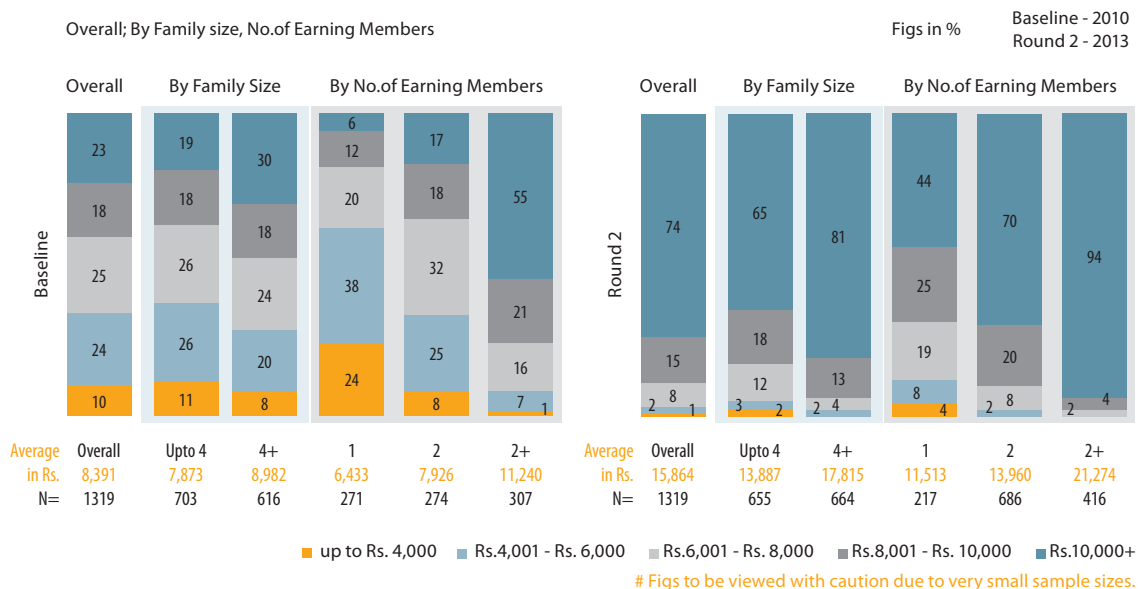
Chart 18A





## Monthly Household Income (MHI) - by Family Size, No. of Earning Members

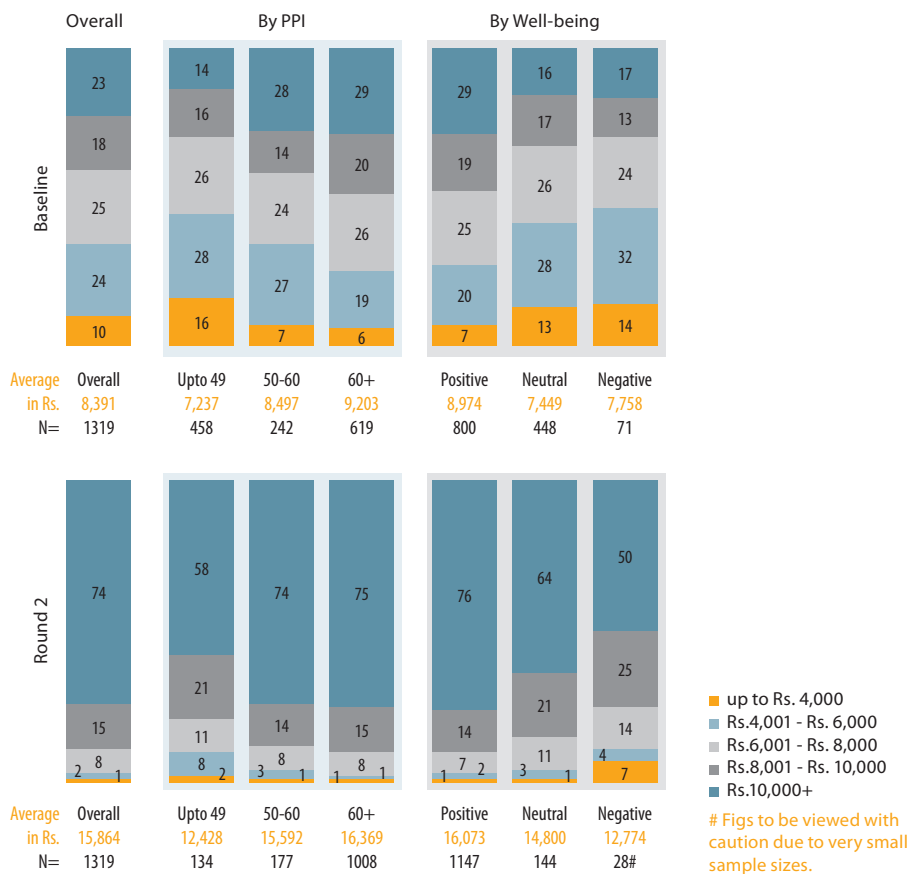
Chart 18B



## Monthly Household Income (MHI) - by PPI &amp; Current Well-being Rating

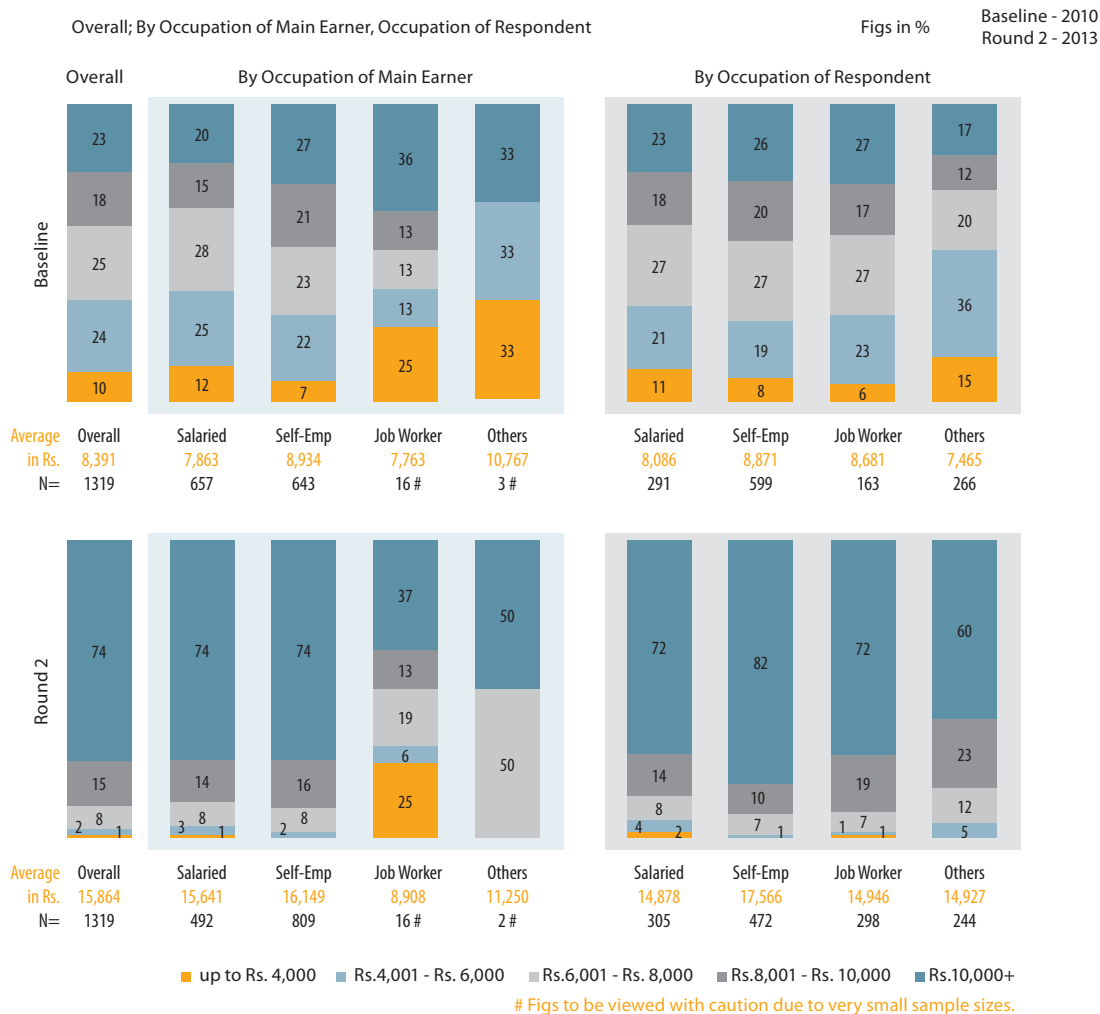
Overall; By PPI, Well-being

Figs in %

Baseline - 2010  
Round 2 - 2013

## Monthly Household Income (MHI) - by Occupation of Main Earner and Occupation of Respondent

Chart 18D



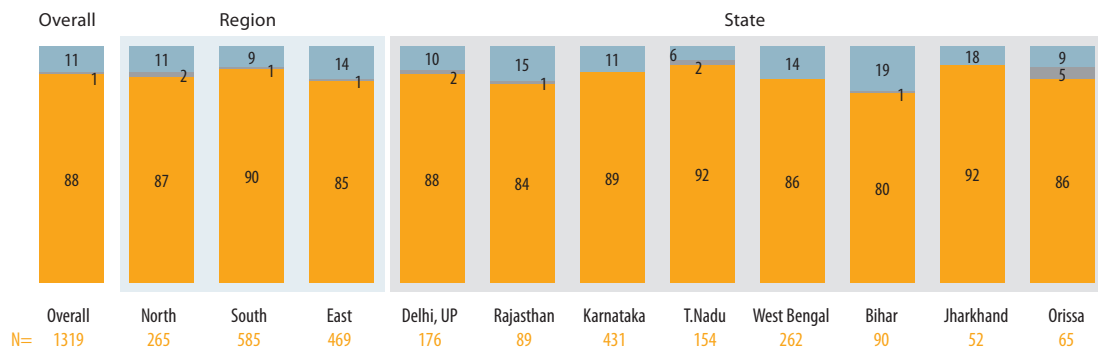
## Proportion of respondents whose Monthly Household Income (MHI) has increased, remained same, decreased

Chart 19

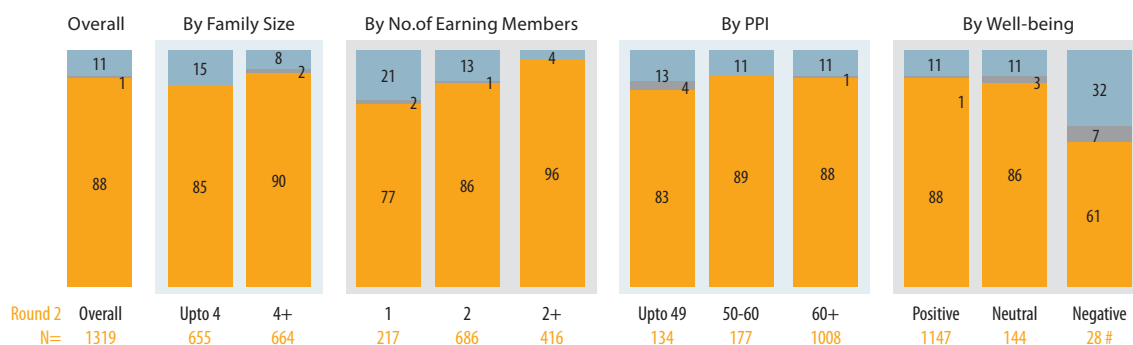
Figs in %

Baseline - 2010  
Round 2 - 2013

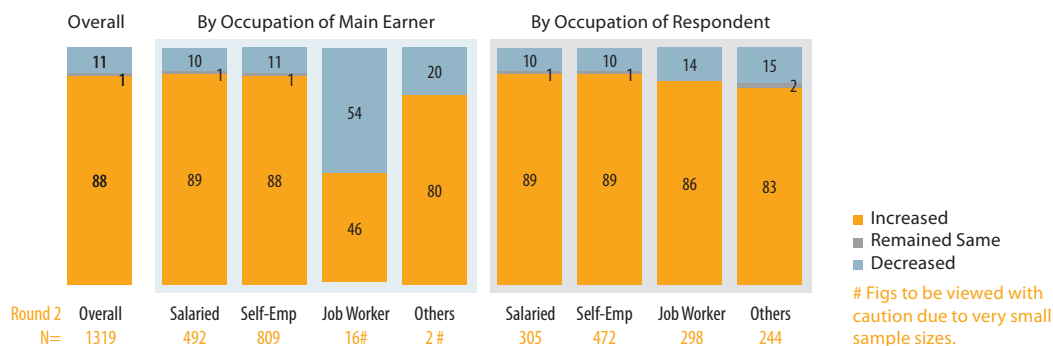
Overall; By Region, State



Overall; By Family size, No. of Earning Members, PPI, Well-being



Overall; By Occupation of Main Earner, Occupation of Respondent



### 3.6 Monthly Household Expenses (MHE)

- In 2013, the average Monthly Household Expenses (MHE) is Rs. 12,495 as against Rs. 8,704 in 2010, an increase of 15% after adjusting for inflation.
- The Monthly Household Expenses (MHE) have increased among 81% of households and decreased among 19% of households, over 2010.
- Comparison of the data in 2013 and 2010 relating to composition of MHE reflects a fair degree of consistency in the data, (Refer Table 12).

Table 12

Composition of Monthly Household Expenses (MHE) by Value		
Head of Expense	% in 2013	% in 2010
Rent	2.4	2.3
Electricity	4.1	3.8
Water	0.5	0.5
Cooking Fuel	4.5	4.5
<b>Sub-Total</b>	<b>11.5</b>	<b>11.1</b>
Food, Provisions	42.2	43.0
School Fees, Books etc.	6.5	6.5
Conveyance	2.4	3.4
Health-Care	4.0	4.3
<b>Sub-Total</b>	<b>55.1</b>	<b>57.2</b>
Loan Repayments	11.5	13.3
Savings	17.9	13.3
<b>Sub-Total</b>	<b>29.4</b>	<b>26.6</b>
Others, Miscellaneous Expenses	4.0	5.1
<b>Grand Total</b>	<b>100</b>	<b>100</b>



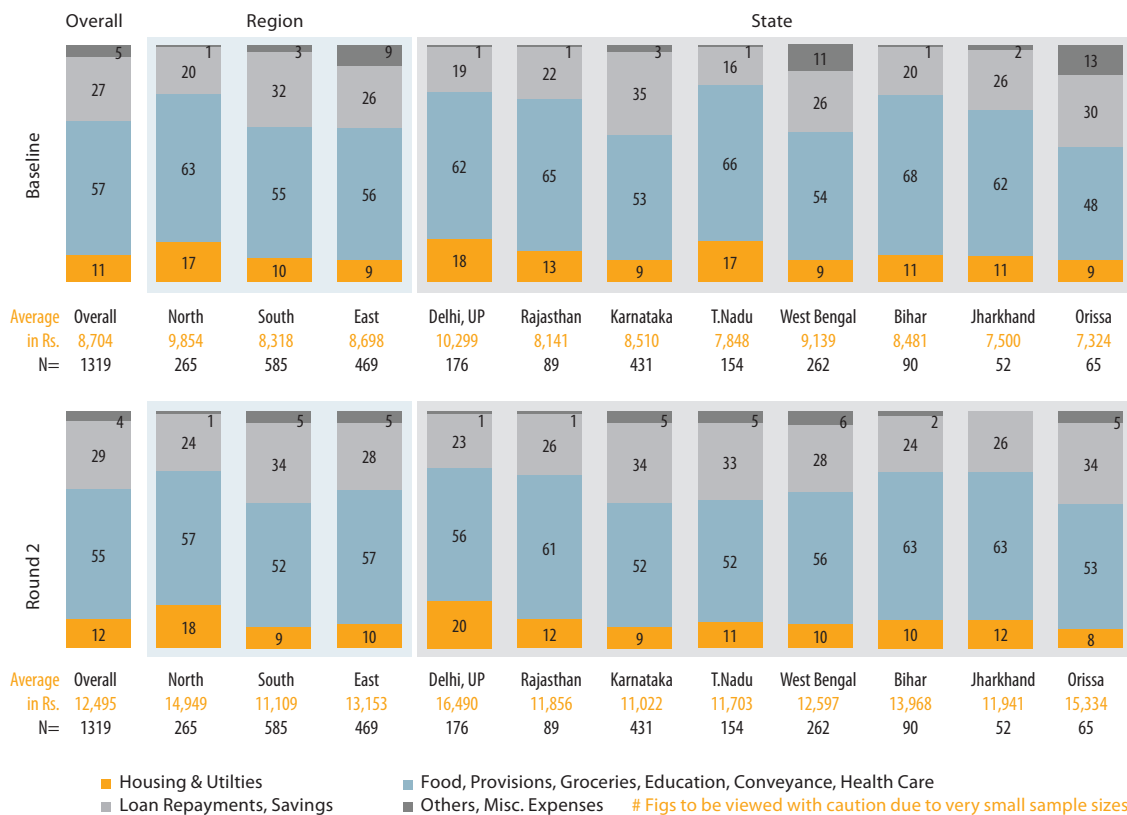
## Monthly Household Expenses (MHE) - Overall, by Region & State

Chart 20A

Overall; By Region, State

Figs in %

Baseline - 2010  
Round 2 - 2013



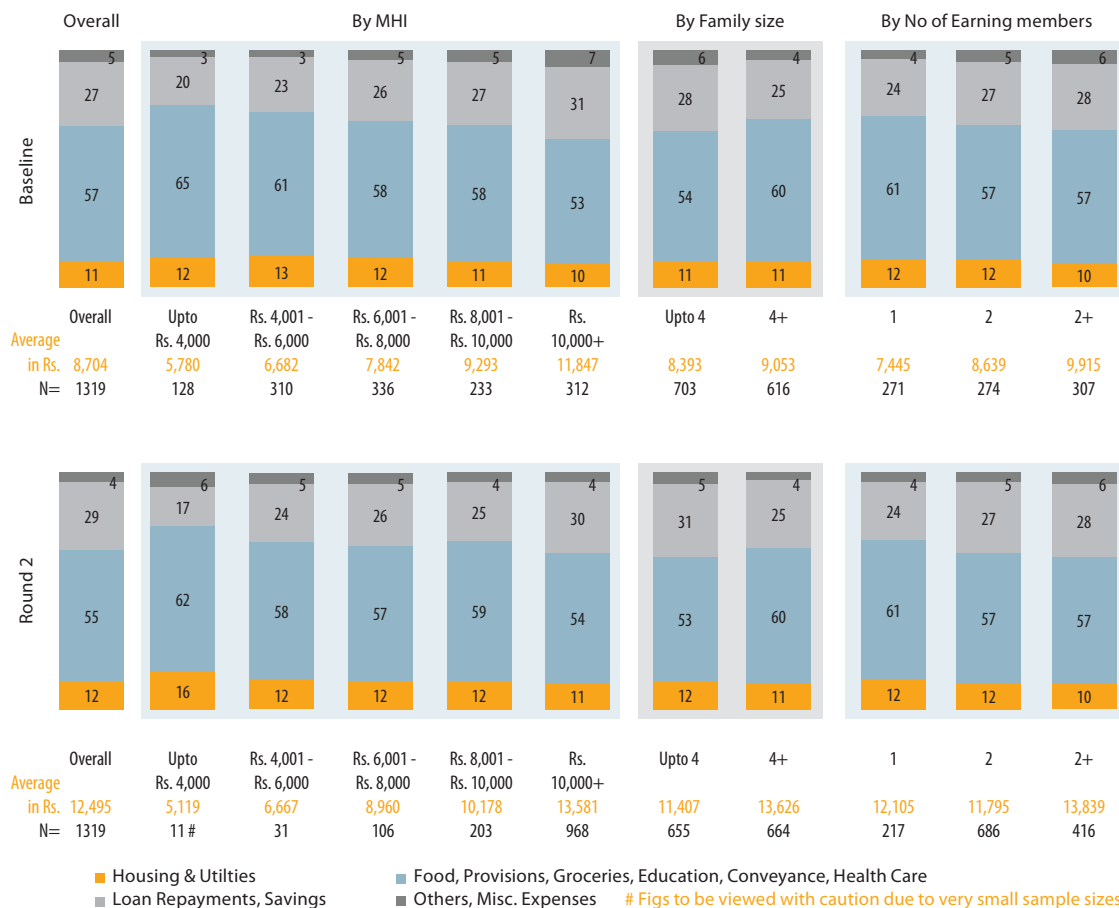
## Monthly Household Expenses (MHE) - by MHI, Family Size, No. of EM's

Chart 20B

Overall; By Monthly Household Income (MHI), Family size, No. of Earning Members

Figs in %

Baseline - 2010  
Round 2 - 2013



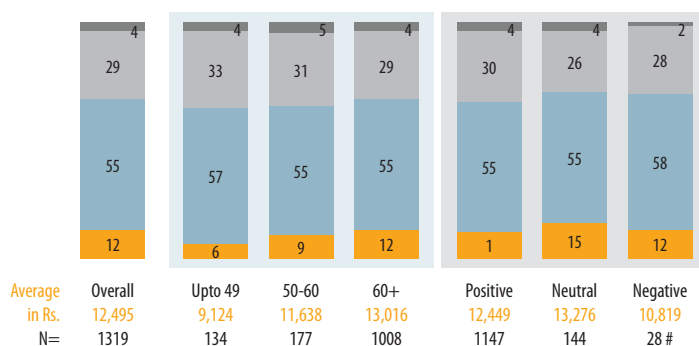
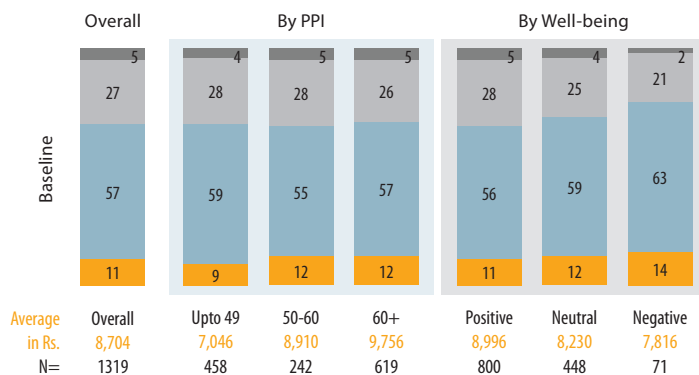
## Monthly Household Expenses (MHE) - by PPI & Current Well-being Rating

Chart 20C

Overall; By PPI, Well-being

Figs in %

Baseline - 2010  
Round 2 - 2013



■ Housing & Utilities  
■ Loan Repayments, Savings

■ Food, Provisions, Groceries, Education, Conveyance, Health Care

■ Others, Misc. Expenses

# Figs to be viewed with caution due to very small sample sizes.

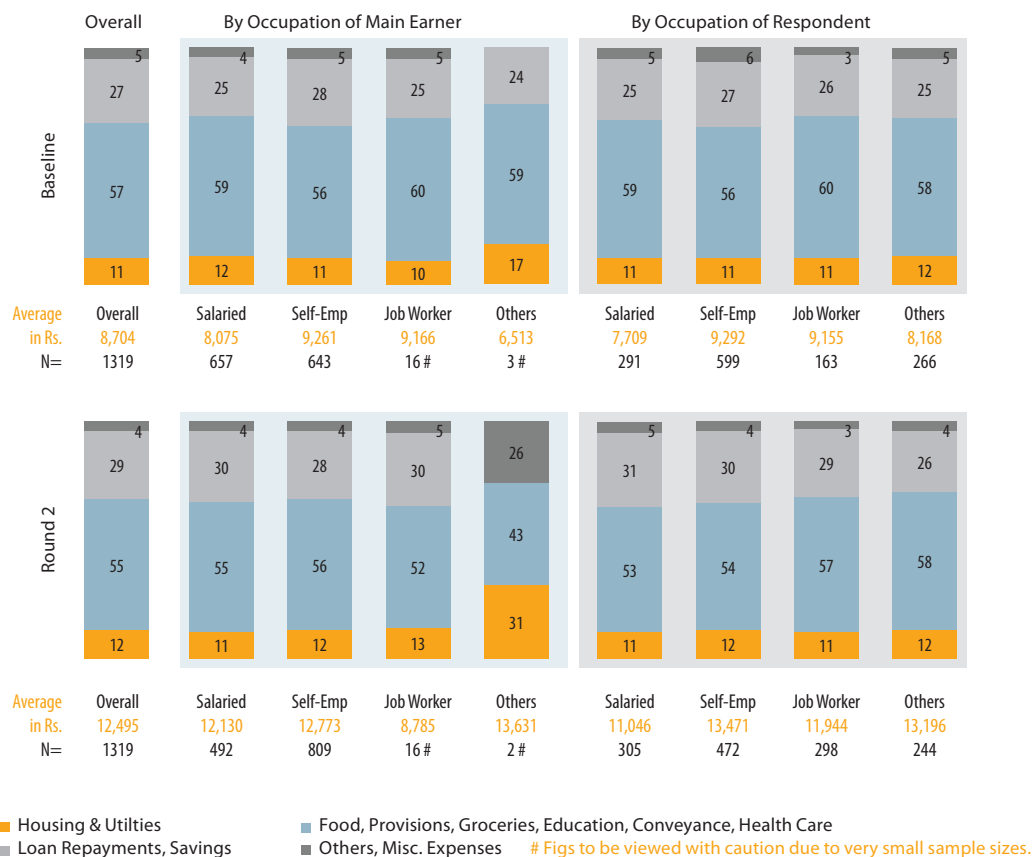
## Monthly Household Expenses (MHE) - by Occupation of Main Earner, Respondent

Chart 20D

Overall; By Occupation of Main Earner, Occupation of Respondent

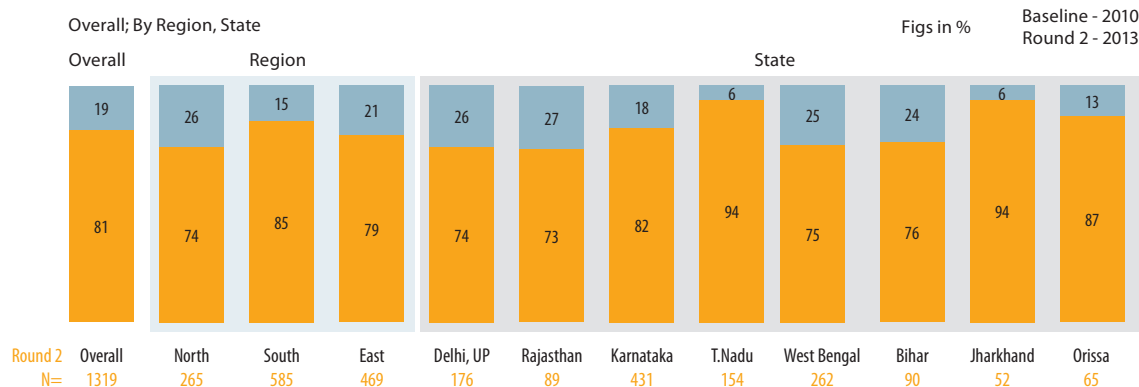
Figs in %

Baseline - 2010  
Round 2 - 2013

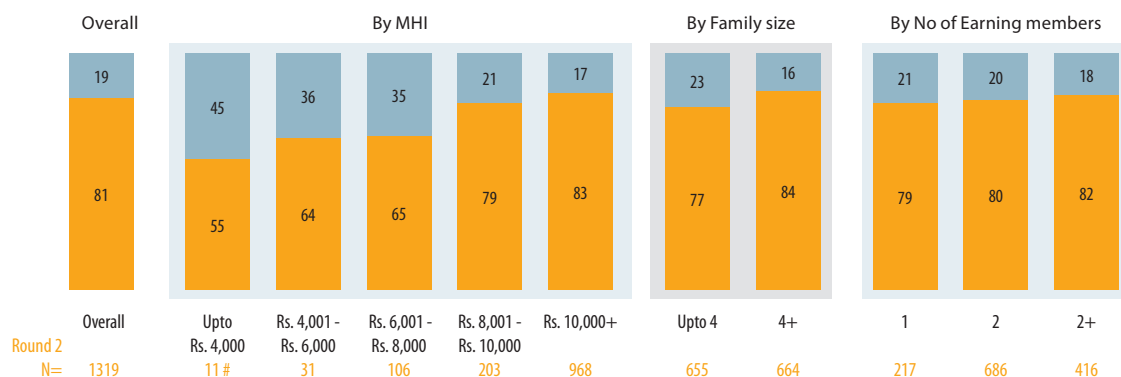


## Proportion of respondents whose Monthly Household Expenses has increased, remained same, decreased

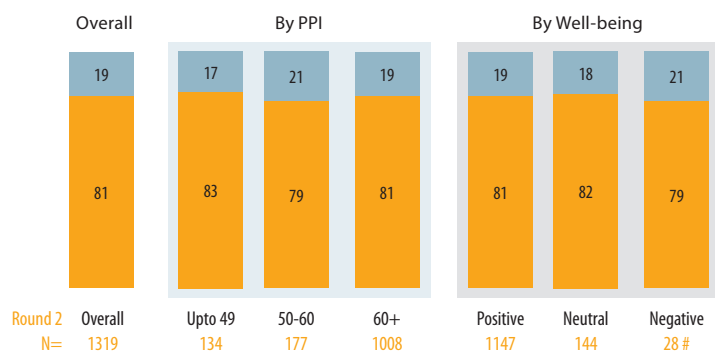
Chart 21



### Overall; By Monthly Household Income (MHI), Family Size, No. of Earning Members



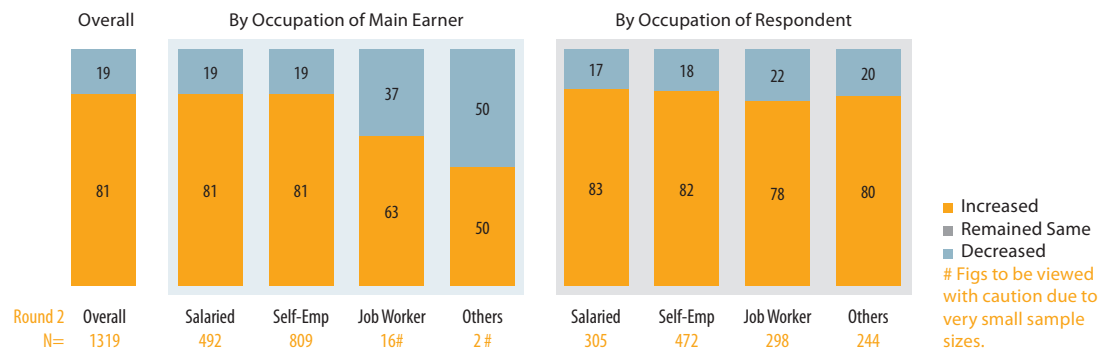
### Overall; By PPI, Well-being



■ Increased ■ Remained Same ■ Decreased

# Figs to be viewed with caution due to very small sample sizes.

Overall; By Occupation of Main Earner, Occupation of Respondent



Respondents Contributions to Monthly Household income (MHI) & Monthly Household Expenses (MHE) - Overall, by Region, State

Table 13

Overall; By Region, State												
Figs in %												
Baseline - 2010												
Round 2 - 2013												
	Over all	By Regions			By State							
		North	South	East	Delhi, UP	Raja-sthan	Karn-ataka	Tamil Nadu	West Bengal	Bihar	Jhar-khand	Orissa
Baseline N=	1319	265	585	469	176	89	431	154	262	90	52	65
Respondent's Income as % of Monthly House hold Income (MHI)	28	27	27	30	29	26	26	31	30	30	23	30
Respondent's Income as % of Monthly House hold Expense (MHE)	27	24	28	28	23	28	27	31	27	32	24	25
Round 2 N=	1319	265	585	469	176	89	431	154	262	90	52	65
Respondent's Income as % of Monthly House hold Income (MHI)	27	24	29	26	25	24	29	28	25	37	24	21
Respondent's Income as % of Monthly House hold Expense (MHE)	35	26	43	30	26	29	43	41	29	35	31	24

### 3.7 Notional Monthly Household Surplus/Deficit

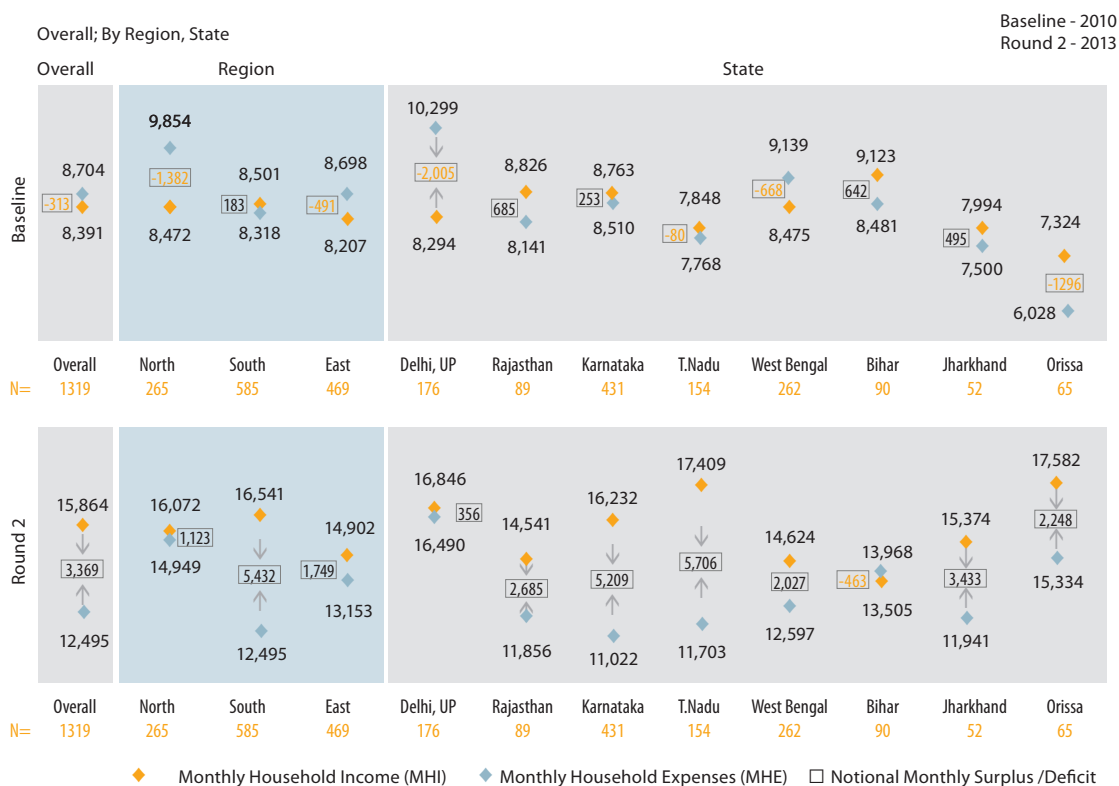
- The notional average monthly household surplus is Rs. 3,369 in 2013 as against a notional average monthly deficit of Rs. 313 in 2010.
- Most households with a monthly household income of below Rs. 10,000 have a monthly deficit and find it very difficult to generate a surplus. However, in such households, the

extent of the monthly deficit seems to on the decline, going by comparison of such data between 2013 and 2010.

- All sub-groups seem to be relatively better off financially than they were in 2010 and those with shortfalls have been able to reduce their monthly deficits.

#### Notional Monthly Household Surplus/Deficit (in Rs.) - Overall, by Region & State

Chart 22A



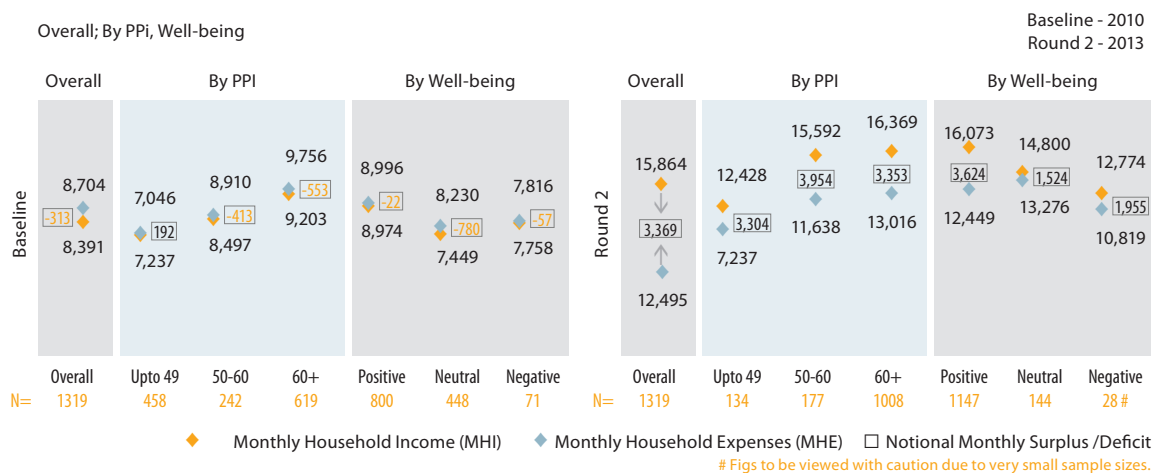
## Notional Monthly Household Surplus/Deficit (in Rs.) - by MHI, Family Size, No. of EM's

Chart 22B



## Notional Monthly Household Surplus/Deficit (in Rs.) - by PPI & Current Well-being Rating

Chart 22C





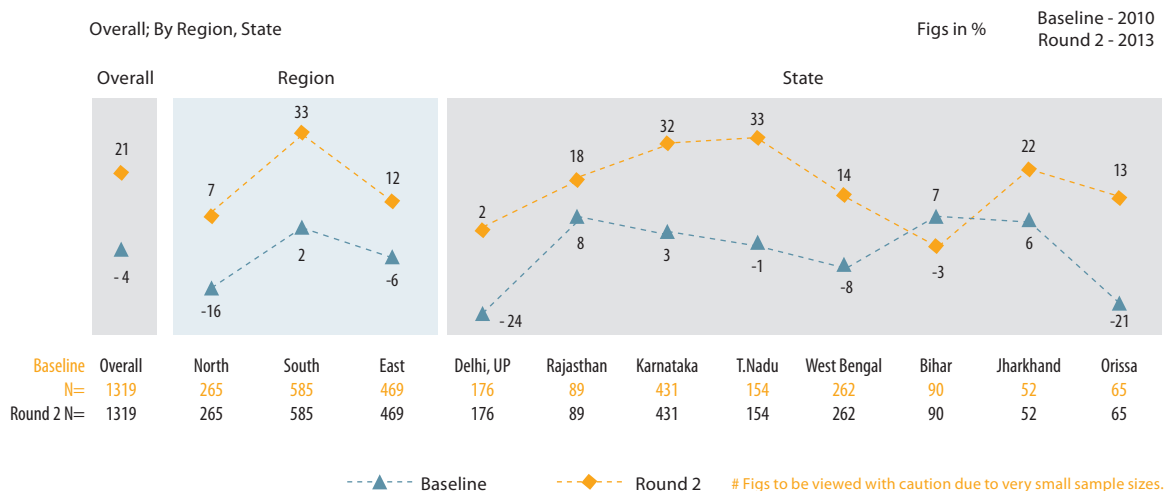
## Notional Monthly Household Surplus/Deficit (in Rs.) - by Occupation of Main Earner, Respondent

Chart 22D



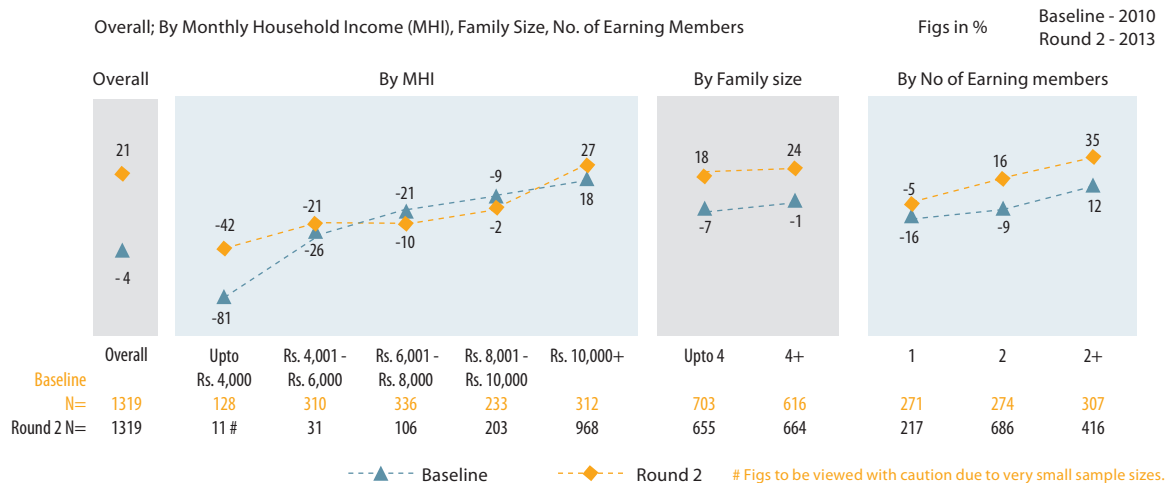
## Notional Monthly Household Surplus/Deficit as a % of Monthly Household Income (MHI) - Overall, by Region & State

Chart 23A



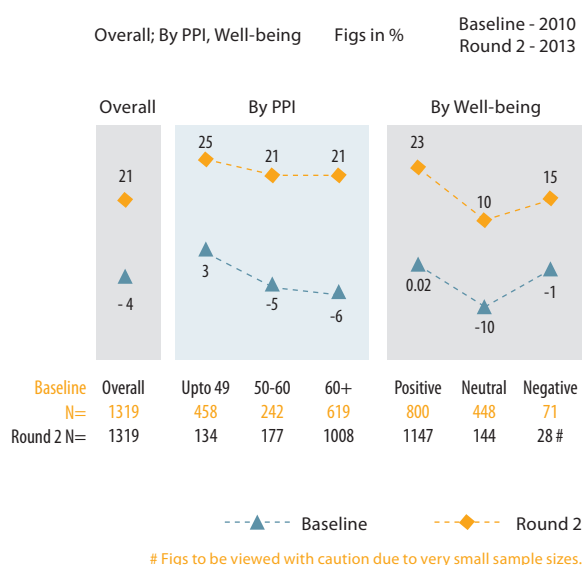
## Notional Monthly Household Surplus/Deficit as a % of Monthly Household Income (MHI) - by MHI, Family Size, No. of EM's

Chart 23B



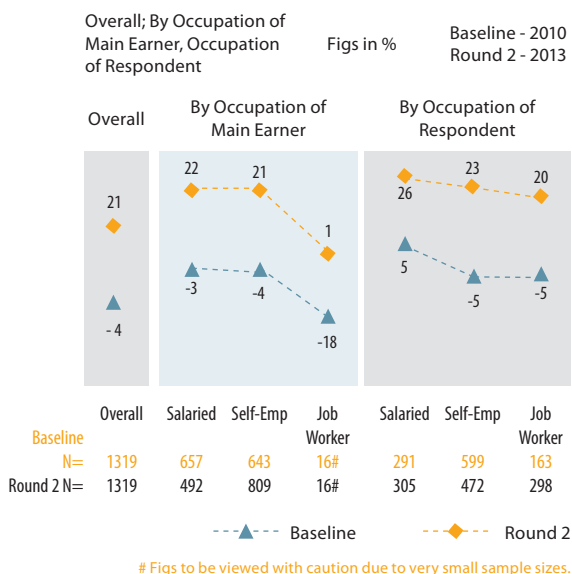
## Notional Monthly Household Surplus/Deficit as a % of Monthly Household Income (MHI) - by PPI & Current Well-being Rating

Chart 23C



## Notional Monthly Household Surplus/Deficit as a % of Monthly Household Income (MHI) - by Occupation of Main Earner, Respondent

Chart 23D



### 3.8 Savings

- In 2013, 81% of customers contacted during the survey indicate their households are able to save some money from time to time, up from 63% in 2010. This proportion has increased over that of 2010 in all the regions and states.
- Of these households, 64% are able to save some amount every month
- The average amount saved per year is about Rs. 1,469 (Rs. 1,169 in 2010).

#### Reported Savings - Overall, by Region & State

Table 14

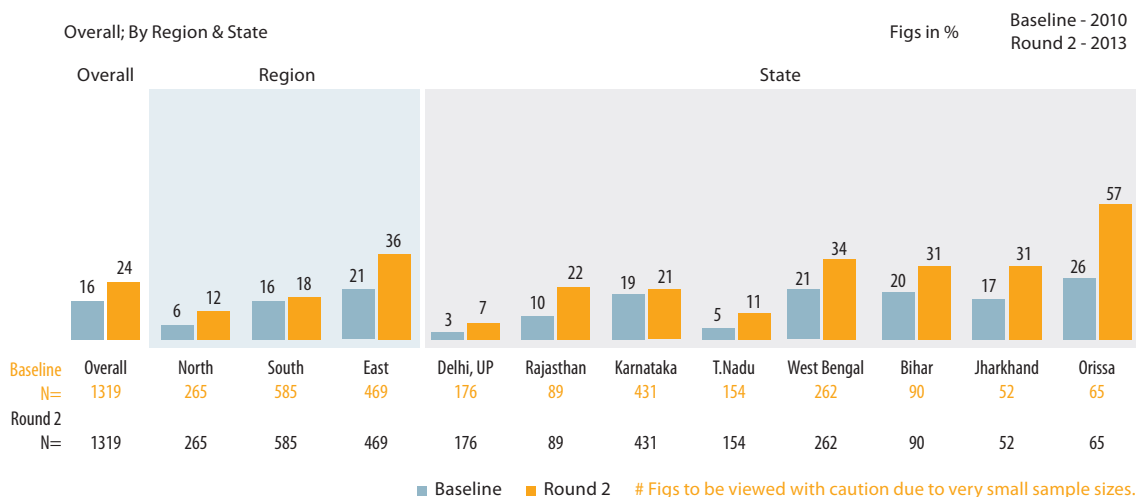
Overall; By Region, State												
Figs in %												
Baseline - 2010												
Round 2 - 2013												
	Overall	By Regions			By State							
		North	South	East	Delhi, UP	Rajasthan	Karnataka	Tamil Nadu	West Bengal	Bihar	Jharkhand	Orissa
<b>Baseline N=</b>	<b>1319</b>	<b>265</b>	<b>585</b>	<b>469</b>	<b>176</b>	<b>89</b>	<b>431</b>	<b>154</b>	<b>262</b>	<b>90</b>	<b>52</b>	<b>65</b>
Do you save some money from time to time?	<b>63</b>	44	65	71	46	39	83	14	79	58	62	66
<b>Baseline N=</b>	<b>829</b>	<b>116</b>	<b>380</b>	<b>333</b>	<b>81</b>	<b>35</b>	<b>359</b>	<b>21 #</b>	<b>206</b>	<b>52</b>	<b>32</b>	<b>43</b>
Whether able to save every month	<b>78</b>	85	82	72	80	97	83	67	73	79	72	58
Average Savings per year in Rs	<b>1,169</b>	821	1,517	894	786	904	1,546	1,026	995	864	1,017	353
<b>Round 2 N=</b>	<b>1319</b>	<b>265</b>	<b>585</b>	<b>469</b>	<b>176</b>	<b>89</b>	<b>431</b>	<b>154</b>	<b>262</b>	<b>90</b>	<b>52</b>	<b>65</b>
Do you save some money from time to time?	<b>81</b>	73	84	82	62	96	92	61	82	97	79	68
<b>Round 2 N=</b>	<b>1072</b>	<b>194</b>	<b>492</b>	<b>386</b>	<b>109</b>	<b>85</b>	<b>398</b>	<b>94</b>	<b>214</b>	<b>87</b>	<b>41</b>	<b>44</b>
Whether able to save every month	<b>64</b>	70	50	80	56	87	52	41	76	92	95	61
Average Savings per year in Rs	<b>1,469</b>	1,851	1,190	1,633	2,179	1,431	1,196	1,164	1,421	1,378	1,987	2,834

### 3.9 Insurance - Life & Health

- In 2013, 24% of customers contacted during the survey, claim to have a Life Insurance policy against 16% in 2010.
- Barely 3% claim to have a Health Insurance policy, an identical proportion to that obtained in the 2010 survey.

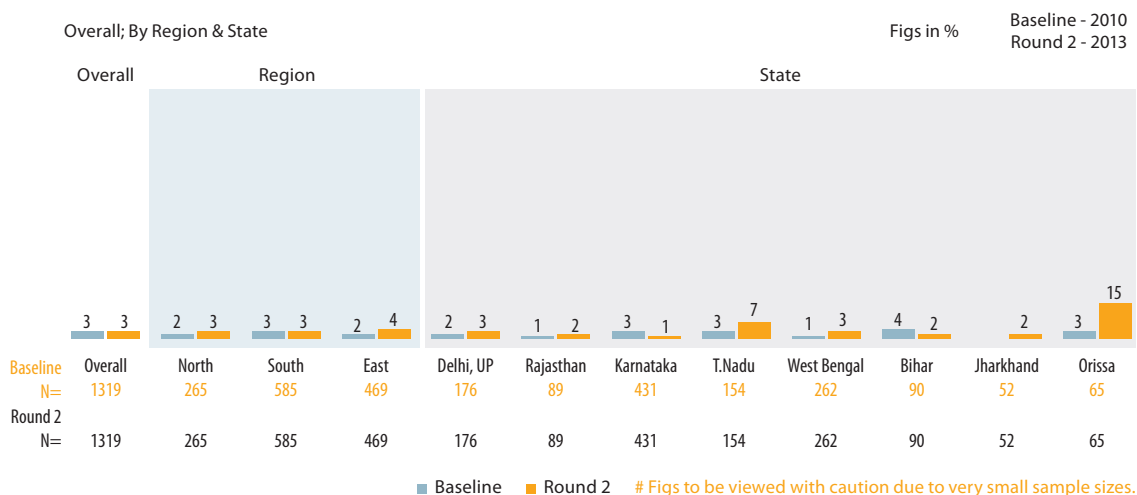
Life Insurance Policy - Overall, by Region & State

Chart 24A



Health Insurance Policy - Overall, by Region & State

Chart 24B



### 3.10 Other Loans Taken & Preferred Sources for Next Loan

- In 2013, 29% of customers contacted during the study, as against 20% in 2010, claim to have taken one or more loans that are being serviced by them at present, from sources other than Ujjivan.

#### Loans from sources other than Ujjivan - Overall by Region & State

Table 15A

Overall; By Region, State												
Figs in %												
Baseline - 2010												
Round 2 - 2013												
	Overall	By Regions			By State							
		North	South	East	Delhi, UP	Rajasthan	Karnataka	Tamil Nadu	West Bengal	Bihar	Jharkhand	Orissa
<b>Baseline N=</b>	<b>1319</b>	<b>265</b>	<b>585</b>	<b>469</b>	<b>176</b>	<b>89</b>	<b>431</b>	<b>154</b>	<b>262</b>	<b>90</b>	<b>52</b>	<b>65</b>
Loans Taken	<b>20</b>	3	29	18	4	1	35	12	16	9	17	40
Average No. of Loans Taken	<b>1.10</b>	1.00	1.11	1.09	1.00	1.00	1.12	1.00	1.09	1.00	1.00	1.15
<b>Round 2 N=</b>	<b>1319</b>	<b>265</b>	<b>585</b>	<b>469</b>	<b>176</b>	<b>89</b>	<b>431</b>	<b>154</b>	<b>262</b>	<b>90</b>	<b>52</b>	<b>65</b>
Loans Taken	<b>29</b>	11	28	40	6	21	32	15	43	28	35	46
Average No. of Loans Taken	<b>1.05</b>	1.13	1.04	1.05	1.09	1.16	1.04	1.04	1.02	1.00	1.11	1.17

- In 2013, the purposes for which loans have been taken from sources other than Ujjivan are business needs (58%, up from 51% in 2010) and for a wide assortment of other needs.

Table 15B

Purpose of Loans Taken from Other Sources		
Purpose of Loan	% in 2013	% in 2010
<b>Base: Number of Loans</b>	<b>397</b>	<b>288</b>
Business-Unspecified	<b>49</b>	34
For business (various businesses mentioned)	<b>9</b>	17
To Buy Land, Site, Building House	<b>7</b>	6
To Buy Vehicle/Repair a Vehicle	<b>5</b>	5
Marriage Purpose (Daughter)	<b>4</b>	6
Children's Education	<b>3</b>	3
To Buy Cow, Livestock	<b>3</b>	5
Medical, Health Expenses	<b>2</b>	7
For Agriculture, Cultivation	<b>2</b>	3
To buy Jewellery, Recover from Pawn Broker	<b>2</b>	2
House Purpose, Household Expenses	<b>1</b>	2
For Personal Expenses, Household Articles, Durables	<b>1</b>	2
To Repay Existing Loan	<b>1</b>	1
Capital Expenditure for Business(Machine)	<b>1</b>	1
To repair/renovate house	<b>3</b>	2
For House on Lease/Rent		1
Others	<b>3</b>	2
No Response	<b>4</b>	1
<b>Total</b>	<b>100</b>	<b>100</b>

Table 15C

- In 2013, the major source from which other loans have been taken are Microfinance institutions (MFIs) reported by 79% of those who have taken other loans. This proportion was 61% in 2010. Loans from 'Money-lenders' seem to have dropped with barely 3% reporting having taken loans from them in 2013, as against 15% in 2010.

Loans from Sources Other than Ujjivan		
Source of Loan	% in 2013	% in 2010
<b>Base: Number of Loans</b>	<b>397</b>	<b>288</b>
MFIs	79	61
Self Help Groups (SGH), Sanghas	7	8
Financiers, Pawn Brokers, Money Lenders	3	15
Banks, Nationalized Banks, Co-operative Banks	2	2
Para Banking, NBFCs	2	1
Friends, Neighbours	1	4
Relatives		6
Co-operative Society		1
Others	1	1
No Response	5	1
<b>Total</b>	<b>100</b>	<b>100</b>

Table 16

- In 2013, 76% of customers say their preferred source for the next loan they will take will be Ujjivan (89% in 2010). In our view, one cannot read too much into this proportion from both rounds of the study, 2010 and 2013, since there may have been a strong bias in favour of Ujjivan in response to this question.

Preferred Sources for Next Loan		
Sources for Next Loan	% in 2013	% in 2010
<b>Ujjivan</b>	<b>76</b>	<b>89</b>
Relatives	7	2
Financiers, Pawn Brokers, Money Lenders	3	1
Neighbours	3	1
MFIs	2	1
Friends, Colleagues	2	1
Banks, Nationalized Banks, Co-operative Banks	2	1
Self Help Groups (SHG), Sanghas	1	1
Employer	1	
Others	1	3
No Response	2	
<b>Total</b>	<b>100</b>	<b>100</b>

### 3.11 Healthcare Expenses in Last 1 Year

- For some reason, in this round of the survey, there has been a significant drop in the proportion of households that have revealed the expenditure incurred by the household during the last 1 year with respect to health care. By this token, all the data relating to healthcare expenses in this sub-section must be viewed with caution.
- In 2013, only 46% of customers contacted during the study have reported their household expenditure on health care in the last one year, as against 81% in 2010
- The average amount spent on healthcare by such households in the last 1 year is Rs. 14,444.

#### Healthcare Expenditure in Last 1 Year - Overall, by Region & State

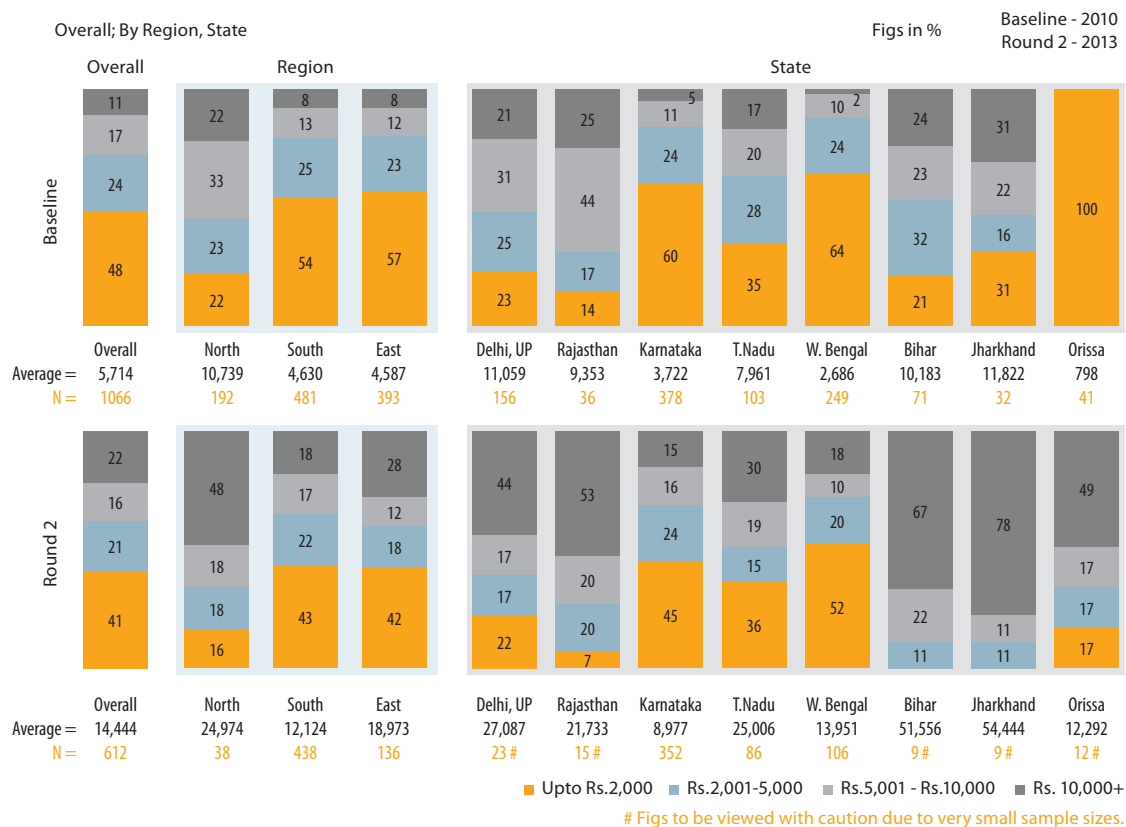
Table 17

Overall; By Region, State												
Figs in %												
Baseline - 2010												
Round 2 - 2013												
	Over all	By Regions			By State							
		North	South	East	Delhi, UP	Raja-sthan	Karn-ataka	Tamil Nadu	West Bengal	Bihar	Jhar-khand	Orissa
<b>Round 2 N=</b>	<b>1319</b>	<b>265</b>	<b>585</b>	<b>469</b>	<b>176</b>	<b>89</b>	<b>431</b>	<b>154</b>	<b>262</b>	<b>90</b>	<b>52</b>	<b>65</b>
% of households reporting Annual Health Care Expenses	<b>46</b>	14	75	29	13	17	82	56	40	10	17	18
<b>Baseline N=</b>	<b>1319</b>	<b>265</b>	<b>585</b>	<b>469</b>	<b>176</b>	<b>89</b>	<b>431</b>	<b>154</b>	<b>262</b>	<b>90</b>	<b>52</b>	<b>65</b>
% of households reporting Annual Health Care Expenses	<b>81</b>	72	82	84	89	40	88	67	95	79	62	63



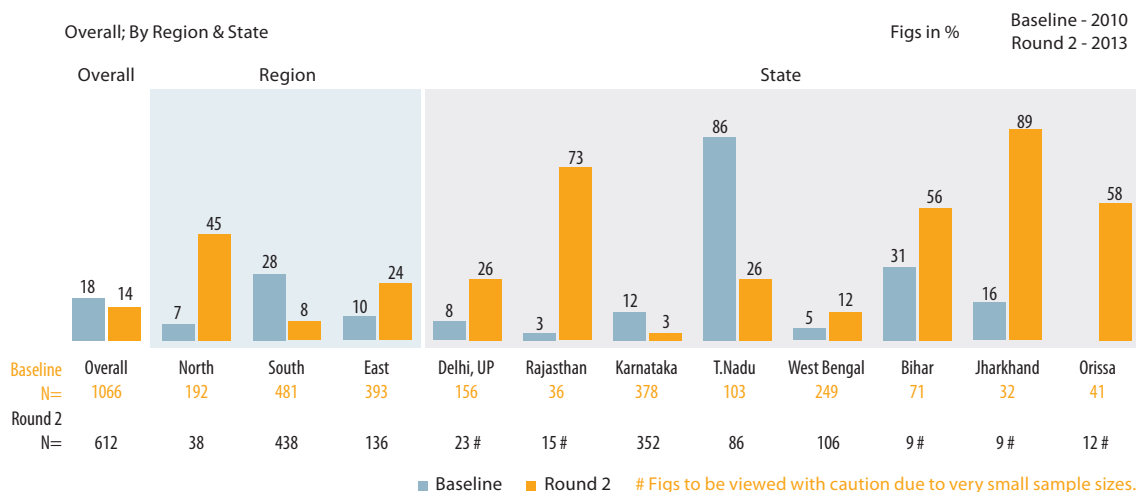
## Amount Spent Towards Healthcare Expenditure in Last 1 Year (in Rs.) - Overall, by Region & State

Chart 25A



## Loan taken for Healthcare Expenses in Last 1 Year - Overall, by Region & State

Chart 25B



### 3.12 Progress Out of Poverty (PPI) Indicators

- In 2013, the PPI is 70 corresponding to a probability of 16.3% of having a per capita income of US\$1.50 per day and a probability of 42.9% having a per capita income of US\$2 per day, for the gross sample of 1,319 customers contacted during this study. As against this, for 2010, the PPI was 57 with a probability of 18.7% of having a per capita income of US\$1.50 per day and a probability of 69.9% having a per capita income of US\$2 per day.
- In 2013, 70% of the customers contacted have a PPI of 60+ as against 47% with a similar PPI in 2010.

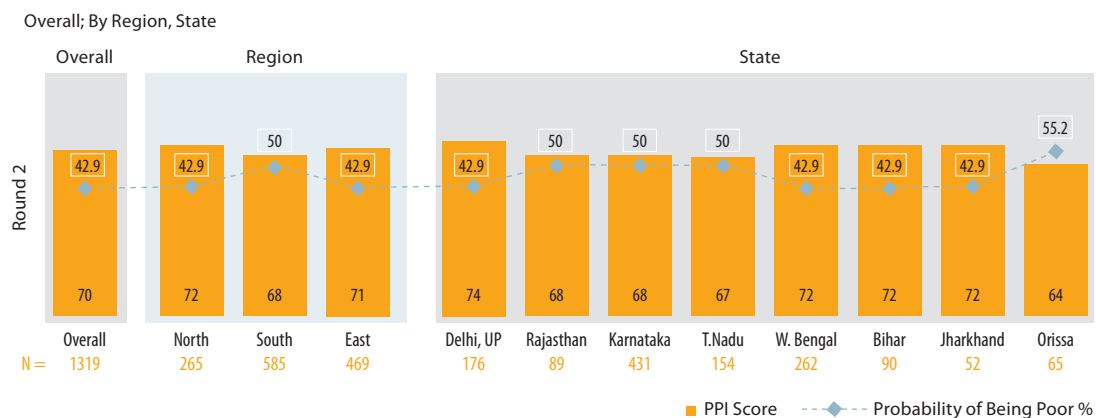
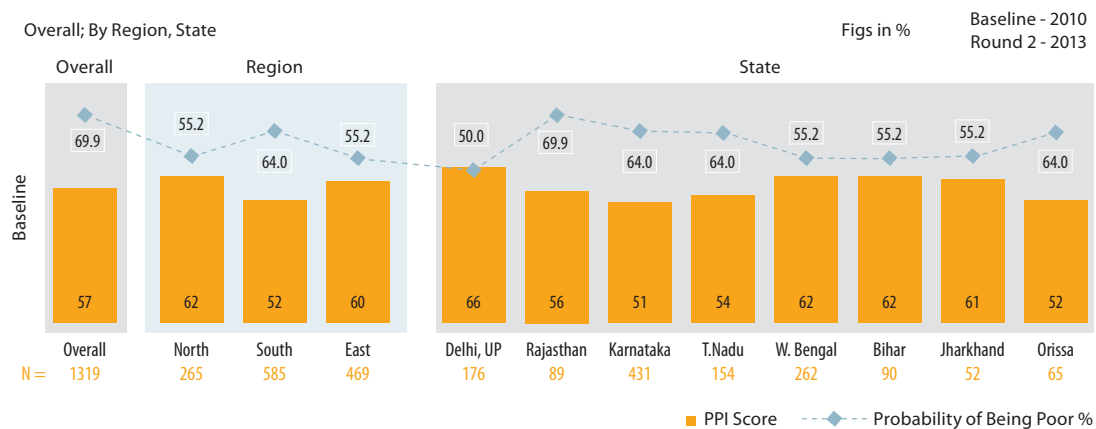
PPI at US\$1.50 per day per capita - Overall, by Region & State

Chart 26A



## PPI at US\$2.00 per day per capita - Overall, by Region & State

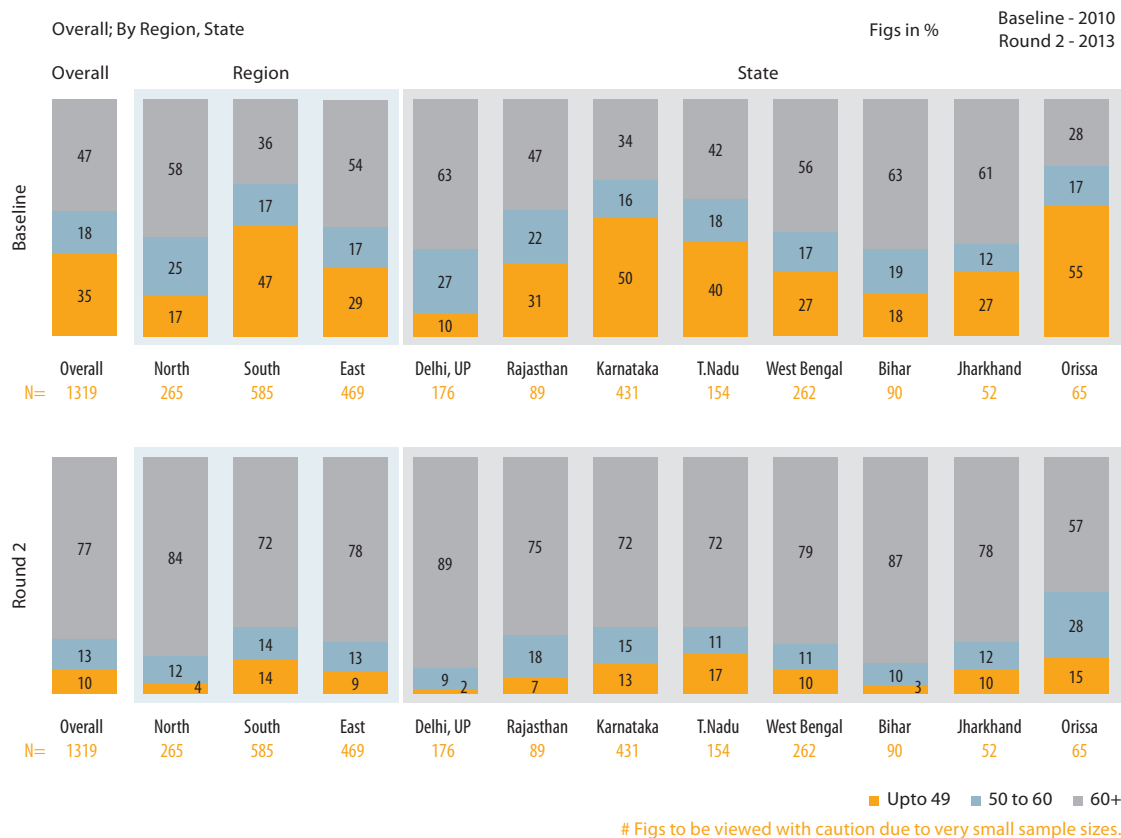
Chart 26B



- In 2013, only 23% of customers contacted during this survey, have a PPI of less than 60. In 2010, 53% of customers contacted during the Baseline Survey had a PPI of less than 60.

### Composition of PPI bands - Overall, by Region & State

Chart 26C



## Implications of Findings

### 4.1 Several positive changes and improvements in the lives of customers since 2010

- The findings of the study indicate that several positive changes and improvements have impacted the quality of lives of the customers contacted in 2010, which bode well for Ujjivan and for the microfinance industry.
- Having said this, it will be naïve and presumptuous to attribute these changes solely to the one or more relatively small ticket loans given to these customers by Ujjivan.
- These changes have, in all likelihood, come about based on a combination of extrinsic factors (such as increase in wages of customers since 2010, wages getting pushed up across the board after introduction and roll out of MNREGA, thrust on financial inclusion and opening of bank branches, Aadhar enrolment efforts, impact of local economies where Ujjivan's customers reside, and so on), and intrinsic factors (such as increase in income of respondents, increase in number of earning members in the household and improvement in circumstances of households).

*It is difficult to determine the specific aspects of customers' lives that have been impacted by Ujjivan and to establish a causal relationship. Despite this, going by the results of this study across various tangible and intangible dimensions, there is evidence of some positive changes that have occurred in the financial standing and quality of lives of Ujjivan's customers.*

### 4.2 The Phenomenon of Drop Outs

- While, ostensibly, there may be a host of sound reasons for customers dropping out, it will be worthwhile for Ujjivan and other MFIs to invest time, money and effort in trying to understand the prime, underlying causes for this phenomenon.
- If fairly substantial numbers of MFI customers exit after just 1 or 2 loan cycles, it will be a drag on the organizations and their resources as well as nullify the gains effected by enlisting a large number of new customers, year on year.
- There is also a strong case for MFIs to come together in this respect and share data relating to drop outs.
- Lastly, in order to arrest the rate of drop outs, MFIs will need to offer much more than just loans in several variants. They will need to find ways and means to address a host of other needs of its customers.

Some of the other needs of MFI customers that need to be addressed include saving products, assistance in opening bank accounts, life insurance for the main earners of a household with term covers that are realistic in size, health insurance for all family members and especially the main earners of a household, access to good quality health care, improved living conditions and more.

## About Ujjivan

Ujjivan Financial Services Private Limited was launched in 2005. In an endeavor to contribute to attaining full financial inclusion for India's poor, Ujjivan chose to complement the existing microfinance institutions (MFIs) by serving the urban and semi-urban poor populations.

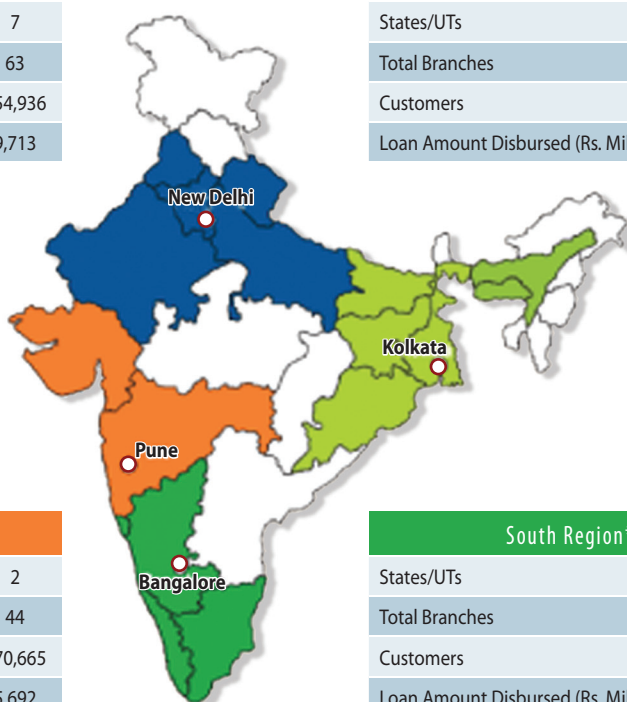
### Outreach

Ujjivan has its head office in Bangalore which is also the regional office for the south. Ujjivan has 3 other regional offices - New Delhi (North), Kolkata (East), Pune (West). Ujjivan has 310 local branches across 21 states covering 47 under-banked districts in the country.

### Ujjivan's presence \*

North Region*	
States/UTs	7
Total Branches	63
Customers	254,936
Loan Amount Disbursed (Rs. Million)	9,713

East Region*	
States/UTs	6
Total Branches	101
Customers	359,392
Loan Amount Disbursed (Rs. Million)	14,607



West Region*	
States/UTs	2
Total Branches	44
Customers	170,665
Loan Amount Disbursed (Rs. Million)	5,692

South Region*	
States/UTs	5
Total Branches	93
Customers	320,549
Loan Amount Disbursed (Rs. Million)	16,956

\* Data (tables & map) as of March 2013.

Note - As of August 2013, Ujjivan has 325 branches present across 21 states serving a customer base of 1.2 million.

## Ujjivan's mission

Provide full range of financial services to the economically active poor to achieve financial inclusion and help alleviate poverty

## Ujjivan's brand message

"Build a better life"

## Goals

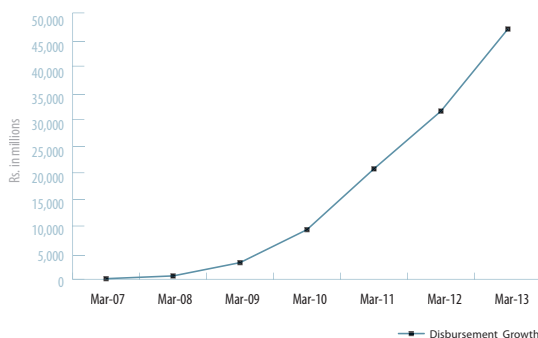
1. Provide full range of financial services required by the customers
2. Build a social enterprise with a double bottom line, which is best in class in all aspects for its stake holders: customer service and protection, innovation, efficiency, return to investors, workplace engagement, leadership, and governance
3. Operate a viable business to provide investors with adequate return on equity
4. Attract and retain quality talent and provide professionally rewarding career paths
5. Approach poverty reduction in a holistic manner in partnership with Parinaam Foundation (sister NGO) through social welfare programs in education, health care, vocational training, community development, and shelter for disaster relief, to enable customers to lead a 'better life'

## Loan Portfolio

Ujjivan has a current outstanding portfolio of Rs.11,260 million with a 99.8% repayment rate. Post crisis of 2010 and the new rules and regulations of the Reserve Bank of India (RBI) setting margin & interest rate caps, Ujjivan undertook successfully a multi-pronged program to increase efficiency and reduce

operating margin. Ujjivan's portfolio quality was relatively unaffected during the crisis because of its lack of exposure in Andhra Pradesh.

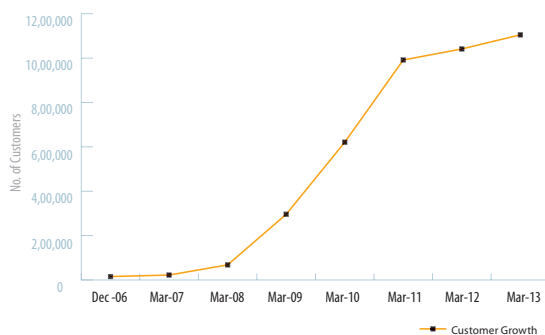
## Disbursement Growth (Cumulative)



## Ujjivan's Customers

Ujjivan believes its customers are its most important stakeholders. Ujjivan serves over 1.1 million active customers spread across 21 states. Ujjivan's customers are hard working and industrious with 82% of the total customer base, self-employed. They own small shops and tailoring units while many are employed as domestic workers or piece rate workers in factories.

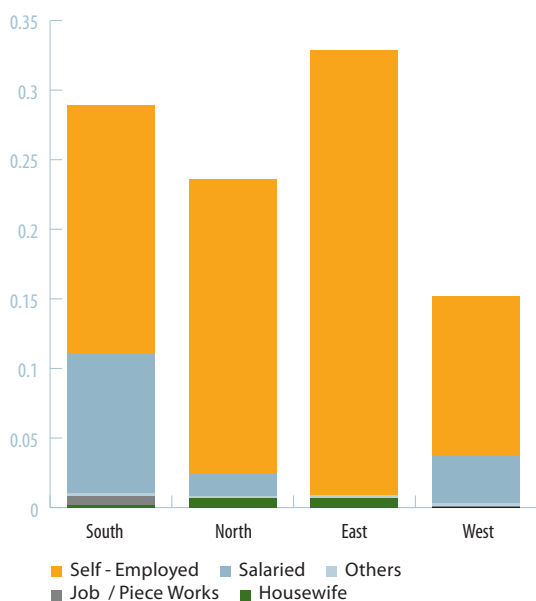
## Customer Growth



## Customer occupations

1. Shopkeepers
2. Grocery vendors
3. Tailors
4. Flowers/Vegetable vendors
5. Manufacturers
6. Agarbatti (incense) rolling workers
7. Beedi (mini tobacco) workers
8. Factory workers
9. Housemaids
10. Petty traders
11. Saree businesses

## Customer Occupations



## Products and Services

Ujjivan offers a range of customized products and services to its customers. Along with a core product line, Ujjivan continues to design and expand its portfolio by offering products which cater to the variety of needs of the customer.

## Service Quality - Customer Retention, Care and Protection

In the past few years, Ujjivan has pioneered a comprehensive Service Quality Program which focuses on customer protection & retention. The program meets regulatory requirements and international customer protection standards. In 2012-2013, the program focused on reinforcing customer redressal procedures through continuous trainings and staff-customer-connect programs.

## Customer Retention Programs

High customer dropout rates are a serious threat to achieving the goal of financial inclusion. Ujjivan believes that long-term relationships with customers are necessary in order to have a positive impact on them. Ujjivan has employed a number of initiatives to constantly assess customer feedback to improve product efficiency, service quality and delivery mechanism.

1. Exit interviews for idle and dropout customers are conducted through Customer Care Representatives (CCRs). CCRs are appointed at all branches, which have been operating for more than 2 years. The interviews are conducted to understand why customers are not interested in subscribing for a new loan and subsequent reasons for dropping out. Further, interview feedback is used to revise policies and procedures and thereby help retain existing clients.
2. Retention campaign efforts include promotional activities such as distribution of brochures to customers in local languages, display of posters in branches and giving recognition awards to branches for their business and social performance. These activities have helped in converting many dropouts



and idle customers into active borrowers of Ujjivan. The total customers retained through these initiatives were 50,000+ with a loan portfolio of more than Rs 860 million

3. Strengthening of field processes and credit approval systems post crisis has helped Ujjivan improve their customer retention rate from 65% to 72% during FY 2012-13.

### Comprehensive code of conduct

Ujjivan revised its Code of Conduct (CoC) which is more comprehensive and easy to interpret by its employees and customers. The revised code integrates guidelines from Reserve Bank of India's Fair Practice Code, Smart Campaign's global standards for client protection principles, and MFIN and Sa-Dhan's joint Code of Conduct. The revised CoC and the customer grievance redressal procedure is translated into 9 local languages and is also displayed in all branches. Also, the stakeholders and the general public can access the information.

### Service Quality Awards for employees

Ujjivan has initiated Service Champion awards for its employees to recognize and celebrate the exceptional performance of the employees.

### Ujjivan's Awards & Accomplishments

1. 2013 - Global accreditation of the Client Protection Program through the Smart Campaign, which is sponsored by Accion, Credit Suisse, Deutsche Bank, Ford Foundation, OMIN, IFC, SIDBI and USAID. The certification was completed by rating agency M-CRIL.
2. 2012 - Achieved a score of 94.50 (out of 100) in a Responsible Business Index Survey conducted by MFIN. The industry average was 89 and the results were based on data collected from 41 leading MFIs
3. 2011 - Awarded the Best Microfinance Organisation of the year award for the large MFI category by HSBC and ACCESS Development Services.

### Ujjivan's Future

Post the crisis in the Indian microfinance industry and advent of new regulations from the Reserve Bank of India, Ujjivan was focussed on becoming more efficient and lowering its operating expenses to viably operate under the new environment. the group lending installment loans along with life insurance business, the classical microcredit business, will remain the base business. However, Ujjivan plans to transform itself into a provider of full range of financial services for its customers. The goal would be to provide them comprehensive financial inclusion and enable them to better their lives. This will involve extending customized loans based on end use, savings, remittances, insurance and pensions. These services will be provided either directly by Ujjivan as far as the regulations permit or as distributor of financial services originated by other financial institutions.

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About

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