PPAF Micro Credit Financing
Assessment of Outcomes

Final Results

March 10, 2003
OBJECTIVE OF THE STUDY

The purpose of this study is to gauge whether the intended outcomes of the micro credit facility are really accruing to end user, that is, the borrower.

INTRODUCTION

This report provides the results of the outcome assessment study of PPAF Micro Financing.

The quantitative data was gathered from over 1700 households, one-half of them were borrowers while the other half were non-borrowers, interviewed in 140 community organizations, spread in 17 districts in all the four provinces of Pakistan.

The findings are presented so as to compare the changes in the economic and social status of a borrower with that of a non-borrower of the same profile, over a year. This report is based on gauging not only the pattern or direction of change in PPAF's borrower and non-borrower but magnitudes of change in variables as well.

Hypotheses

Group 1: Change in INCOME, CONSUMPTION AND ASSETS (10 Hypotheses)

1. Participation in micro-credit leads to increase in personal income
2. Participation in micro-credit leads to increase in household income
3. Participation in micro-credit leads to increase net annual income from 3 key sectors
4. Participation in micro-credit leads to increase in consumption of household
5. Participation in micro-credit leads to increase in consumption of overall food

Continued......Hypotheses

6. Participation in micro-credit leads to increase in consumption of key food items
7. Participation in micro-credit leads to increase in consumption of home produced items
8. Participation in micro-credit leads to increase in the possession of consumer durables
9. Participation in micro-credit leads to increase in the possession of enterprise/livestock/ agriculture related assets
10. Participation in micro-credit leads to increase in the possession of financial assets
Group 2: EMPLOYMENT GENERATION (1 Hypothesis)

11. Participation in micro-credit leads to increase in paid employment generated by 3 key sectors

Group 3: Change in QUALITY OF LIVING (4 Hypotheses)

12. Participation in micro-credit leads to increase in operating surplus
13. Participation in micro-credit leads to increase in expenditure on house repair
14. Participation in micro-credit leads to the use of better household facilities
15. Participation in micro-credit leads to increase in expenditure on miscellaneous events and items

Methodology

Research Design

The approach used was counter-factual "combined approach". It combines the "with-without approach" and the "before-after approach".

With-without approach
The "with-without approach" gathers data on the life of a sample of borrower households and compares it with the data collected from a comparable sample of non-borrower households.

Before and after approach
The "before-after" approach makes a comparison of the change in the life of both groups during the interlude of a year marking the period during which the borrower household benefits from the micro-finance loan.

Group 4: Change in BUSINESS PRACTICES (1 Hypothesis)

16. Participation in micro-credit leads to the use of better agriculture inputs

Group 5: Change in SOCIAL LIFE (1 Hypothesis)

17. Participation in micro-credit leads to improvement in social status

So our study is based on measuring "change", experienced by the individual who received "treatment" in comparison with the individual who did not receive "treatment", between t1 (period between July 2001 to 2002) and t2 (period between July 2000 to 2001), where t1 and t2 have been referred to as periods before and after taking loan.
Sample Design

To conduct the survey, a sample of 1800 households was selected, of which 900 were borrowers defined as those who had taken at least one loan from PPAF before July 2001. The repeated borrowers have also been included in the sample. The other half of the sample comprised non-borrowers having more or less the same profile as the borrowers. The difference between planned and achieved sample is given below.

<table>
<thead>
<tr>
<th>District</th>
<th>Achieved Sample</th>
<th>Planned Sample</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sindh</td>
<td>628</td>
<td>628</td>
</tr>
<tr>
<td>Hyderabad</td>
<td>148</td>
<td>628</td>
</tr>
<tr>
<td>Sanghar</td>
<td>36</td>
<td>628</td>
</tr>
<tr>
<td>Badin</td>
<td>120</td>
<td>628</td>
</tr>
<tr>
<td>Tharparkar</td>
<td>60</td>
<td>628</td>
</tr>
<tr>
<td>Thatha</td>
<td>166</td>
<td>628</td>
</tr>
<tr>
<td>Balochistan</td>
<td>244</td>
<td>628</td>
</tr>
<tr>
<td>Quetta</td>
<td>60</td>
<td>628</td>
</tr>
<tr>
<td>Muzaffarabad</td>
<td>48</td>
<td>628</td>
</tr>
<tr>
<td>Gawadar</td>
<td>138</td>
<td>628</td>
</tr>
<tr>
<td>Total</td>
<td>1718</td>
<td>628</td>
</tr>
</tbody>
</table>

March 11, 2003

PO Covered in the Sample

NRSP    JWS
SRSP    RCDS
BRSP    SAFWCO
KASHAF  TT
DAMEN   TRDP

March 15, 2003
Selection of Non-Client Sample:

To avoid the problem of selection bias study required a matching criteria for selecting the control group. Borrowers and control group were required to match on the following criteria.

- Gender
- Main Occupation
- Monthly income
- Household size
- Earning persons in the family
- Age of borrower

Field Work:

During September 2002, Gallup Pakistan recruited a team of enumerators. They went through a three-day training (two days of classroom training and one day of field training). The training curriculum covered the background and programs of PPAF, including the operations of PPAF; the background and purpose of the Project; the conceptual framework and hypotheses of the study; and the survey questionnaire.

Particular attention was paid to explaining and discussing the important terms and concepts used in the questionnaire.

Special attention was also given to explaining how to calculate net income and other economic estimates in the questionnaire and how could these be crosschecked.

The enumerators were trained in how to conduct an interview and what to do if the respondent is distracted, loses interest, or runs out of time. Each enumerator was given the questionnaire with an instructions manual, which described in detail all significant variables and questions and the manner of asking these questions.

After a thorough review of each question in the questionnaire, the enumerators started fieldwork under the supervision of their field supervisors.

Questionnaire Design:

The Questionnaire was developed through an extended process.

In the first phase Gallup team, developed a set of hypotheses, which was pre-tested by the research team initially in a community organization run by NRSP outside Islamabad.

The revised questionnaire was again pre-tested in communities in Lahore. This led to further revisions.

The next draft was discussed with experts from Pakistan Institute of Development Economics (PIDE) who had previously conducted similar surveys.

The draft was then discussed with the client in an extended session. It led to further changes.

After incorporating the feedback from the client, it was run on a pilot basis in 4 different locations.

A detailed set of Instructions were developed to accompany the Questionnaire for the benefit of the Field team. These instructions formed the core of the training imparted to the field team.

Data Processing:

The data were processed in two stages.

In the first stage a team of researchers edited the entire set of questionnaires and prepared summary statistics on key variables. This formed the basis for the preliminary report. This team also made the necessary computations on incomes, expenditures and rates of investments.

Later the entire data was computer processed and analyzed with the help of Statistical Package for Social Sciences. A team of senior researchers carried out the analysis of the data.
**Hypothesis 1:** Participation in micro-credit leads to increase in personal income.

On the whole around 41% of borrowers and 32% of non-borrowers experienced positive change in their income over the period under study. The ratio of borrowers experiencing positive change in their personal income is significantly higher than non-borrowers. This difference is statistically significant (at 95% level of significance).

**Proposition HELD**

March 10, 2003

**Hypothesis 2:** Participation in micro-credit leads to increase in household income.

On the whole around 44% of borrowers and 33% of non-borrowers experienced positive change in their household income over the last one-year period. The ratio of borrowers experiencing positive change in their monthly household income is significantly higher compared to non-borrowers. The difference is statistically significant (at 95% level of significance).

**Proposition HELD**

March 10, 2003

Further increase in the mean income of the borrower group is proportionally higher (8%) compared to the non-borrower (5%). This is a statistically significant difference (at 95% level of significance).

March 10, 2003

Further increase in the mean income of the borrower group is proportionally higher (9%) as compared to non-borrower (6%). This difference is statistically significant (at 95% level of significance).

March 10, 2003
Sector Wise Analysis

Hypothesis 3: Participation in micro-credit leads to an increase in net annual income (inclusive of the imputed value of own production, which was used by household) from 3 key sectors.

AGRICULTURE:
On the whole around 47% of borrowers and 48% non-borrowers experienced positive change in their net annual monetary as well as non-monetary income from agriculture. The ratio of borrowers experiencing positive change in their net annual income from agriculture is slightly lower than non-borrowers but the difference is not statistically significant.

LIVESTOCK:
On the whole around 36% borrowers and 33% non-borrowers experienced positive change in their net annual monetary as well as non-monetary income from Livestock. The ratio of borrowers experiencing positive change in their net annual income from livestock is slightly higher than non-borrowers. But the difference is statistically not significant.

AGRICULTURE:
However the change in mean income from agriculture (inclusive of the imputed value of own production, which was used within the household) is considerably higher for the borrower group (9%) compared to the non-borrower group (2%). This difference is statistically significant (at 95% significance level).

LIVESTOCK:
However the change in mean income from livestock (inclusive of the imputed value of own production, which was used within the household) was considerably higher for the borrower group (13%) compared to the non-borrower group (0.7%). This difference is statistically significant (at 95% significance level).
ENTERPRISE:

On the whole 65% borrowers and 47% non-borrowers experienced positive change in their net annual monetary as well as non-monetary income from enterprise/commerce. The ratio of borrowers experiencing positive change in their net income from enterprise/commerce is proportionally higher than non-borrowers. This difference is statistically significant (at 95% level of significance).

IMPACT IS PRONOUNCED IN NUMBER OF PERSONS AFFECTED

65%  47%

Moderate Impact in number of persons affected

34%  30%

March 10, 2003

PROPPOSITION HELD

Hypothesis 4: Participation in micro-credit leads to increase in consumption of household.

On the whole around 34% of borrowers and 30% of non-borrowers experienced positive change in their overall expenditures during the study period. Ratio of borrowers who experienced positive change is significantly higher than the non-borrowers. The difference is statistically significant (at 90% level of significance).

Further change in the mean expenditure of the borrower group is proportionately higher (7%) compared to the non-borrower group (5%). This is statistically significant difference at (90% level of significance).

March 10, 2003
Hypothesis 56: **Participation in micro-credit leads to increase in consumption of OVERALL FOOD AND HIGH PROTEIN FOOD ITEMS.**

The data show that the change in mean expenditure on overall food items is almost the same for both borrowers and non-borrowers (6% and 7% respectively). However the change in key food items, with high protein contents, is higher among borrowers (chicken, beef, eggs, ghee/oil and milk) compared to non-borrowers. These are relatively more nutritious items and the increase in their consumption level during the period under study is significantly higher among borrowers compared to non-borrowers. Hence it shows improved food intake among borrowers. (see details on page # 37 in report)

**Proposition partially HELD**

---

Hypothesis 7: **Participation in micro-credit leads to increase in CONSUMPTION OF HOME PRODUCED ITEMS.**

On the whole increase in the consumption of milk, honey and rice was proportionately higher among the borrowing households as compared to non-borrowing households, during the period under study. In the case of wheat and fertilizer, however the increase was proportionately higher among the non-borrowing households. While wheat is generally considered a cheaper substitute of rice, the case of fertilizer is notable for being an exception to the general pattern. (see details on page # 38 in report)

**Proposition partially HELD**

---

Hypothesis 8: **Participation in micro-credit leads to increase in the POSSESSION OF CONSUMER DURABLES**

The data show that the increase of assets is higher among the borrowing households as compared to the non-borrowing households. Acquisition of relatively expensive items such as VCR/VCP, iron, fan, washing machine and bicycles was significantly higher among borrowers as compared to the control group. (see details on page # 40 in report)

**Proposition HELD**

---

Hypothesis 9: **Participation in micro-credit leads to increase in the POSSESSION OF ENTERPRISE/LIVESTOCK/AGRICULTURE RELATED ASSETS**

On the whole the number of borrowers who made additions to their property as well as enterprise related assets are more than the non-borrowers. But the results are mixed. (see details on page # 41 in Report)

**Proposition partially HELD**
Hypothesis 10: Participation in micro-credit leads to increase in the POSSESSION OF FINANCIAL ASSETS.

On the whole the survey shows that the borrower group made more additions to assets during the period under study compared to the control group. The asset building is more pronounced in the case of household goods and less so for financial assets or business and agricultural assets. Apparently the loan is too small to lead to building the latter type of assets. (see details on page # 45 in report)

Proposition NOT HELD

March 10, 2000

Hypothesis 12: Participation in micro-credit leads to increase in OPERATING SURPLUS.

The data show that a higher proportion of borrowers (60%) reported operating surplus in current year as compared with previous year (56%). Among the non-borrowers there was no increase. The figures show that there was around 7% increase in the number of persons among client group who accrued operating surplus while the change among non-borrowers was nil.

Proposition HELD

March 10, 2000

Hypothesis 11: Participation in micro-credit leads to increase in PAID EMPLOYMENT GENERATED BY 3 KEY SECTORS.

The data show that neither of the two groups, borrowers and non-borrowers made notable contribution to employment generation. Apparently the size of their business or agricultural and livestock activity, as well as the scale of loan is insufficient to make substantial contribution in this area.

Proposition NOT HELD

March 10, 2000

Hypothesis 13: Participation in micro-credit leads to increase in expenditure on house repair.

The data show that on average the borrowers spent Rs.1844 and Rs.878 during the current and the previous years respectively on house repair. The comparative figures for the non-borrowers were: Rs.702 and Rs.486. Thus while the borrowers made a positive change to the tune of 110%, the non-borrowers experienced a positive change to the tune of 44%.

Proposition HELD

March 10, 2000
Additions to Household Facilities (Latrine, Water Connection, Electricity, Gas, Telephone)

Hypothesis 14: Participation in micro-credit leads to the use of better household facilities.

On the whole the positive improvement is higher in the case of borrowers compared to the non-borrowers.

<table>
<thead>
<tr>
<th></th>
<th>Borrower (%)</th>
<th>Non-borrower (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Latrine construction</td>
<td>5%*</td>
<td>3%</td>
</tr>
<tr>
<td>Water connection</td>
<td>3%</td>
<td>2%</td>
</tr>
<tr>
<td>Electricity connection</td>
<td>2%**</td>
<td>1%</td>
</tr>
<tr>
<td>Gas connection</td>
<td>0.3%</td>
<td>0.6%</td>
</tr>
<tr>
<td>Telephone connection</td>
<td>0.2%</td>
<td>0.9%*</td>
</tr>
</tbody>
</table>

* Significant at 95% level of significance.
** Significant at 90% level of significance.

Proposition HELD

March 10, 2003

Proposition NOT HELD

March 10, 2003

Enhancement in Social Life

Hypothesis 15: Participation in micro-credit leads to increase in expenditure on miscellaneous events and items.

The data show that the borrowers spent more on items like funerals, recreation, animal keeping, other accessories, on rent and traveling as compared to the non-borrowers. Moreover the average amounts spent by borrowers were higher than the average amounts spent by the non-borrowers during period under study.

(See details on page # 51 in report)

Proposition partially HELD

March 10, 2003

Enhancement of Social Status of Men and Women

Hypothesis 17: Participation in micro-credit leads to improvement in social status

Based on the data concerning change in perceived social status, participation in politics and control over financial resources we get a mixed picture. However on the whole the borrower group seems to have improved its social status during the period under study.

Proposition HELD

March 10, 2003
### Perception about change in personal social status

<table>
<thead>
<tr>
<th>How has your social status been affected after taking loan?</th>
<th>Total (%)</th>
<th>Male %</th>
<th>Female %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increased</td>
<td>65</td>
<td>60</td>
<td>70</td>
</tr>
<tr>
<td>Decreased</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Unchanged</td>
<td>34</td>
<td>33</td>
<td>35</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Has the importance of your opinion regarding children marriages...</th>
<th>Total (%)</th>
<th>Male %</th>
<th>Female %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increased</td>
<td>41</td>
<td>40</td>
<td>42</td>
</tr>
<tr>
<td>Decreased</td>
<td>10</td>
<td>10</td>
<td>10</td>
</tr>
<tr>
<td>Unchanged</td>
<td>50</td>
<td>50</td>
<td>50</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Has the importance of your opinion regarding decision on education of children...</th>
<th>Total (%)</th>
<th>Male %</th>
<th>Female %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increased</td>
<td>31</td>
<td>30</td>
<td>32</td>
</tr>
<tr>
<td>Decreased</td>
<td>10</td>
<td>10</td>
<td>10</td>
</tr>
<tr>
<td>Unchanged</td>
<td>59</td>
<td>59</td>
<td>59</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Has the importance of your opinion in resolving family disputes...</th>
<th>Total (%)</th>
<th>Male %</th>
<th>Female %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increased</td>
<td>19</td>
<td>18</td>
<td>19</td>
</tr>
<tr>
<td>Decreased</td>
<td>10</td>
<td>10</td>
<td>10</td>
</tr>
<tr>
<td>Unchanged</td>
<td>70</td>
<td>70</td>
<td>70</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Has the importance of your opinion in business decisions...</th>
<th>Total (%)</th>
<th>Male %</th>
<th>Female %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increased</td>
<td>30</td>
<td>30</td>
<td>30</td>
</tr>
<tr>
<td>Decreased</td>
<td>3</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Unchanged</td>
<td>67</td>
<td>67</td>
<td>67</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Has the importance of your opinion in purchase or sale of household items...</th>
<th>Total (%)</th>
<th>Male %</th>
<th>Female %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increased</td>
<td>20</td>
<td>20</td>
<td>20</td>
</tr>
<tr>
<td>Decreased</td>
<td>2</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Unchanged</td>
<td>78</td>
<td>78</td>
<td>78</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Has the importance of your opinion in purchase or sale of property...</th>
<th>Total (%)</th>
<th>Male %</th>
<th>Female %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increased</td>
<td>21</td>
<td>20</td>
<td>20</td>
</tr>
<tr>
<td>Decreased</td>
<td>2</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Unchanged</td>
<td>77</td>
<td>77</td>
<td>77</td>
</tr>
</tbody>
</table>

March 10, 2003

### Value of Loan Required by Borrowers

While the mean value of loans received by the borrower group was Rs. 9,138, their preferred amount, they said, would have been Rs. 17,136.

March 10, 2003

### Return on Investment

While it is quite complicated and hazardous to compute the return on investment for a micro-credit under the conditions, which were the subject of our study, one can however arrive at what may be seen as an informed and educated estimate. We have roughly estimated the mean return on investment for the loans averaging around Rs.9,138 at approximately 30% per annum. (see details on page # 57 in report)

March 10, 2003

### Personal Assessment of the Borrower

In response to a direct question on the subject, nearly 90% of the borrowers said that the loan had benefited them.

Views on Repeat Borrowing

When asked if they would like to borrow again from the same community organization, 88% of the borrowers answered in the positive.

March 10, 2003
TECHNICAL NOTE

The study has been conducted to measure the change in the borrower life from previous to current year as compared with non-borrower. The formula applied to measure change is as follows:

\[
\text{Percentage change in } = \frac{\text{Income in } t1 - \text{Income in } t2}{\text{Income in } t2} \times 100
\]

This formula has been applied to measure the change in income of borrower as well as non-borrower group in \( t1 \) based on \( t2 \).

Our hypothesis (alternate hypothesis as explained below) is that:

\[
\text{Change in B (t1-t2)} > \text{Change in NB (t1-t2)}.
\]

Where B (t1-t2) is the change in the status of borrower from previous to current year.

NB (t1-t2) is the change in the status of non-borrower from previous to current year.

March 10, 2000

Continued..........TECHNICAL NOTE

The Null Hypothesis:

The null hypothesis was that the difference between the behavior of the treatment group (borrower sample) and control group (non-borrower sample) is not real. It emerges from chance factor.

The Alternative Hypothesis:

The alternate hypothesis is that the difference between the behavior of the treatment group (borrower sample) and control group (non-borrower sample) is real. It is caused by the intervention, that is, the effect of taking a loan. Wherever the t-test shows significant results, we have stated that the hypothesis, meaning the alternate hypothesis, has been held.

This result has been reported for each of 17 hypotheses listed at the outset of the study. (page 4-9)

March 10, 2000

Continued..........TECHNICAL NOTE

Test of significance:

In order to assess that the change in the behavior of treatment group (borrower) and control group (non-borrower) is a "real" change and not a result of "chance" due to the nature of the sample or other factors. We have applied the requisite test of significance, t-test of significance. The test was applied at 95% and 90% confidence level as explained below.

Level of Significance:

The t-test has been applied at both 95% and 90% confidence level. In each case we tested the hypothesis of change first at 95% and only if the difference was not significant we moved to 90% confidence level. Hence when we report that the difference was significant at 90%, it would mean that the difference was not significant at 95% level.

March 10, 2000

Continued..........TECHNICAL NOTE

Definitions:

Borrower’s Household: Household of the person who has obtained loan from PPAF.

Non-Borrower’s Household: Household of the person who did not ever obtained loan from PPAF.

Intervention: Micro-credit provided by PPAF.

Current Year: Period from July 2001 to 2002.

Previous Year: Period from July 2000 to 2001.

March 10, 2000
### List of Hypotheses and Summary Assessment

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Held</th>
<th>Not Held</th>
<th>Partially Held</th>
</tr>
</thead>
<tbody>
<tr>
<td>Participation in micro-credit leads to increase in personal income</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Participation in micro-credit leads to increase in household income</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Participation in micro-credit leads to increase in net annual income from 3 key sectors</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Participation in micro-credit leads to increase in consumption of household</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Participation in micro-credit leads to increase in consumption of overall food</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Participation in micro-credit leads to increase in consumption of key food items</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Participation in micro-credit leads to increase in consumption of home produced items</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Participation in micro-credit leads to increase in the possession of consumer durables</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Participation in micro-credit leads to increase in the possession of enterprise/livestock/ agriculture related assets</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Participation in micro-credit leads to increase in the possession of financial assets</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Participation in micro-credit leads to increase in paid employment generated by 3 key sectors</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Participation in micro-credit leads to increase in operating surplus</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Participation in micro-credit leads to increase in expenditure on house repair</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Participation in micro-credit leads to the use of better household facilities</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Participation in micro-credit leads to increase in expenditure on miscellaneous events and items</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Participation in micro-credit leads to the use of better agriculture inputs</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Participation in micro-credit leads to improvement in social status</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

March 10, 2003

---

### Positive Change in INCOME CONSUMPTION AND SETS HOLDING

- Operation Surplus, House repair, Use of better household facilities and Expenditure of miscellaneous events and items

### Positive Change in SOCIAL STATUS

- Notably of Women

### Positive Change in QUALITY OF LIVING

- No significant positive change in EMPLOYMENT GENERATION & IMPROVEMENT IN BUSINESS PRACTICES

---

### COMPARATIVE STUDIES

An assessment of the impact of SEWA Bank in India reports on a baseline study of 900 low-income working women. The findings compare two categories of SEWA programme participants-borrower and saver with a control group of non-members of SEWA. The results presented at three level.

**At Household Level**

- SEWA participants income reported to be more than non-member of SEWA.
- Comparative lower percentage of SEWA borrowers households lived below poverty line.
- Borrowers reported to spend more on food consumption

**At Enterprise Level**

- Little evidence of employment generation by selected groups.

**At Individual Level**

- Little evidence of improvement in member’s control over household resources and income, increase in self esteem and self confidence.

March 10, 2003