



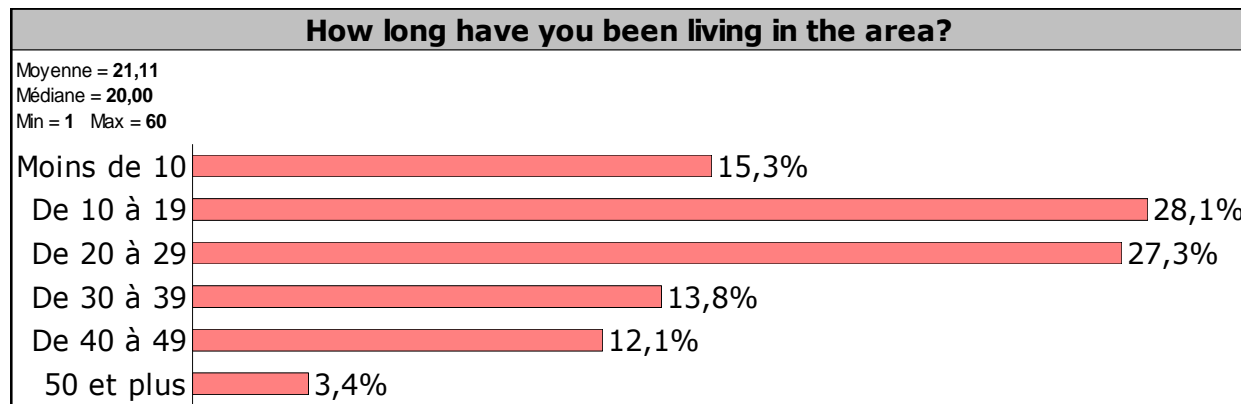
ULHASNAGAR NO.1 BASELINE SURVEY

SAI Social Microfinance Foundation
September 2012

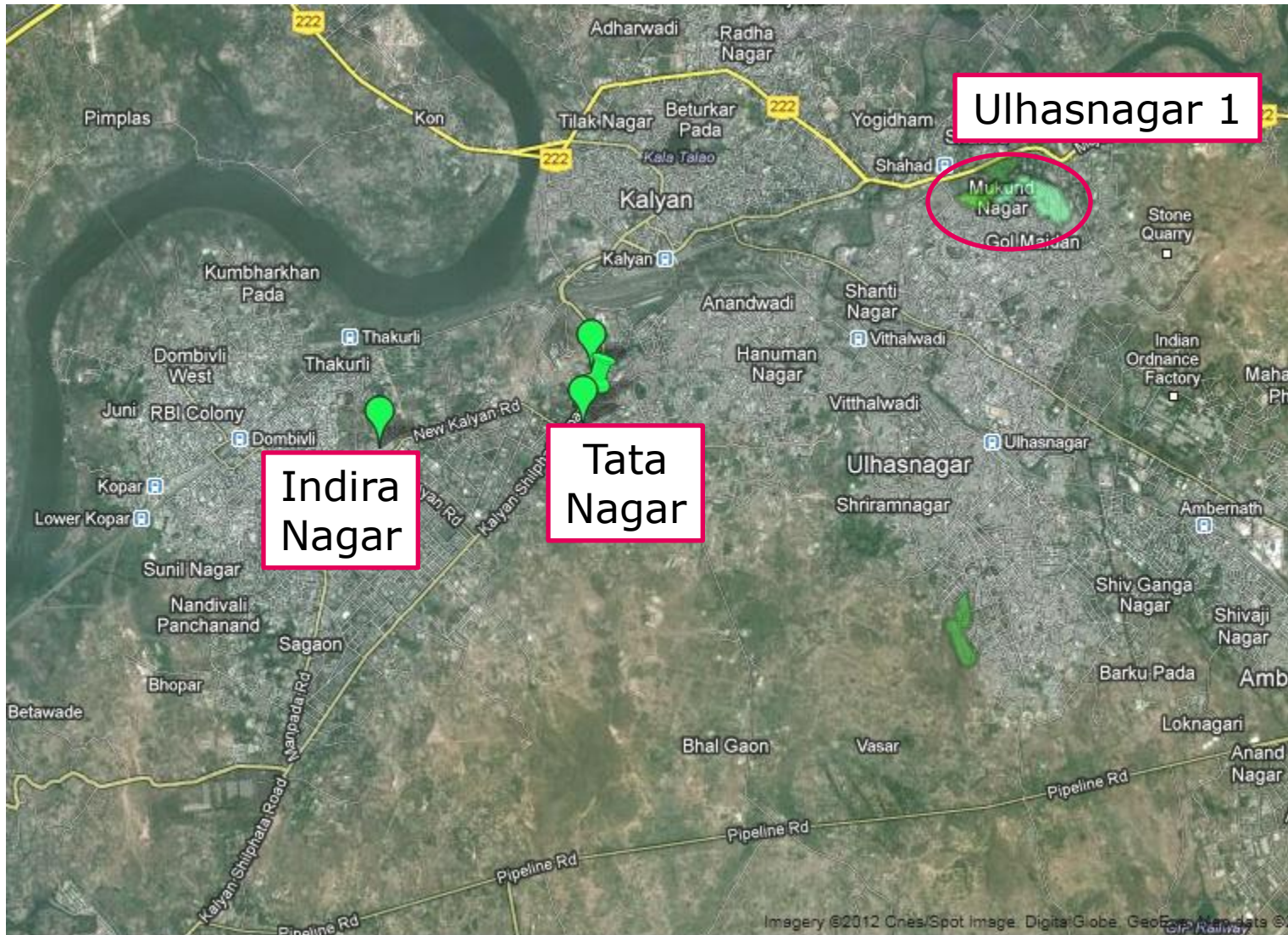


A 40-YEAR OLD SLUM AREA, IN WHICH PEOPLE HAVE BEEN STAYING FOR 21 YEARS ON AVERAGE

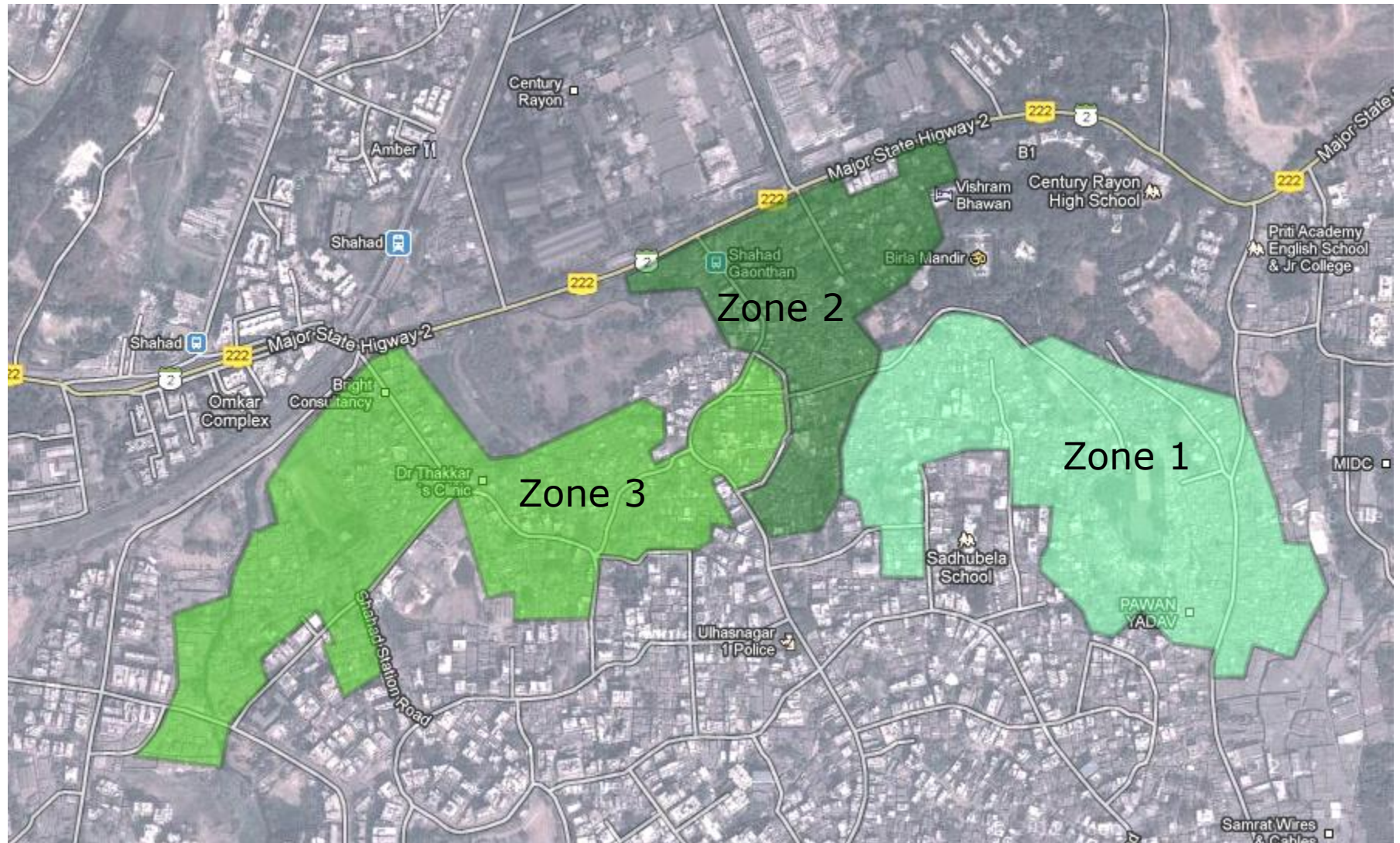
- 2nd World War: transit military camp by British Government.
- Partition: Government invited Shindi fleeing Pakistan to settle in Ulhasnagar.
- 1980-1995: the clothe and chemical industries set by Shindi attract labor from rural Maharashtra, especially Marathwada.



ULHASNAGAR 1 IS 5KM EAST FROM SAI 1ST BRANCH OF TATA & INDIRA NAGAR



AN AREA OF 54,000 INHABITANTS, DIVIDED IN 3 ZONES FOR THE STUDY



9 POCKETS OF VARIOUS SIZES

(DATA COLLECTED FROM POLICE STATION)

Zone	Pocket	Population	No. families	No. surveys	%
1	Harshwardan Nagar	17,000	3,500	117	
1	Walmiki Nagar	2,500	600	26	
1	Kamala Nehru Nagar	2,000	400	20	
TOTAL ZONE 1		21,500	4,500	163	3.6%
2	Indira Nagar	5,000	1,000	72	
2	Dhobi Ghat	4,000	800	24	
2	Hanuman Nagar	1,500	300	15	
2	Shivneri Nagar	1,000	200	4	
TOTAL ZONE 2		11,500	2,300	115	5.0%
3	Mukund Nagar	6,000	1,200	66	
3	Bhim Nagar	15,000	3,000	66	
TOTAL ZONE 3		21,000	4,200	132	3.1%
OVERALL TOTAL		54,000	11,000	410	3.7%



93% OF PEOPLE ARE FROM MAHARASHTRA, MAINLY FROM MARATHWADA

- Marathwada is a desert region in central – Southern Maharashtra, with lack of water (no monsoon) and hence poor agriculture
- Massive migration to Mumbai for income purpose
- In zone 2, small community from Uttar Pradesh: 15% of total population of the zone
- Hence, main language is Marathi

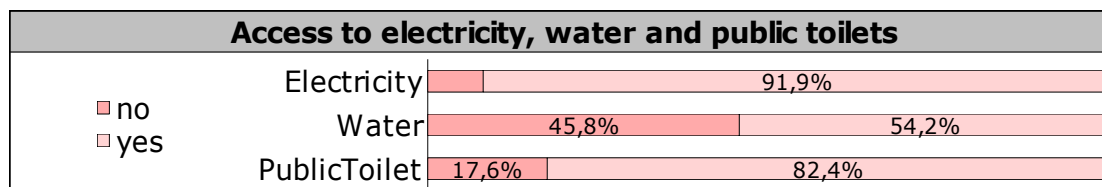


SOCIAL AND POLITICAL SITUATION

- Today, this area is neither legal, nor illegal:
 - When the first migrants from Marathwada came, they set their huts in the former transit camp area.
 - They were soon followed by others, and after 20-30 years of illegal settlement, it was no longer possible for the Government to demolish the area and deny them basic facilities: hence the Government ended up building basic infrastructures, providing social services and delivering residential proofs to the slums' inhabitants.
- It is ruled by the Ulhasnagar Municipal Corporation (UMC)



OVERALL GOOD ACCESS TO BASIC FACILITIES, BUT WITH ZONE-WISE DISPARITIES



- In zone 1, the access to basic facilities is poor: the pockets of Harshwardan Nagar and Walmiki Nagar are hilly areas, making it technically difficult to bring water and electricity at doorstep.
- In zone 3, 32% people have no access to public toilet: there is only one toilet for 1,000 people. Moreover, toilets are not hygienic, some are even closed due to water problem, hence people prefer to use open area.

Zone	Electricity	Water	Public Toilets
1	86%	40%	91%
2	92%	80%	87%
3	99%	80%	64%



POOR ACCESS TO EDUCATION, AS A RESULT OF CHILD LABOR

- **Out of 3 families, 1 deprives all or some of its children from school:**
17% of respondents do not send any child to school, 15% send only some of them
- **Why?**
 - If there is a small baby in the family, his/her sister (if any) will stay at home to take care of that baby instead of going to school
 - People prefer to send children for work in chemical or clothe companies so they can contribute to the family incomes. UMC conducted a survey which led to this conclusion.
- **Ulhasnagar is known at national level for its issue of child labor!**



ONLY ONE CORPORATION SCHOOL PER ZONE, AND NO PRIVATE SCHOOL

Zone	Anganwadi	Corporation School	Total population
1	4	1	21,500
2	2	1	11,500
3	4	1	21,000

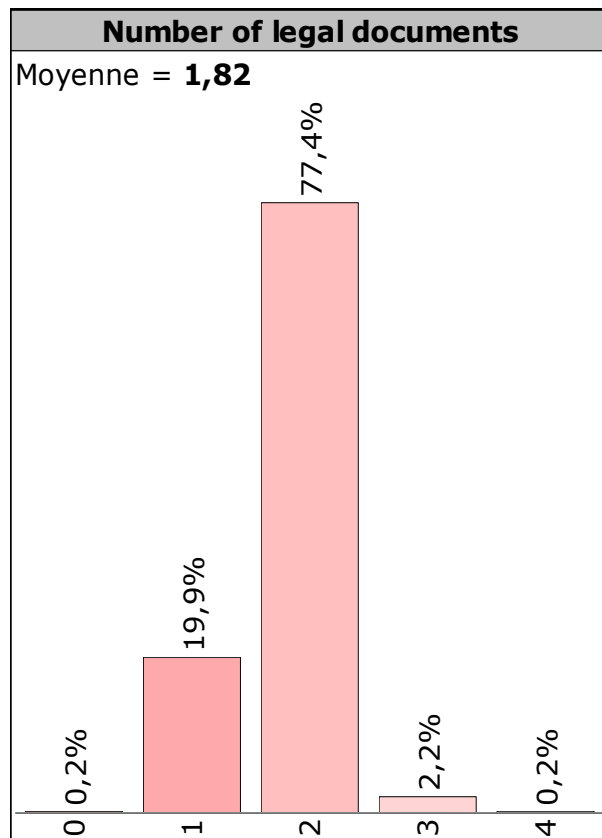


FAMILY PROFILE



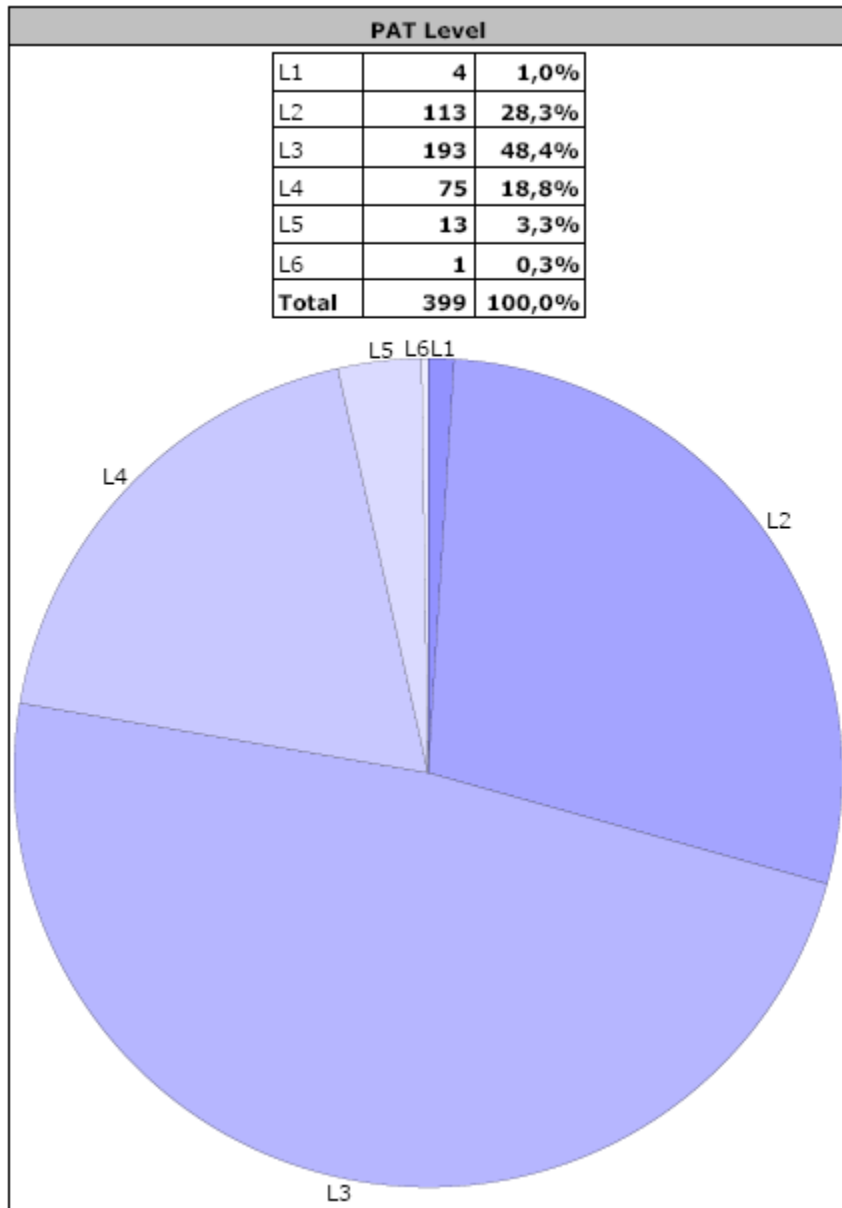
- 5.3 members/family, out of which 1.8 earning adults
- Family head is on average 40 years old
- 6% of widow(er), 1% of divorced, almost no bachelor
- 57% of Hindus, 40% of Buddhists
- 89% own their house
- Gas cylinder in 58% of houses

ONLY 1 RESPONDENT FAMILY HAS NO LEGAL DOCUMENT AT ALL



- 96% of families hold a ration card
- 82% of families hold an election card
- However, people rarely have access to other type of documents: it is linked to the fact that this area is neither legal, nor illegal.

78% OF PAT LEVEL 1 TO 3 (OLD PAT)



- **Low economic level:** 46% of daily wage workers with irregular activity
- **Documentation:** access to basic documents only (cf. slide 11)
- **Housing:** though most houses are made with concrete walls and tin roof, **few are waterproof**, especially for hill inhabitants as part of their back wall is underground, hence releasing water in house during rains.

Zone	% of PAT level 1 to 3
1	83%
2	72%
3	77%

WHY IS PAT LEVEL SO LOW?

Major health problems

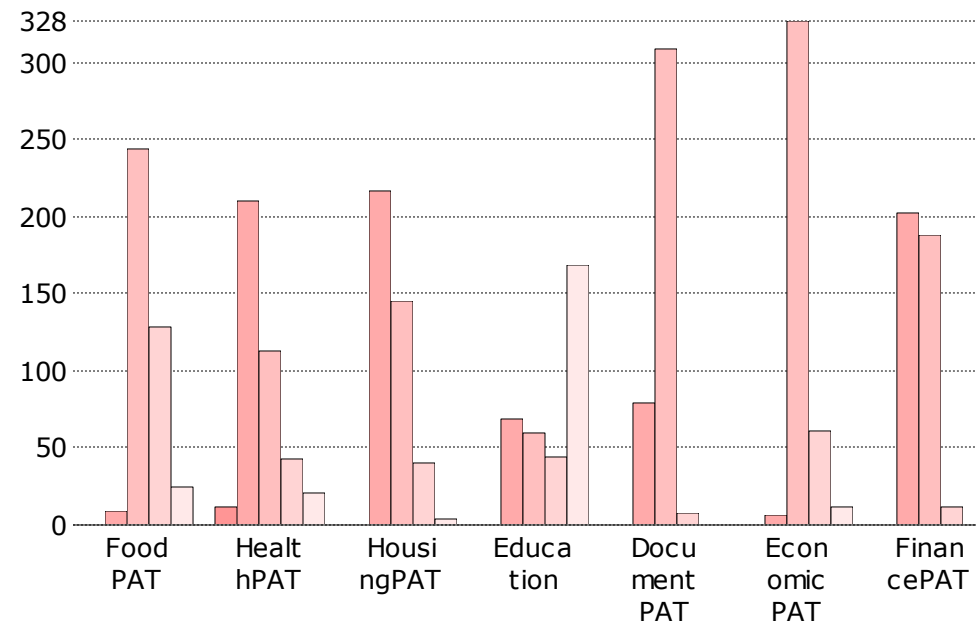
- Numerous **chemical companies** → inhabitants suffer from air & water pollution, especially their daily-wage workers.
- Lack of efficiency of government hospitals** → no access to cheap medical treatment.

Children's poor health condition

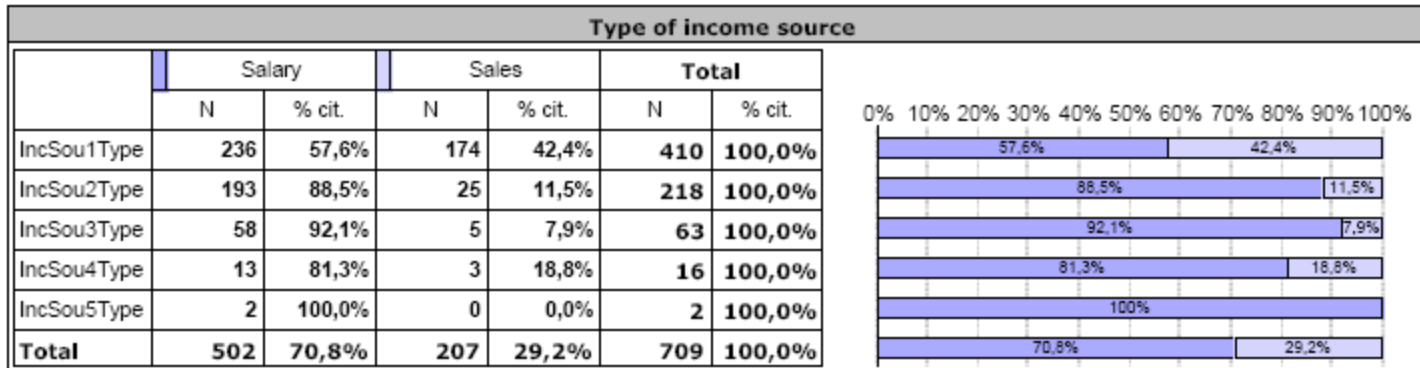
- Nutriments and chronic food deficiency:** Anganwadi survey showed 13% children suffer from malnutrition
- But the major problem remains **child labor**, working 12-14hrs /day in companies, resulting in major body development problems

PAT score by category

	0	1	2	3	4
FoodPAT	0,0%	2,4%	59,8%	31,5%	6,3%
HealthPAT	3,2%	52,5%	28,2%	10,9%	5,2%
HousingPAT	0,0%	53,2%	35,9%	10,0%	1,0%
Education	0,0%	20,1%	17,4%	13,1%	49,4%
DocumentPAT	0,2%	19,9%	77,4%	2,2%	0,2%
EconomicPAT	0,0%	1,7%	80,2%	15,2%	2,9%
FinancePAT	0,0%	50,1%	46,4%	3,2%	0,2%

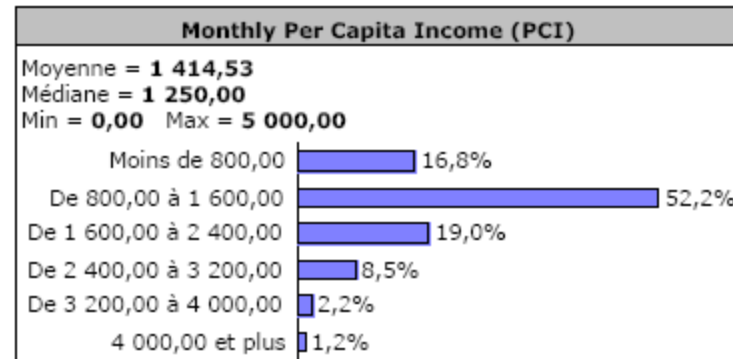
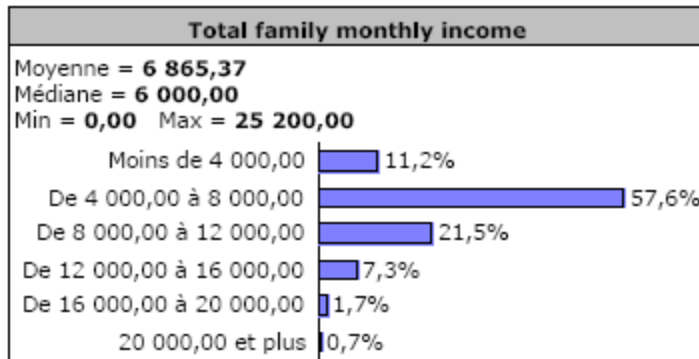


42% OF FAMILIES HAVE A BUSINESS AS MAIN INCOME SOURCE



- Most people are salaried, as 49% of respondents' main earner is a daily-wage worker or an employee
- Out of the 25 families with a business as 2nd income, 21 rely on a business as main income as well
- Main business types:
 - Vegetable seller (23%)
 - Fruit seller (13%)
 - Tailor (10%)
 - Autorickshaw (8%)
 - Painter (7%)
 - Carpenter (5%)
 - Clothes seller (4%)

AVERAGE FAMILY INCOME Rs 6,865, LOW PCI OF Rs 1,415/MONTH



- Average monthly income per income source: Rs 3,975
- Average monthly income of main income source: Rs 4,649

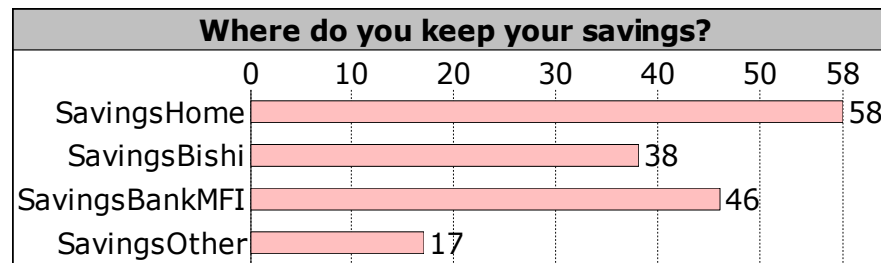
- Monthly PCI, zone-wise:
 - Zone 1: Rs 1,422
 - Zone 2: Rs 1,690
 - Zone 3: Rs 1,165
- 86% of people have less than Rs 70/day



ONLY 38% OF PEOPLE HAVE SAVINGS, BUT 56% OF RESPONDENTS WILLING TO SAVE

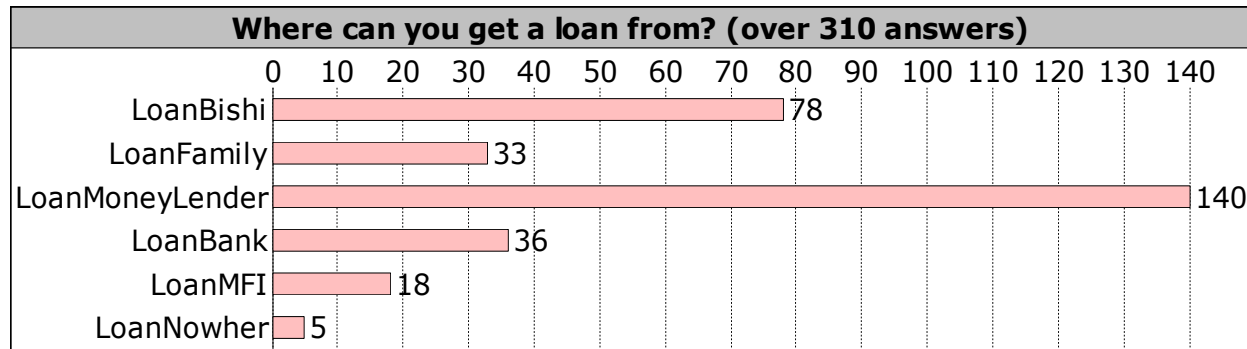
- People mainly save home (37% of savers), 29% of savers have access to a credit cooperative (most probably) or bank. However, access to MFI/bank savings account in is very unequal from one zone to the other:

- Zone 1: 49%
- Zone 2: 37%
- Zone 3: 7%



- Among the 62% of respondents without savings, 50% of them want to start
- 71% of respondents want to do savings on a monthly basis, 29% on a weekly basis

26% HAVE AN OUTSTANDING LOAN, MAIN LOAN SOURCE IS MONEYLENDERS

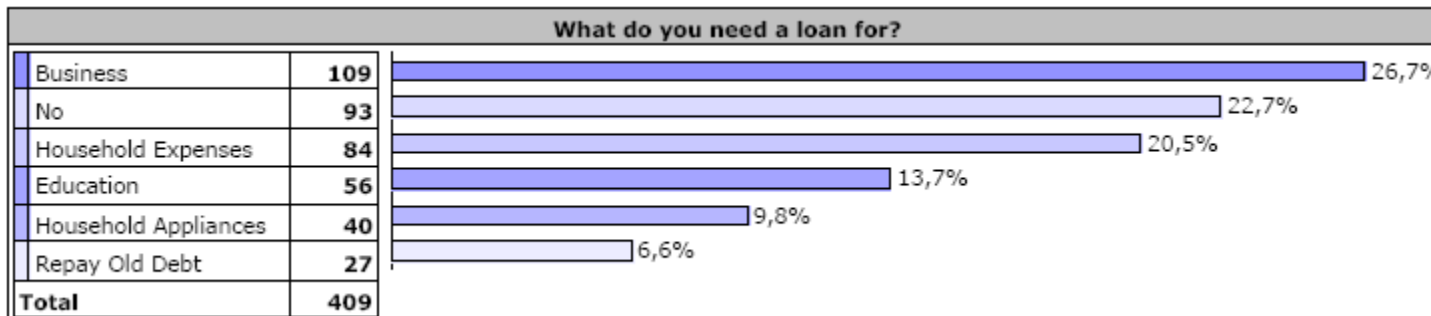
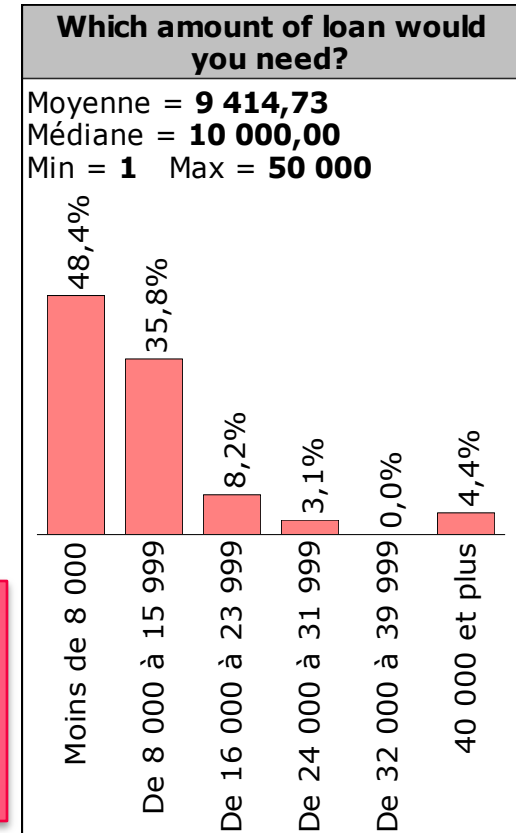


- In all zone, some credit co-operatives or banks collect savings, but few give loan because people do not have legal status of resident.
- Moreover, some MFI have blacklisted this area after having disbursed some loans one year back and, apparently, being unsatisfied. The only MFI working there is Bandhan, which started a few months back.
- Hence, very few loans are ongoing so people prefer to borrow money from moneylenders.

AMONG THE 77% WILLING TO GET A LOAN, 48% NEED LESS THAN RS 8,000

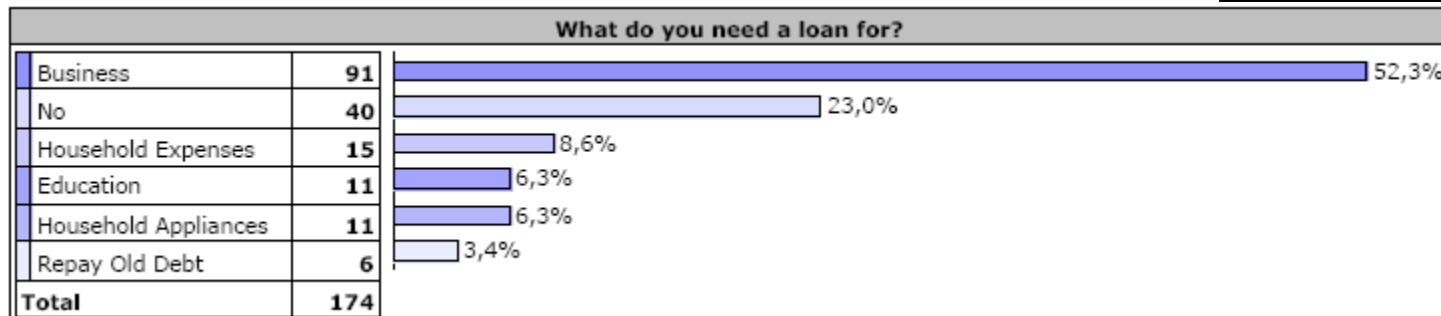
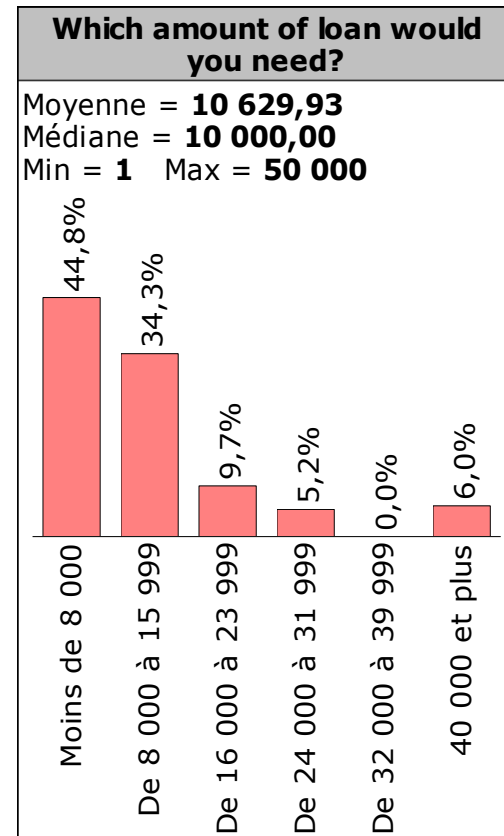
- 82% are ready to pay 1.5% interest monthly
- Among families who do not rely on a business as first income source, the main loan purposes are household expenses (29%) and education (19%)

N.B.: the amount needed is an open question: no scale was proposed to respondents. Hence they expressed their wish regardless of their repayment capacity or of any detailed loan need. We can assume they may have expressed a higher amount than their actual need.



FOCUS ON THE LOAN NEED OF FAMILIES WHOSE MAIN INCOME IS A BUSINESS

- Business is the main loan purpose: 52%
- Amounts needed are slightly higher: Rs 10,630 on average
- 81% are ready to pay 1.5% interest monthly
- 23% said they do not need any loan.





CONCLUSION OF THE SURVEY

78% of families below poverty level 3, with crucial issues towards access to basic facilities (food, housing and health) and to economic development means (business development, loans, savings).

This survey clearly indicates that these areas need a socio-economical support that SAI wants to address through IGP and also through social-oriented programs in the coming months.

MORE OPPORTUNITIES THAN THREATS

Opportunities

- 78% families are below poverty level 3
- Out of the 42% of families running a business, 52% want a loan for business purpose
- MFI blacklisted this area
- 77% families expressed a need for training
- 62% families without any saving, 56% ready to save with us

Threats

- Illegal status of area
- On average, loan requirement is Rs 9,414



NO MAJOR SOCIO-ECONOMIC DIFFERENCE BETWEEN 'BUSINESS' AND 'SALARIED' FAMILIES

Indicators	Families whose main income source is a business (174)	Families whose main income source is a salary (236)
% PAT level 1-3	78%	77%
Average PCI	Rs 1,404	Rs 1,423
Main income source frequency = daily	88%	38%
% of savers having an account at a credit coop or bank	38%	22%
% having outstanding loan	24%	27%
% thinking they can have access to bank/MFI loans	13%	14%
% expressing the need for a business loan	52%	8%

ZONE-WISE ANALYSIS

Zone 1

- Highest share of PAT level 1 to 3 (83%)
- Lowest access to water (40%)
- Good access to MFI/bank savings account (49% of savers),
- but low access to MFI/bank loans (7%)

Zone 2

- Highest PCI (Rs 1,690), but still quite low
- Small Uttar Pradesh community

Zone 3

- Lowest PCI (Rs 1,165)
- Lowest share of people with outstanding loan (19%)

