Ganpat Patil Nagar

Baseline Survey

July 2011

Executive Summary

NSVK IGP department conducted a baseline survey in Ganpat Patil Nagar in order to assess the opportunity of launching a new IGP branch in this area.

679 families were interviewed. Here are the main results:
- 82% of interviewees are PAT level 3 or less
- 47% of families interviewed have at least one member running a business, and 23,3% of people running a business are rickshaw-wala
- In 70% of families, only one adult is earning money
- Average monthly income per capita: Rs 1,934
- 82% of earning adults work in the unorganized private sector
- 81% of interviewees have been staying in the area for more than 7 years
- 92% of migrants out of Maharashtra, 72% coming from UP
- 65% of interviewees own their house
- Very low access to basic facilities: only 19% have access to safe water and 38% to public toilets
- 44% of interviewees have savings currently, among which 50% have less than Rs 500
- 57% of interviewees declare they would need a loan, and among them
    - 73% need a loan amount less than Rs 10,000
    - 27% need a loan for business creation or development

Given these results, we can conclude that this area presents an interesting potential for an IGP: low PAT level, high number of small-scale businesses, high population stability though they are migrants, and almost no competition by other MFIs or credit cooperative in terms of loans and savings.

Table of content

Table of abbreviations

AHP	Access to Health Program
BDS	Business Development Services
CM	Collector Motivator
FDP	Family Development Program
GPN	Ganpat Patil Nagar
HO	Head Office
IA	Inter Aide
IGP	Income-Generating Program
NSVK	Navnirman Samaj Vikas Kendra Trust
PAT	Poverty Assessment Tool
SRA	Slum Rehabilitation Act
TBCP	Tuberculosis Control Program
UP	Uttar Pradesh

Table of figures

Introduction

As demographic pressure is increasing in Mumbai, new slums appear further and further from town, up to the North, while the situation of slums closer to town seem to be slightly improving. Also, more and more slums between Jogeshwari and Malad are subject to Slum Rehabilitation Act (SRA) and are simply destroyed and turned into "vertical slums".

NSVK's mission is to reach and uplift the poorest slums through social and economic programs. Its main activity is microcredit, through an Income-Generating Program (IGP) conducted since 1996 with the support of the French NGO Inter Aide (IA). Today, NSVK is managing seven IGP branches located in the areas of Malad, Kandivali and Chandivali.

Willing to go and seek out the neediest slum-dwellers, NSVK IGP department visited the area of Ganpat Patil Nagar (GPN), which is up to the North compared to its present intervention area. The first observations let NSVK IGP team think that there is a potential for a new IGP program in this area: low poverty level, wide area and many small businesses. However, these first impressions needed to be confirmed through a baseline survey, that the whole NSVK IGP team conducted between June 23rd and July 4th 2011.

The present document will present the results of this baseline survey.
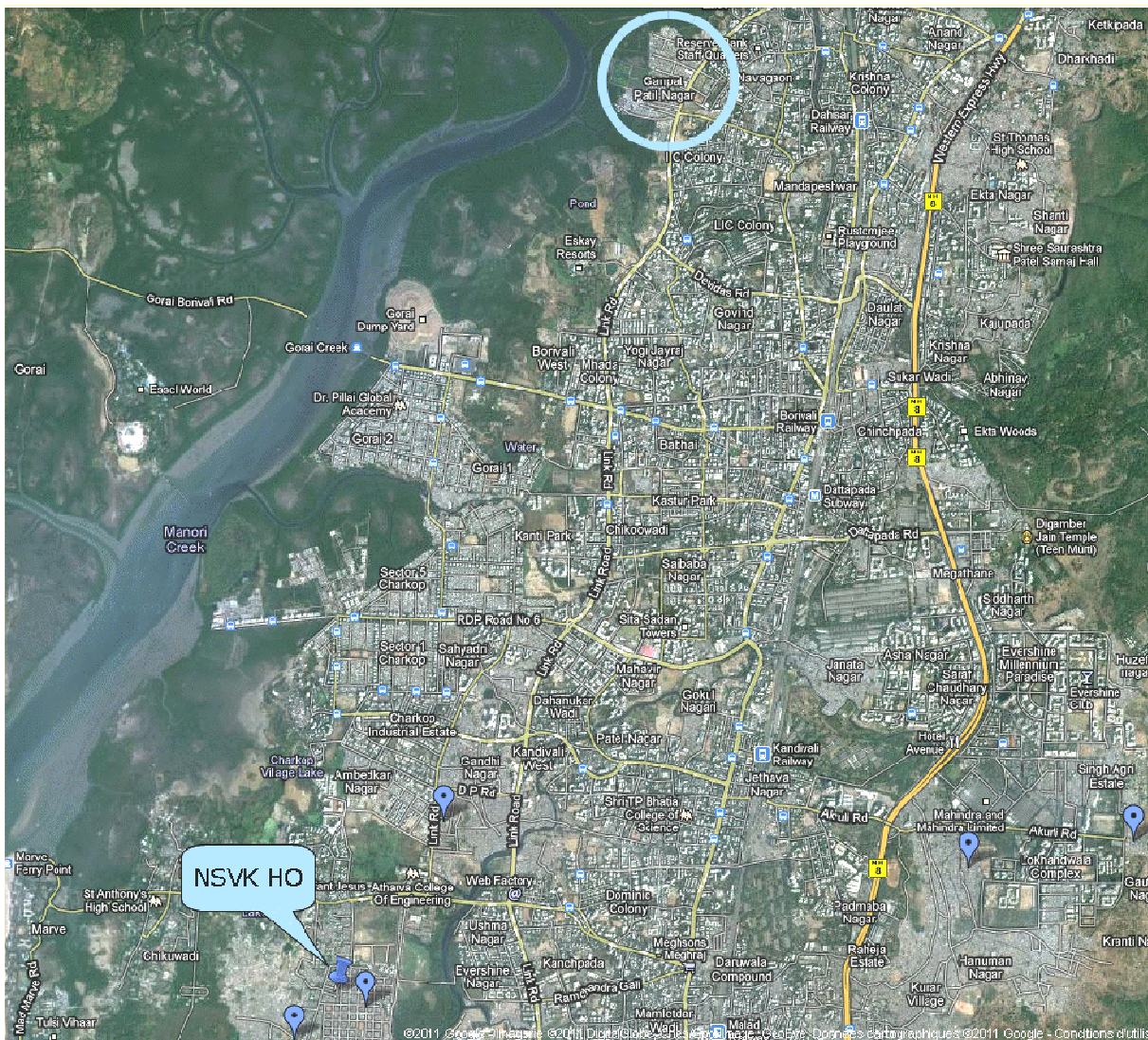

Figure 1: Map of NSVK HO and Ganpat Patil Nagar, © Google Map

1. Methodology

1.1. Objective

The objective of the baseline survey is to assess whether there is a potential for an IGP or not. IGP is relevant if:

- Average PAT level around 3
- High share of business people among the population (at least 40%, but this also depends on the area density), with a minimum of 400 people (which is the minimum required to provide enough work to a full-time CM)
- No other MFI / credit cooperative provides the same type of services (loans, savings, trainings, etc.) on the same type of targeted population
- Population stability: most of the population stays all year long in the area, there is no seasonal migration
- People express a need for business loans

1.2. Questionnaire

Thus, the questionnaire was based on the "new PAT", to which we added a few questions in order to gather information about:

- The local population specifications (origin, mother tongue, family, etc.)
- The family and per capita monthly income
- The earning's adult employment / activity and its stability
- The number of people running businesses, on the whole and in each family
- People's indebtness and local loan-providers
- People's savings habits
- People's needs in trainings

The questionnaire is enclosed in annexure.

1.3. Sample

The first field visits of the area assessed that there must be around 20,000 housings, hence population can be estimated at 1,00,000 people. Willing to reach with our survey at least 3% of the families, we decided to conduct around 700 interviews. Finally, 679 families were surveyed.

1.4. Survey organization

The whole IGP team, i.e. about thirty members of NSVK IGP staff, participated to the survey. They all went on the field together on June 23rd and July 4th, under the supervision of the future branch manager of GPN, Rajesh, and the Field Supervisor, Kiran.

The surveyor spread all around the area, individually. As there are 30 galis (lanes), 2 people were sent in each gali so as to cover the whole area.

2. Families specifications and details

- 52% of interviewees were males, and 48% females.
- Families are composed of 5 people on average, among which 2.6 adults and 2.4 children. Family head is, on average, 37 years old.
- 95% of interviewees are married; only 5% are widow(er), single or separated.
- 84% of interviewees have been staying in the area for more than 7 years.
- Only 8% of the inhabitants of the slum come from Maharashtra. 72% come from Uttar Pradesh (UP).
- Hence, mother tongues are mainly Bhojpuri (44%) and Hindi (41%).
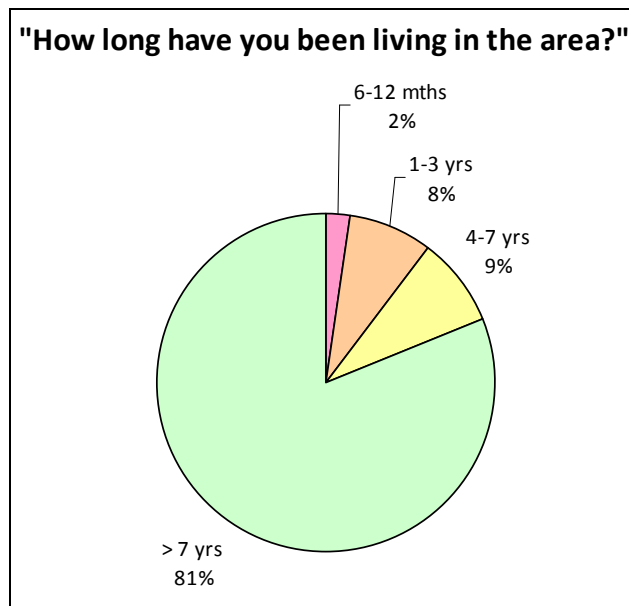- 75% of people are Hindus, 22% are Muslims.

Figure 2: For how long have interviewees been staying in the area?
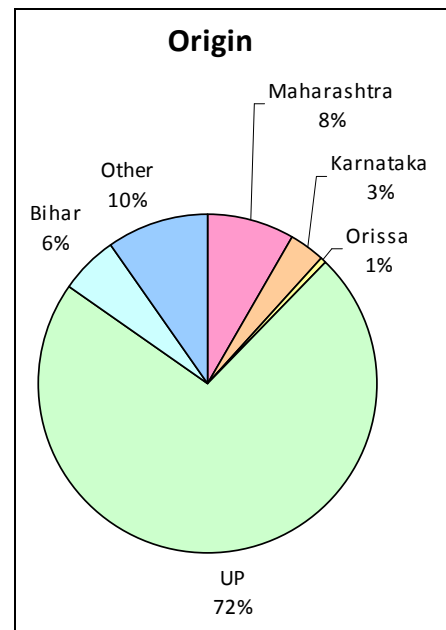
Figure 3: Origin of interviewees
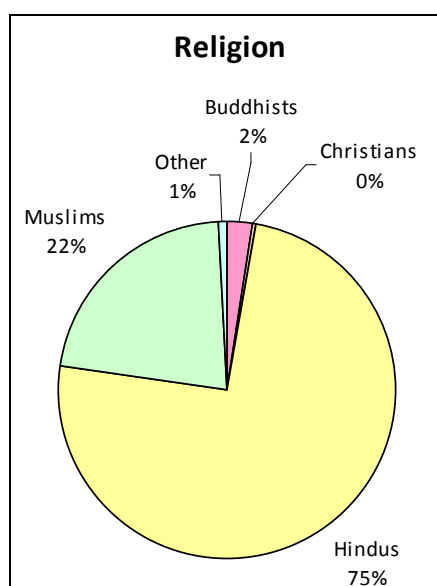
Figure 4: Religion of interviewees
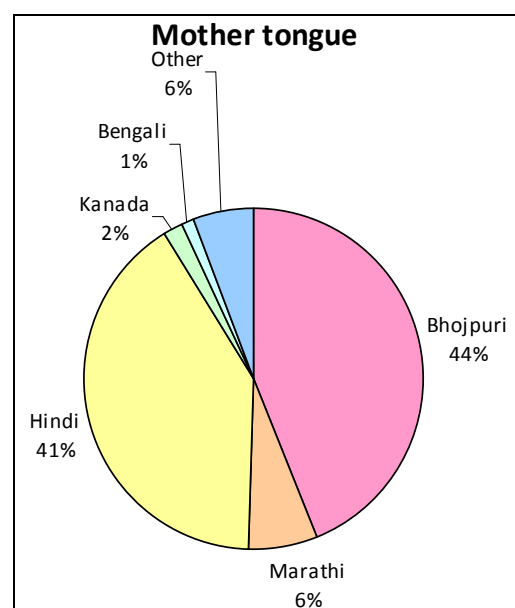
Figure 5: Mother tongue of interviewees

3. PAT level and details

3.1. Foreword

While surveying, we got to know that one organization is working there and we met them: CCDT (Community Commitment Development Trust) provides health education, drop-out prevention, and vocational trainings. The Managing Director is Pramod NIGUDKAR, who is also Director of KGST.

3.2. Average PAT score

82% of interviewees are PAT level 3 or below.

Average scores, item by item:

Average score for	Average	Maximum
Food security	6,85	9
Health	5,62	7
Housing	6,17	12
Education	5,84	10
Income security	5,19	15
Documentation	1,54	3
Financial security	4,77	11
TOTAL	**35,97**	**67**

Figure 6: PAT score, item by item
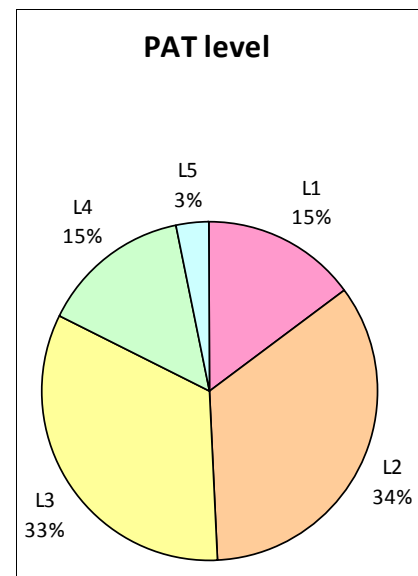
Figure 7: PAT level of interviewees

3.3. Health

Though the question was not precise enough to know to which type of health care provider people go according to the sickness level, we know at least through the survey that people have access to a public hospital.
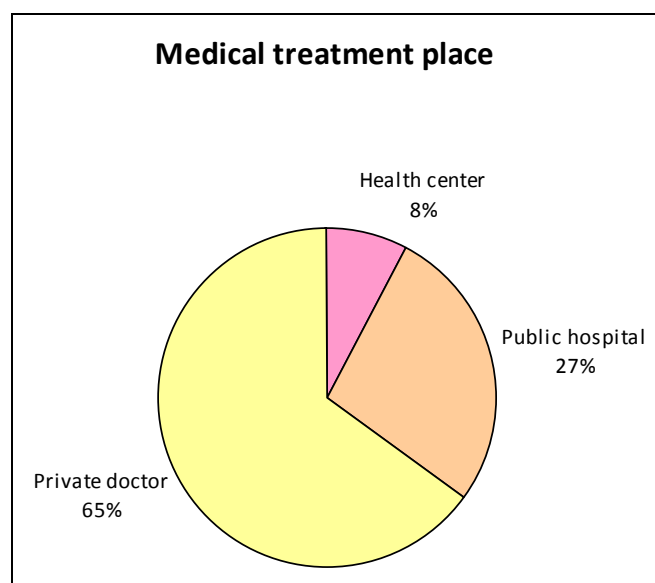
Figure 8: Medical treatment place

3.4. Housing

A majority of people own their home, though it is far from being sure that they have an official ownership title.

Among the 33% of people who are on rent:

- The average monthly rent is Rs 907
- The average deposit given to owner is Rs 5,022

House ownership

Figure 9: House ownership or rent

Only 2% of people have a hard house, while 70% of interviewees live in housings made with tarpaulin and recycled material.

Moreover, access to basic facilities is very low: more than 80% of people have no access to safe water at less than 15min from their home, and only 38% have access to public toilets.

Access to...	Yes	No
Electricity	69%	31%
Public toilets	38%	62%
Safe water	19%	81%

Figure 10: Access to basic facilities

Housing structure

Figure 11: Housing structure

3.5. Documentation

Even if 30% of interviewees have 3 documents, there are still 27% who have no documentation at all.

45% of families mainly hold PAN card, 42% birth certificate, 41% election card and 35% ration card.

Number of documents held by family
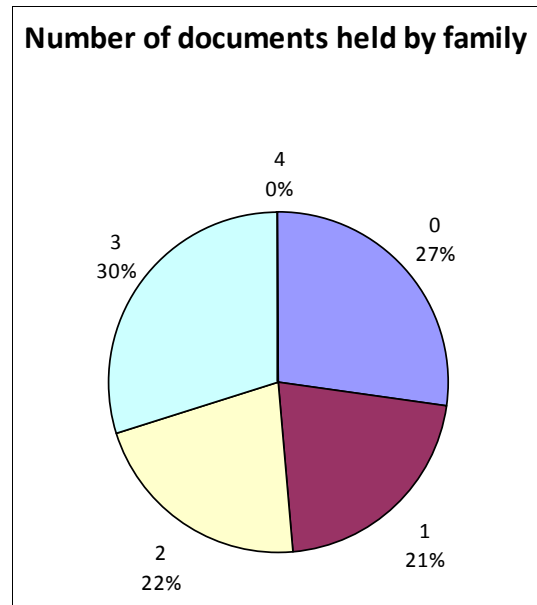
Figure 12: Number of documents
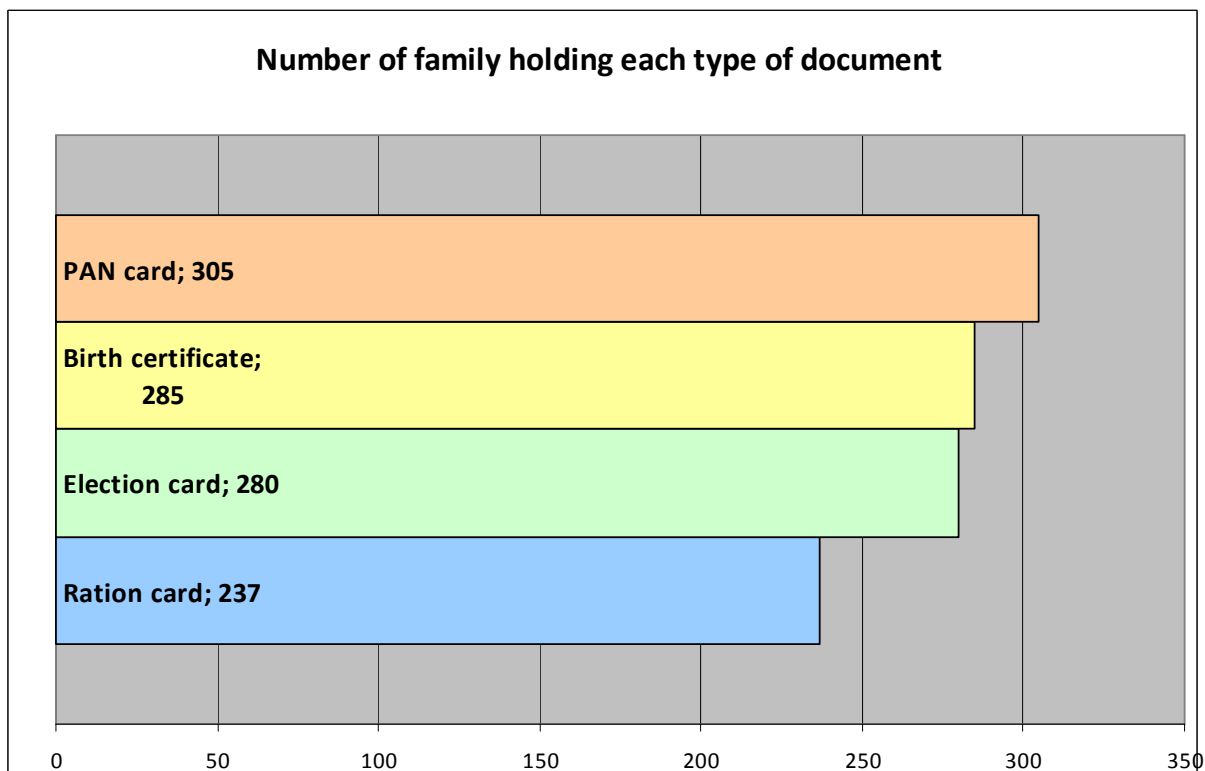
Figure 13: Type of documents held by interviewees

3.6. Financial Security

3.6.1. Savings

- Only 44% of interviewees manage to do some savings.
- 30% have opened a saving bank account, while 8% keep their savings home. The banks mainly cited by interviewees are Dena Bank and SBI Bank.
- Savings amount are very low: 50% of savers have less than Rs 500 savings, and 79% less than Rs 1,000.
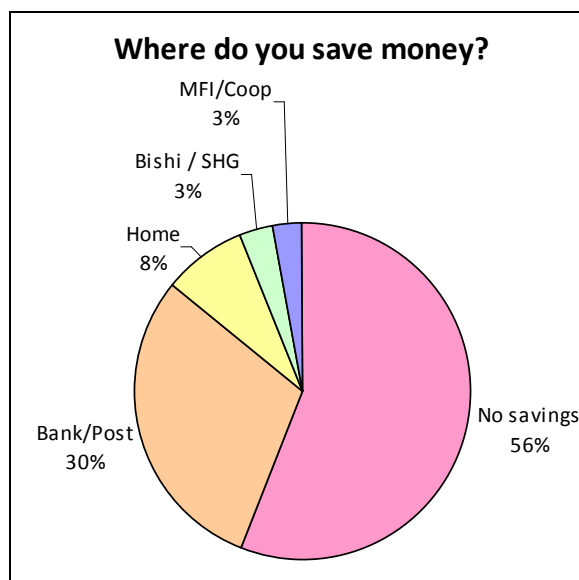
Figure 14: "Where do you save?"
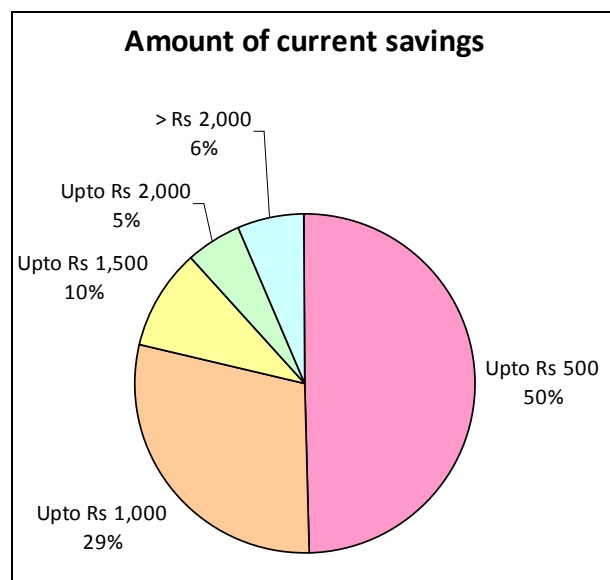
Figure 15: Amount of current savings

To the question "why don't you do any savings?", 66 interviewees gave the following answers:

- No capacity, income insufficient (51 people, 77%)
- Savings are sent to the native place (12 people, 19%)
- Health problems of family member(s) (2 people)
- Savings are spent in repairing the autorickshaw (1 person)

3.6.2.   Current debts

Only 28% of interviewees admitted having debts, mainly towards relatives / friends or moneylenders.

However, the honesty of interviewees when answering can be questioned…

The loan needs are mainly covered by relatives and friends and by moneylenders. Only 3% of interviewees have access to bank or MFI / cooperative loans.

Current debts

- No capacity 22%
- Moneylender 10%
- Relatives 14%
- MFI/Coop 1%
- Bank/post 2%
- No debts 51%
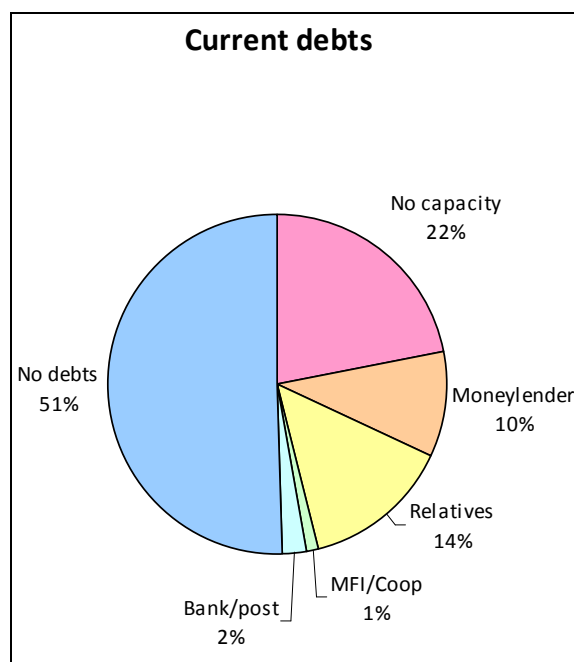
Figure 16: Current debts of interviewees

4. Situation of earning adults and family income(s)

4.1. Number of earning adults per family

70% of families have only one adult earning, while on average there are 2.6 adults per family.

In the survey, 199 families declared having a second earning adult, and 61 a third one.

Number of income sources of the family
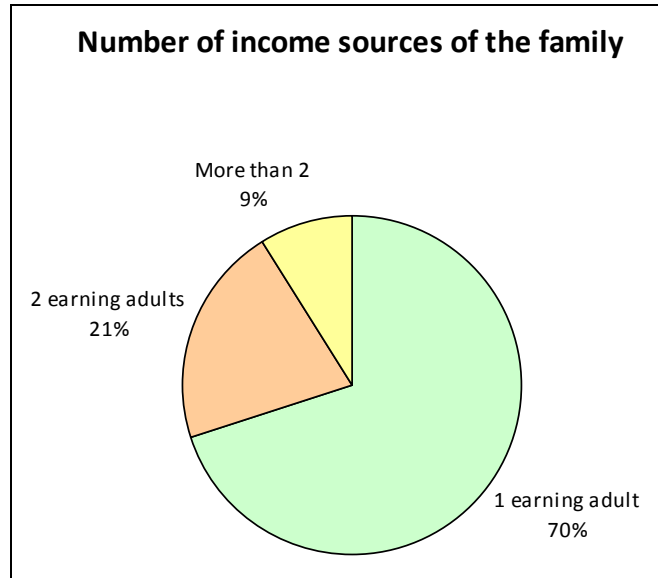
Figure 17: Number of earning adults in each family

4.2. Education level of earning adults

Earning adults education level
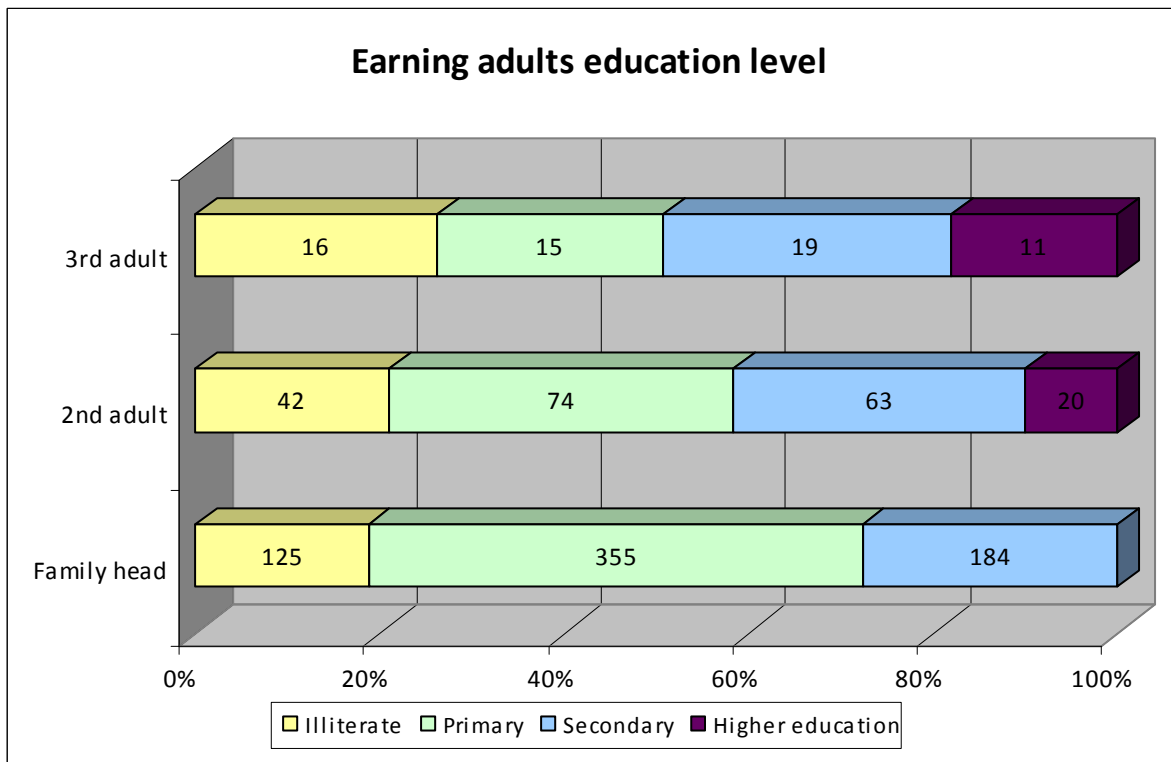
Figure 18: Education level of earning adults

This question contains a bias: while the questions concerning the second and third adults included four answer choices (illiterate, primary, secondary, higher education), the same question concerning the family head, which was in fact a question included into the PAT, only offered three answer choices (illiterate, primary, secondary).

On the whole, 20% of earning adults are illiterate. 48% stopped school at the primary level, and 29% reached the secondary level. 12% of second and third earning adults went to higher education.

4.3. *Employment of earning adults*

4.3.1. Sector

The family head of 83% of family interviewed works in the unorganized private sector. We find almost the same figures for the second earning adult (81%) and the third earning adult (80%).

Very few people work for the public sector (2% of all earning adults), and on average, only 14% of earning adults work in the organized private sector.

Family head employment

Public sector 3%
Unemployed 1%
Organised private sector 13%
Unorganised private sector 83%
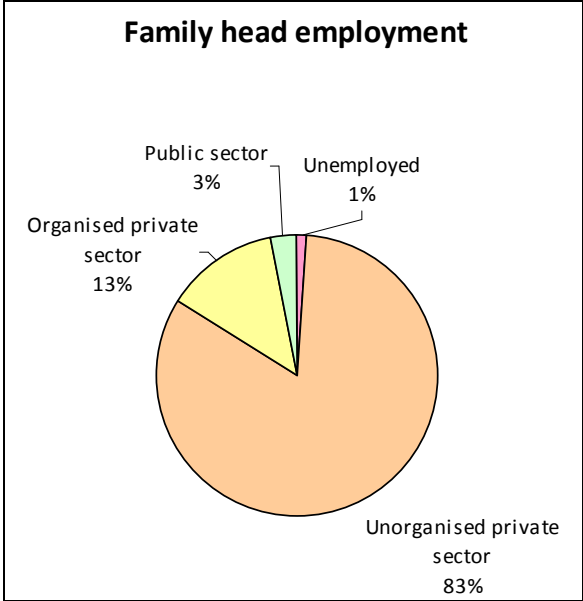
Figure 19: Family head employment sector

4.3.2. Stability

On the whole, 51% of earning adult's employment / activity is irregular. 40% work on a contract-basis, and only 9% are granted with a permanent / regular work.

Family head employment stability

Permanent 9%
NA 1%
Contract base 41%
Irregular 49%

2nd earning adult employment stability

Permanent 9%
NA 0%
Contract base 39%
Irregular 52%

3rd earning adult employment stability

NA 4%
Permanent 4%
Contract base 25%
Irregular 67%
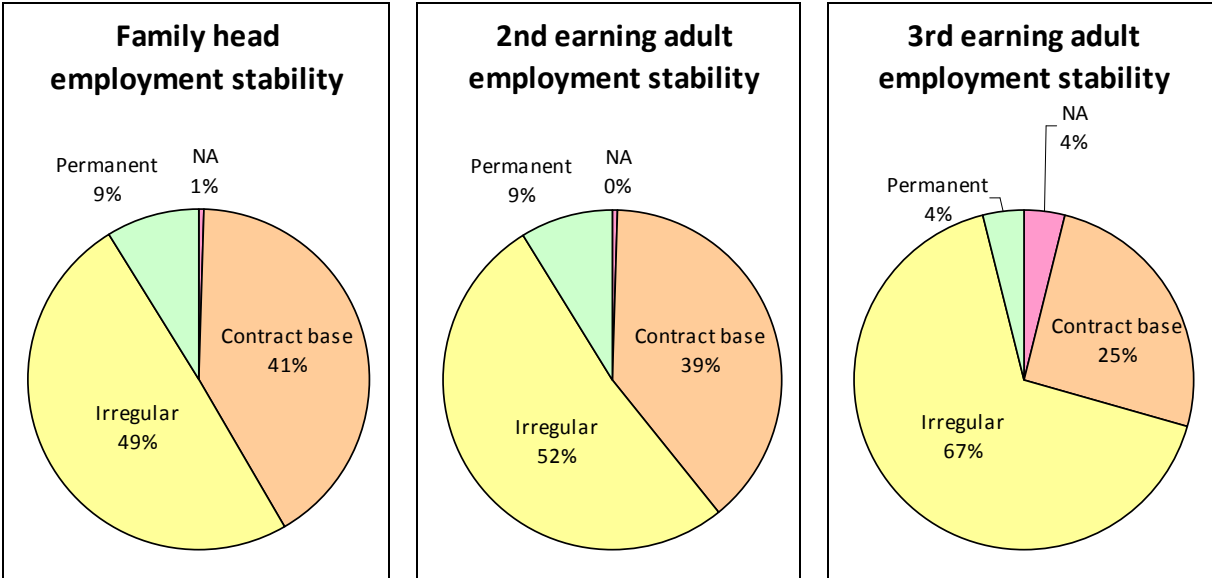
Figure 20: Employment stability of earning adults

51% of the earning adults are salaried. This is particularly true for the second earning adults (58%).

Earning adults salaried?
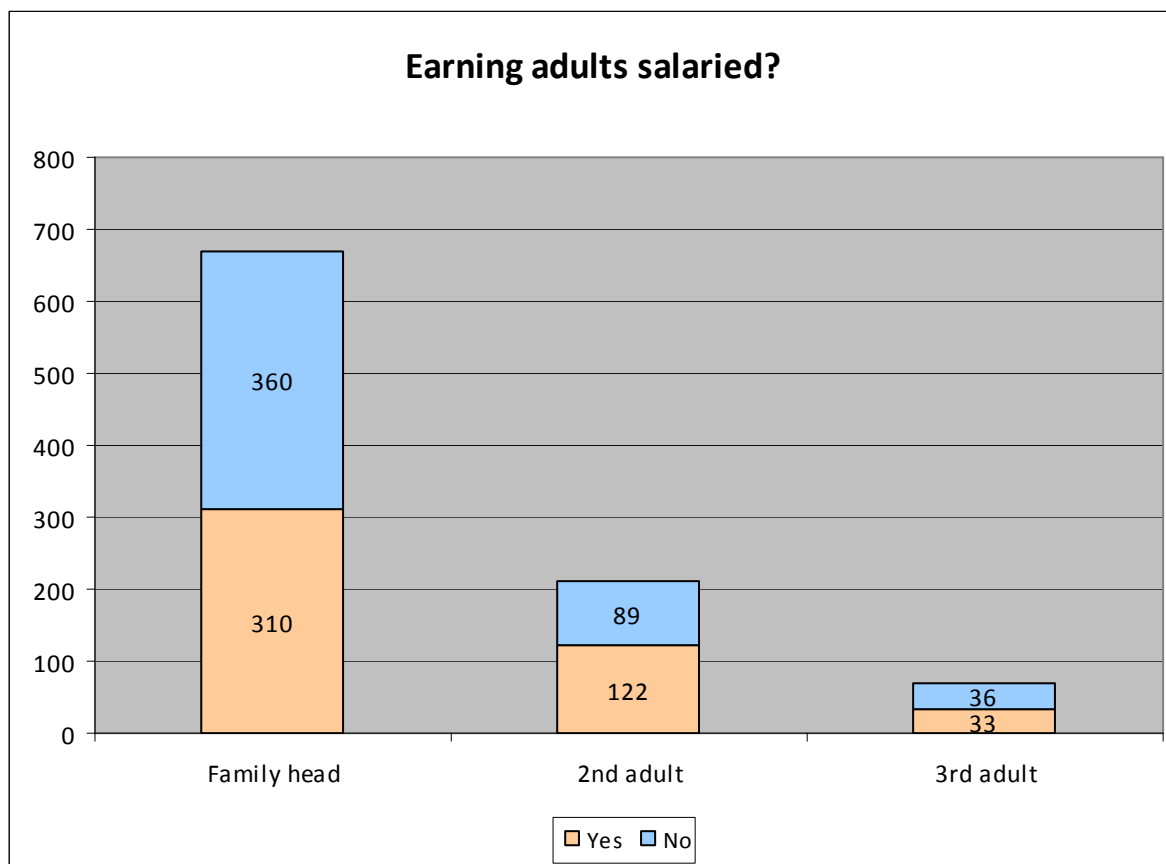
Figure 21: Are earning adults salaried?

Concerning income frequency, 78% of earning adults declare getting their income monthly and 19% daily. Only 1% gets income on a weekly basis.

4.4. Family monthly income(s)

On average, the monthly family income is Rs 8,257 and the monthly per capita income is Rs 1,934. Non-surprisingly, figures are higher when several adults are earning:

In roupies (Rs)	Average monthly family income	Average monthly per capita income
1 earning adult	7,011	1,852
2 earning adults	9,646	1,976
More than 2 earning adults	14,823	2,470
ALL FAMILIES	*8,257*	*1,934*

Figure 22: Average income accordingly to number of earning adults

However, these figures seem to be quite high: the accuracy of the collected data can be questioned.

The average income of family head is Rs 6,495, while it is Rs 2,530 for the second earning adult and Rs 1,215 for the third one.

5. How many people run a business or an income-generating activity?

47% of interviewed families have at least one income source by running a business or small activity.
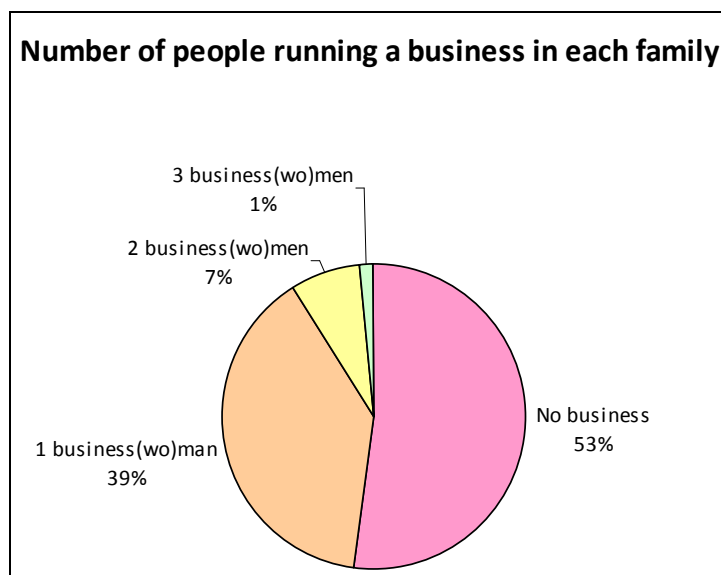
Figure 23: Number of people, per family, running a business

Over the 390 business people in 322 families, 292 specified which type of business they run. Here are the main answers:

	Number	%
Autorickshaw	68	23,3%
Carpenter	28	9,6%
Vegetable / fruit / fish / milk / eggs / chicken seller	22	7,5%
Tailor	20	6,8%
General store	19	6,5%
Services	9	3,1%
Clothes seller	8	2,7%
Tempo driver	8	2,7%
Garage, mechanic	7	2,4%
Scrap	7	2,4%
Driver	6	2,1%
Flower seller	6	2,1%
Furniture maker	6	2,1%
Retail shop	6	2,1%
Saloon	6	2,1%
Laundry	5	1,7%
Painter	5	1,7%
Pan shop	5	1,7%
Immitation	5	1,7%
Taxi driver	4	1,4%
Cutlery seller	3	1,0%
Electrician	3	1,0%

Figure 24: Type of small-scale businesses

6. NSVK services relevance

6.1. Loan

To the question "have you ever borrowed money?", 38% of interviewees answered yes.

To the question "have you ever borrowed money?", 38% of interviewees answered yes.

Out of them, 237 expressed where they could possibly get a loan from. The trend already depicted in the question about the current trend was confirmed: there is a limited access in this area to bank or MFI loans, so people ask relatives / friends or moneylender in case of needs.

57% of interviewees declared they would need a loan. 73% of them estimate their loan needs at less than Rs 10,000, what corresponds perfectly to NSVK's offer.

The main loan purpose for which interviewees require a loan is business creation or development (57%, over 188 answers). Such a high score is quite surprising, especially at a season when education loans are mainly needed, and it might be linked to the fact that interviewers introduced NSVK as a business-loan provider…

"Where can you get loan from?"

Figure 26: Where can people get a loan from?

"If yes, what amount of loan would you need?"
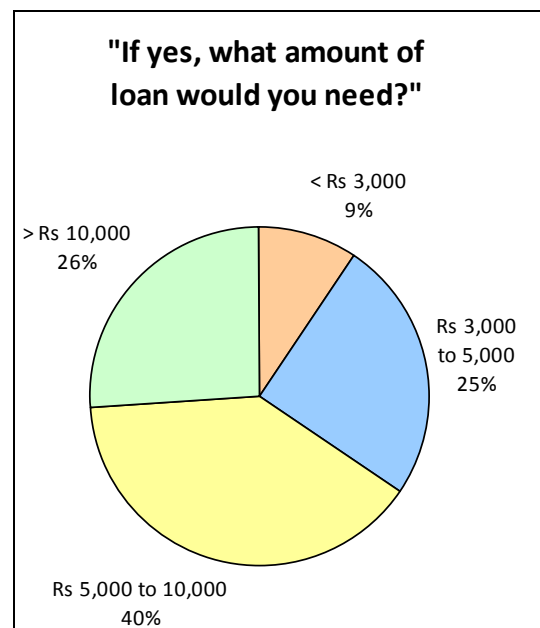
Figure 27: Amount of loan needed

	Number	%
Business	108	57%
House buying or repairing	24	13%
Education	22	12%
Debt clearance	9	5%
Health	9	5%
Personal reasons	8	4%
Marriage	6	3%
To send to village	2	1%
Daily need	1	1%
Emergency	1	1%

Figure 25: Loan purposes of interviewees needing a loan

Among the 57% people needing a loan, 95% agreed to pay an interest rate of 1.5% flat per month.

6.2. Savings

46% of interviewees are willing to do more savings, but no more than Rs 500.

"If you are willing to do savings, how much would you like to save?"
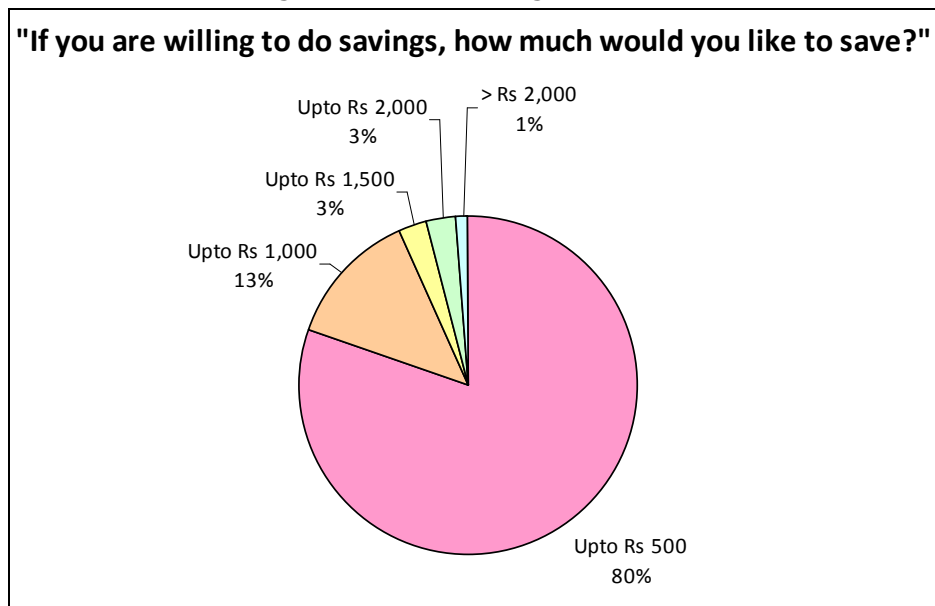
Figure 28: Amount that interviewees willing to do savings would like to save

6.3. BDS and trainings

To the question "would you need a training in business management?", 48% of partners answered "yes". Among them, only 18 expressed more precisely their needs:

- 6 said they need guidance to get their official documents
- 6 answered "business", without any further precision, except one who added "marketing",
- 4 expressed vocational training needs (furniture, room repairing, etc.)
- 2 asked simply for "guidance"

Conclusion

The baseline survey confirmed that the area presents a good potential for a new IGP branch:

- 47% of families run a business, so if we consider that there are 20,000 families in the area, there is a potential of roughly 9,400 partners.
- 82% are PAT level 3 or less, while we were using the new PAT, which is supposed to shift level 3 to more or less level 4. So the local population is perfectly in NSVK's target.
- 57% people expressed a need for loan, while only few have access to an MFI or a bank.
- Moreover, the loan amount they need perfectly matches with NSVK's offer:
    - o 25% said they need a loan of less than Rs 5,000
    - o 40% said they need a loan amount between Rs 5,000 and Rs 10,000
- Also, most of them expressed a loan need for business creation or development.
- Concerning savings, very few have access to saving schemes, while many people are willing to do more savings.

Hence, we can conclude that it will be relevant to open a new IGP branch in GPN.

Annexure: questionnaire

BASELINE SURVEY - GANPAT PATIL NAGAR

Date of survey: ___/___/11	Surveyor:		Questionnaire no. _____	Encoded ▮

1. RESPONDENT SPECIFICATIONS & FAMILY DETAILS

1st name:	Middle name:	Last name:	▮ F	▮ M

Area						

Since when have you been staying here?	⊋ <6 mths	▮ 6 - 12 mths	⊋ 1 - 3 yrs	▮ 4 - 7 yrs	⊋ >7 yrs	
Origin?	▮ Maharashtra	⊋ Karnataka	▮ Orissa	⊋ UP	▮ Bihar	⊋ Abroad (Sri Lanka, Nepal, …) / ▮ Other:
Mother tongue?	▮ Bhojpuri	⊋ Marathi	▮ Hindi	⊋ Oriya	▮ Kanada	⊋ Bengali / ⊋ Other:
Marital status	▮ Unmarried	⊋ Married	▮ Widow(er)	⊋ Divorced	▮ Separated	⊋ Multi-married

Age of family head: ___ yrs	**Family size** (people living in the same house)	No of adults: _____ (interviewee included)	No of children: _____

Religion:	▮ Buddhists	⊋ Christians	▮ Hindus	⊋ Jains	▮ Muslims	⊋ Sikhs	▮ Other:

2. POVERTY ASSESSMENT

2.1 FOOD SECURITY

Fill in the score

Access to food	1. 1 meal/day	2. 2 meals/day	3. 3 meals/day		
	1. for some members		2. for all members		
	0. family has felt food deprivation in last 3 months.		1. family has not felt food deprivation in last 3 months		
Quality of food	1. Square meal less than once a week or never	2. Square meal every week but not daily	3. Square meal every day		

2.2 HEALTH

Status	0. existence of chronic disease, major illness and/or handicap		1. no chronic disease, no major illness and no handicap in the family		
	0. at least 1 family member seriously sick in past 3 months	1. only minor illnesses in the past 3 months	2. no family member sick in past 3 months		
Treatment	0. family never seeks guidance in case of illnesses	1. family sometimes seeks guidance in case of illnesses	2. family always seeks guidance in case of illnesses		
	1. family discriminates against some members for access to health service / cure		2. family treats equally all members for access to health service / cure		
Medical treatment place	▮ Health center	⊋ Public hospital	▮ Private doctor	⊋ Traditional healer	▮ Stay at home ⊋ Other	✕
Insurance	0. no medical insurance at all		1. medical insurance for some family members	2. medical insurance for all family members	

2.3 HOUSING

Ownership	0. Houseless		1. Rented	2. Owned	
If rented:	Amount of deposit: Rs		Amount of rent: Rs		✕
Housing Structure	1. Kaccha		2. Semi-pucca	3. Pucca	
Space	1. <=100 sq ft	2. 100 to 200 sq ft	3. 200 to 300 sq ft	4. >300 sq ft	
Basic facilities	Electricity (owned or rented)	Public toilet	Access to safe drinking (clean) water at less than 15min from home	Total facilities: 0 / 1 / 2 / 3	

2.4 EDUCATION

Enrollment to school	0. No eligible children enrolled		1. Some eligible children enrolled		2. All eligible children enrolled

If some do not go to school, why?	No school in area	⊢ Security (it is a girl, too risky for her)	Lack of money to cover fees / education material	⊢ Grown-up girls	The child(ren) has to take care of younger children at home	⊢ Other:	

Age matching with Standard	1. Age > standard for all	2. Age > standard for some	3. Age & standard matching for all
Attendance in month	1. Absence more than a week	2. Absence up to a week	3. Max 2 days absence
Education main earner	0. Illiterate	1. Primary level	2. Secondary level and above

2.5 INCOME SECURITY

Nbr of income sources	0. No eligible adult earning	1. 1 eligible adult earning	2. 2 eligible adults are earning	3. More than 2 eligible adults are earning

Family head

Employment	0. Unemployed	1. Unorganised private sector	2. Organised private sector	3. Public sector
Stability	0. NA	1. Contract basis (wage labor)	2. Temporary / seasonal / irregular	3. Permanent / yearly

2nd adult

Employment	0. Unemployed	1. Unorganised private sector	2. Organised private sector	3. Public sector
Stability	0. NA	1. Contract basis (wage labor)	2. Temporary / seasonal / irregular	3. Permanent / yearly

2.6 DOCUMENTATION

Valid documents	0 document	1 document	2 documents	3 documents
List of documents	Ration card	Election card	⊢ Birth certificate (only up to 5-yr children)	⊢ PAN card

2.7 FINANCIAL SECURITY

Where do you save?	0. No savings	1. Home	2. Bishi / SHG	3. MFI/coop: _____	4. Bank/Post: _____
In case of no savings, why?					
Amount of savings	Upto Rs 500	⊢ Upto Rs 1000	Upto Rs 1500	⊢ Upto Rs 2000	Upto Rs 2500	⊢ > Rs 2500
Are you willing to do savings?	No	Yes, upto: Rs 500	⊢ Rs 1000	Rs 1500	⊢ Rs 2000	>Rs 2000
Current debts	0. No capacity to borrow	1. Moneylender	1. Relatives or friends	2. MFI/coop: _____	3. Bank/Post: _____	4. No debts
Supportive link	0. No		1. Only access to the benefits of land	2. Owned land / shop / other owned property than this house	
Risk of over debtness	0.Yes (more than 2 loans / no access to borrowing due to very insufficient income)		1. No		

TOTAL POVERTY ASSESSMENT SCORE:						
7-28: L1	**29-35: L2**	**36-42: L3**	**43-49: L4**	**50-56: L5**	**57-63: L6**	**>65: L7**

3. ECONOMIC STATUS & INCOME OF FAMILY HEAD AND OTHER EARNING ADULT MEMBERS OF THE FAMILY

FAMILY HEAD

Are you salaried?	⊢ No	Yes	**How long have you been in this position?**	⊢ >6 mths	⊢ >12 mths
If no, what is your business?					
What is your income	_____Rs	Daily	⊢ Weekly	Monthly	⊢ Irregular

2nd EARNING ADULT						
Are you salaried?	▊ No	⊢ Yes	**How long have you been in this position?**	▊ >6 mths		▊ >12 mths
If no, what is your business?						
What is your education level?	⊢ Illiterate	▊ Primary		⊢ Secondary		▊ Higher education
What is your income	_____Rs	⊢ Daily	▊ Weekly	⊢ Monthly		▊ Irregular

3rd EARNING ADULT						
Are you salaried?	⊢ No	▊ Yes	**How long have you been in this position?**	⊢ >6 mths		⊢ >12 mths
If no, what is your business?						
What is your education level?	▊ Illiterate	⊢ Primary		▊ Secondary		⊢ Higher education
Employment	0. Unemployed	1. Unorganised private sector		2. Organised private sector		3. Public sector
Stability	0. NA	1. Contract basis (wage labor)		2. Temporary/ seasonal / irregular		3. Permanent / yearly
What is your income	_____Rs	▊ Daily	⊢ Weekly	▊ Monthly		⊢ Irregular

TOTAL INCOME OF THE FAMILY / TOTAL FAMILY MEMBER					
What is the total family income?	_____Rs	▊ Daily	⊢ Weekly	▊ Monthly	⊢ Irregular

CALCULATION:
monthly income per head   Rs _____ / _____ = _____
monthly family income   *number of family members*   *monthly income /head*

4. NSVK SERVICES RELEVANCE

4.1 LOANS						
Have you ever borrowed money?	▊ Yes	⊢ No				
Where can you get it from?	▊ Bishi/Group	⊢ Moneylend.	▊ Relatives / friends	⊢ MFI/Coop	▊ Bank/Post	▊ Nowhere
Would you need to get a loan?	⊢ Yes	▊ No				
For what purpose would you need a loan?	_____					
What amount do you need?	⊢ ? Rs 3,000	⊢ Rs 3,000 to 5,000		▊ Rs 5,000 to 10,000		⊢ > Rs 10,000
Would you accept to pay 1.5%/month flat?	▊ Yes	⊢ No				

4.2 TRAININGS			
Would you need any training in business management (accountancy, marketing, etc.)?	▊ Yes	⊢ No	
Any other needs in trainings or guidance?			

5. COMMENTS