



'Impact of Economic Support Scheme and its impact on Income and Employment Generation among Particularly Vulnerable Tribal Groups (PVTGs) in Tribal Sub Plan area of Visakhapatnam District in Andhra Pradesh' (Minor Research Project sponsored by ICSSR, Ministry of Education, Govt. of India, New Delhi).

Dr. R.Rajendra Naidu

Project Director

Vemu Institute of Technology

P. Kothakota, Chittoor District, A.P.

Introduction:

According to Census report of 2011, the scheduled tribe population in India is 10.45 Crores, constituting 8.6% to the total population of the Country and they are spread across different parts of the Country except in Punjab, Hariyana, Delhi, Chandigarh and Pondicherry.

Government of India has recognized 75 groups as PVTG's according to the recommendations of the Dhebar Commission (1960-61). These communities were placed in a Special category due to their significant development disparities compared with other tribal groups. They are initially referred as Primitive Tribal Groups (PTGs), which later came to be identified as PVTG's. The important guidelines for identification of PVTG's are:

- Pre-agricultural level of technology,
- Low level of literacy,
- Economic backwardness and
- A declining or stagnant population.

PVTG's living in some of the remotest and most inaccessible areas in the Country. They are spread over 18 States and one Union Territory.

According to the Census data of 2011, the ST Population in Andhra Pradesh is 27.40 Lakhs, constituting 5.6% to the total population of the state. There are 34 recognized

scheduled tribes in Andhra Pradesh and they are living in different parts of the State. majority of tribals residing in forests, and hills which are in accessible areas. scheduled areas i.e. Visakhapatnam, East Godavari, Vizianagaram, Srikakulam and West Godavari Districts. The rate of literacy among tribals in the State is 48.80%.

The basic problems are poverty, illiteracy, exploitation, unemployment and indebtedness still persist in the tribal hamlets. In tribal society primitive system of economy still prevails with the result that the people are economically backward.

The tribal communities divided into various groups.

- Food gathering
- pastoralism
- shifting cultivation
- settled cultivation
- artisans and individual and
- mining labour.

Total PVTG population in Andhra Pradesh comes to 3,59,957. Highest number of PVTG's are living in Visakhapatnam District followed by Srikakulam, East Godavari, Vizianagaram and Prakasam.

Main occupation of the PVTG's:

- Agriculture or shifting cultivation,



- Collection of forest products
- Livestock rearing (sheeps, goats, milch animals etc.)
- Daily wage works,
- MGNREGS and
- Artisan works.

Government of Andhra Pradesh introduced various schemes for the well being of tribal people in general and PVTGs in particular. Ministry of Tribal Affairs, Government of India has introduced a programme named Conservation Cum Development Programmes (CCDP) with an objective of planning socio-economic development in a comprehensive manner while retaining the culture and heritage of the community by adopting habitat level development approach and intervening of PVTG's.

Due to small size of land, low returns from agriculture, high cost of inputs, lack of sources of irrigation facilities, rain-fed agriculture, inadequate credit facilities, indebtedness etc. are the major problems faced by the tribal people. In view of the above both the Central and State Governments introduced finance and development corporation with an aim to reduce the dependency of tribal people on agriculture and to create self employment among the tribes. Accordingly the Government established corporations to provide financial assistance to the tribes to start business under self-employment programmes.

National Scheduled Tribes Finance and Development Corporation (NSTFDC) :

The National Scheduled Tribes Finance and Development Corporation (NSTFDC) is the apex institution at national level and comes under the Ministry of Tribal Affairs, Government of India.

Main objectives of the corporation:

- To work for socio-economic and educational upliftment of schedule tribes.
- To facilitate self employment avenues to the tribal youth.
- The corporation will assist SCAs in project formulation, implementation of NSTFDC assisted schemes and importing training to their personnel.

Major Schemes:

Agriculture and allied, Horticulture, Animal Husbandry and dairy Development, Minor Irrigation, Small Industries and Trades, Services, Transport etc.

Andhra Pradesh Scheduled Tribes co-operative Finance Corporation (TRICOR):

Scheduled Tribes co-operative Finance Corporation (TRICOR) was registered under Andhra Pradesh Co-operative Society Act, 1976. The Head office of the corporation at present is located in Vijayawada. TRICOR is extending financial assistance through margin money loan cum subsidy to the ST people under Economic Support Scheme (ESS) to start income generating activities. Second, to officer training programmes to improve the skill upgradation to start self employment and thirdly to plug critical gaps of finance in economic support schemes.

TRICOR shall act as facilitator by providing subsidy on the unit cost to undertake specific activities under Economic Support Schemes for the upliftment of Scheduled Tribes.

Schemes:

- Agriculture
- Horticulture
- Sericulture.
- Animal Husbandry
- ISB / Self Employment



Main Objective:

TRICOR aims at providing financial assistance towards margin money to enable the poor scheduled tribe beneficiaries to mobilize the required institutional credit to take up the income generating activities.

Main objective of the study:

Main objective of the study is to assess the impact of ESS of TRICOR on the employment and income generation among PVTG's beneficiaries in Visakhapatnam District of Andhra Pradesh. The findings of the study will enable the planners and administrators in preparation of annual plans and other programmes. Besides, the outcome will also provide useful information to the social science researchers for future research study.

Research Methodology:

Universe of the study: ITDA, Paderu in Visakhapatnam District of Andhra Pradesh.

Sample of the Study:

The present study was conducted in ITDA, Paderu Revenue Division in Visakhapatnam District of Andhra Pradesh because the highest ST population was found in Visakhapatnam District. The ITDA, Paderu Revenue Division consists of 11 mandals and all the mandals have ST Population. There are 10 different scheduled tribes groups are living in the division, of them three groups are belongs to PVTG's namely Gadaba, Porja and Khond.

Multi Stage – Stratified random sampling method was adopted in the selection of sample respondents beneficiaries for the study. With regard to sample selection, out of the total 11 mandals in the ITDA of Paderu division, five mandals are selected for the study based on the highest concentration of ST population (as per 2011 Census).

Accordingly, Chintapalli, G.K.Veedi, Araku Valley, G.Madugula and Peddabailu mandals are selected for this study. From each of the selected mandal, 100 beneficiaries who availed loan from TRICOR for income generating activities were selected randomly for the study. Therefore the total sample of the study comes to 500 respondents representing five mandals and one district.

Sources of Data:

Both primary and secondary type of data was collected and used in the study.

Method of Data Collection:

Primary Data:

A structured interview schedule was developed, pre-tested and used to collect the primary data from the selected sample respondent beneficiaries for the study by visiting the respondents residences personally in the study area by field staff. The interview schedule consists the information i.e., socio-economic profile of the respondents families and personal profile of the beneficiaries followed by different aspects of the ESS programmes related to the process of implementation of the ESS and its impact on the generation of employment and income among the sample beneficiaries.

Secondary Data:

Besides secondary data also collected from various sources such as offices from the Directorate of Tribal Welfare, Government of Andhra Pradesh, Project Office, ITDA, Paderu, Visakhapatnam District, Website, reputed books and journals etc., for the study.

Data process and analysis including Statistical Techniques:

The collected data was processed and analysed as per the objectives of the study with the help of Special Package



For Social Sciences (SPSS). Statistical techniques such as frequency, percentages, chi-square test was used in the analysis of data.

Conclusions:

1. Out of the total respondents 46.20% are from Porja tribe followed Khond (33%) and Gadaba (20.80%).
2. All the heads of the respondents families primary occupation is agriculture. Regarding secondary occupation 48% are engaged in agriculture labour works, 32% in wage works in forestry, MGNREGA, construction etc, 63% in rearing of sheep, goats and milch animals and 15% are involved in other activities. Besides, all the sample families are also engaged in the collection of Minor Forest Produces (MFP).
3. The tribal economy in the study area is agro-forest based economy.
4. Nearly 25% beneficiaries have no land and all the landless families taken land from their co-fellows on lease basis (tenant farmers). The remaining families land owning are belongs to marginal, small and medium category of farmers. Those families who have land, of them majority of the families got land under Forest Rights Act, 2006 (FRA).
5. Most of the respondent families who are engaged in agriculture are depend on rain-fed agriculture and only close to 30% of the families depend on various sources of irrigation such as tube well and pond / tank for agriculture.
6. 6.60% of the total sample families are found in the income range in between below Rs.40,000 to Rs.40,000-50,000, 72% are found in between Rs.50,000-60,000, to Rs.70,000-80,000 and 21.40% are in the range of Rs.80,000-90,000 to Rs.90,000-1.00 Lakh.
7. 58.20% of the total sample families are found in the annual expenditure range between Rs.50,000-60,000 to Rs.70,000-80,000, 33.40% are in between Rs.80,000-90,000 to Rs.1.00 lakh and above and 8.40% of the sample families are found in below Rs.40,000 and Rs.40,000-50,000.
8. Of the total sample families 183 have no livestock (36.60%) and the remaining families (63.40%) have different types of livestock. livestock is the secondary source of income to their families after agriculture. Most of the study villages have no veterinary services.
9. 54% of the total households have savings. 37% of the total families who have savings are found in the range of Rs.10,000-20,000 to Rs.20,000-30,000 of them 46% have no savings at all. The savings are including the savings in Self Help Groups (SHG) by their female family members.
10. All the sample families are in debt. 84% of them are found in the below Rs.25,000-30,000 to Rs.45,000-50,000, 10% are in the range of Rs.50,000 and above and 6% are in below Rs.25,000/-. Local money lenders cum traders are acting as major source in extending advances to the indebted families followed by friends and relatives, banks etc.
11. Most of the indebted families raised loans to meet household consumption, agriculture activities, childrens education, family health and socio-religious functions expenditure.
12. Five member families are more in the total sample followed by four members, three and six members.



- Average family size of the total sample households comes to 4.36 persons.
13. 72.80% are nuclear type of families followed by 26.40% are joint families and 0.80% are extended type of families.
 14. All the respondents families are living in their own houses. With regard to type of housing 51.80% are living in semi-pucca houses, 26.60% in pucca houses and the remaining 21.60% are in thatched houses.
- Facilities available in the sample houses:**
- 66.40% of the total sample families have two rooms in their houses followed by 24.60% have single room and 9% have 3 rooms.
 - Majority of the houses (83.60%) have bathroom facility and 16.40% have no bathrooms.
 - 63.20% of the total sample households have toilets in their houses and 36.80% have no toilets.
 - 70.80% households are fetching drinking water from public taps and 30.20% are from hand pumps.
 - Drinking water source to 87% of the sample families is nearer to their houses. 12% have to walk upto 1 K.m from their houses to get drinking water and one percent up to between 1-2 k.m.
 - All the sample households have electricity facility.
 - 62.40% of the total sample families are using LPG as medium of cooking and 31.60% are still depends on fuel wood for cooking.
15. 84.20% of the total beneficiaries are males and 15.80% are females.
 16. 13% are found in the age group in between 20-25 and 25-30 years, 38.60% are in between 30-35 and 35-40 age group and 48.40% are noticed in the age group of 40-45 years.
 17. 90.40% of the total respondents are married, 1.20% are unmarried and 8.40% are widows / widowed.
 18. Out of the total respondents 42.90% are illiterates. The remaining are literates, of them 21.40% studied up to primary level of education followed by 18.40% have high school level of education and 17.40% are completed intermediate level of education.
 19. Of the total sample (No.398), 80% are aware about the schemes of TRICOR / Tribal Welfare.
 20. Integrated Tribal Development Agency Officers (73%), Mandal Development Officers (68%) main sources in creating awareness among the beneficiaries about tribal welfare schemes.
 21. The beneficiaries selected 16 types of income generated activities. Out of the total beneficiaries 26% are availed loan for sheeps, goats, milch animals, 3.20% purchased tiller for agriculture operations, Auto Rickshaw (11.20%), Fancy shop (4.60%), Flour mills (2.40%), Kirana shop (20.60%), Mobile shop / Cell phone Shop (5.60%), Photo frame, lamination shop (1.40%), Photo Studio (0.60%), Tailoring (4.60%), Taxi (4.40%), Tent house (4.20%), cloth business (2.40%), Tiffin shop (mini Hotel) (3.20%), Tractor (2.80%), DTP & Xerox shop (5.40%). The above data indicates that most of the loanees are engaged in unskilled occupations.
 22. 38.20% of the total respondents took the loan in the year 2016, 36.40% in 2015, 17.20% in 2017 and 8.20% in the year 2018.
 23. Lack of orientation/ basic knowledge on various components of the ESS. In most of the cases it is noticed that



- beneficiaries have no information with regard to the total cost of the unit and its break – up like subsidy amount, margin money, institutional finance, beneficiary contribution etc.
24. Nearly 35% of the total beneficiaries selected a particular income generating activity because they had previously experience in that activity, 24% felt the present activity is remunerative, 20% said because of subsidy factor, 12% felt easy to get loan and 7% stated easy for marketing.
 25. 36.20% of the total respondents availed loan below Rs.1.00 lakh, 26.40% are found in the range of Rs.1.00 lakh–1.25 lakhs, 19.20% are in the range of Rs.1.25 lakhs–1.50 lakhs and the remaining respondents i.e 18.20% are found in the group of Rs.1.50-2.00 lakhs.
 26. 67.40% of the total beneficiaries expressed dis-satisfaction on size of loan amount and 32.60% said sufficient. Of the 337 beneficiaries, 24.33% said in addition to loan amount they invested from their own resources 32.34% borrowed loan from their friends and relatives and 43.32% got loan from money lenders.
 27. 63.20% expressed dis-satisfaction on the quantum of subsidy provided by the TRICOR and 36.80% said that subsidy is adequate.
 28. Following are the reasons for delay in availing the loan: Sanction not received in time (25.60%), Subsidy not received in time (16.80%), lack of support from bank (21.20%), lack of coordination among various agencies (10.60%), lack of funds at the Government (10.20%), Due to procedural delay (15.60%).
 29. 86.40% fully utilized the loan amount for the same purpose and 13.60% diverted the funds borrowed. It indicates that in few cases the loan amounts were used for personal / family requirements i.e. diversification of loan.
 30. 62.60% of the total respondents, approached mandal president for help in availing the loan, 68.40% went to their Sarpanch, 32.40% approached the ITDA, Paderu Officials, 18.40% meet the bank officers, and 4.20% contacted ward members of Gram Panchayats.
 31. 62.80% of the total beneficiaries got loan within 2-3 months, 34.40% accessed loan within a span of 3-4 months and 2.80% got loan in between 4-5 months duration.
 32. 10.80% of the total respondents are found in the monthly income of below Rs.5,000, 34.20% are in between Rs.10,000-15,000, 28.40% are in between Rs.5,000-10,000 and 26.60% are found in the group of 15,000 and above.
 33. 52.40% expressed satisfaction on the monthly income and 47.60% were not satisfied on the monthly income.
 34. 42.80% of the total respondents, got employment in between 100-200 days in a year followed by 31.40% in between 200-300 days, 15.60% are employed below 100 days and 10.20% got employment in the range of 300 and above days.
 35. In 43.60% cases two persons, in 31.60% cases one person and in 24.80% cases 3 persons were engaged. All these persons are their family members only.
 36. 44.80% of the total respondents are repaying the loan installments regularly and 55.20% were not able to do so. Of the total respondents (No.224), who are irregular in the payment of loan installments reveal



- that 41% of the respondents utilized the earnings for household consumption, 14% stated that due to inadequate returns from the activity, 28% said that the scheme economically not viable and 16% utilized income to repay other outstanding debts.
37. The recovery of marginal money cum term loan is very low (nearly 50%).
 38. Most of the respondents i.e 78.40% repaying loan from their income earned from the present activity itself and 21.60% however, paying out of other sources.
 39. 33% beneficiaries undertaken the skill development programmes, 65.80% did not attended and 1.20% attended training programmes organized by the local NGO's.
 40. 74.80% of the total sample beneficiaries were able to create some sort of assets for the family and 25.20% not generated any asset.
 41. No follow-up of scheme resulting in lots of malpractices.
 42. 374 of the total beneficiaries created one or the other durable assets such as 72.72.% purchased television, 47.06% motor cycles, 38.24% farm land development, 43.85% undertaken house repair works, 24.60% constructed new houses, 39.30% purchased agriculture tools and implements, 9.09% honeybee collection equipments, 34.49% purchased cows, goats and sheeps, only 1.60% families installed electric motor to their in well bore well, 49.73% purchased furniture of their houses and 58.29% purchased mobiles (both types i.e android and keypad type).
 43. **Impact:**
 - Increase in food consumption (62.80%) increase the expenditure on cloths, (52.20%) increase on expenditure on socio-religious functions expenditure (78.80%), 42.40% visiting private hospitals for the health treatment, increase of expenditure on childrens education (31.60%) and 3.20% cleared the old debts.
 - 55.60% undertaken house repair, 51% stated that self confidence increased, 15.20% said that rate of migration in their families has come down and interaction with the officers improved (49.60%).
 - 28.60% of the beneficiaries said land was developed.
 44. **Impact on economic life:** 90.80% beneficiaries stated that more income generated from the activity, generated employment in the family (68.40%), 23% able to availed credit from outsiders. The investment on farming was increased (6.60%).
 45. **Impact on savings:** 96.60% opened bank account in commercial banks, opened savings account in post offices (35%), savings habit increased (17.80%), 54.80% repaid / clear the old debts and 45.80% reported that the dependency on local money lenders for credit has decreased.
- Recommendations :**
- Based on the above conclusions, the following recommendations are made and presented in the following pages.
- Nearly 25% of the total sample families are landless. The Department of Tribal Welfare, Government of Andhra Pradesh should speed up the implementation of Forest Rights Act, 2006 (FRA) to distribute the land for agriculture to the Particularly Vulnerable Tribal Groups for their sustenance.



- All the heads of the sample households engaged in different unskilled activities / occupations. Train the ST people in general and PVTG's in particular in remunerative professions at local.
- A large percentage of respondents depend on rain-fed agriculture. The irrigation department take steps to provide irrigation facilities or to improve existing irrigation sources like supply channels, tanks, ponds, micro irrigation like watershed, minor irrigation, rivulets etc., in tribal villages in the study area.
- In our study Minor Forest Products providing secondary source of income to the beneficiary families. Regular training should be given to PVTG's not only on the collection of forest products based on the demand and season but also value addition on products and information.
- Government should provide more no.of units of animal husbandry under Economic Support Scheme such as sheeps, goats, milch animals to the PVTG's to supplement income to the family because most of the PVTG's families have grazing lands nearby their habitations. Establish more number of veterinary service centres for the treatment of livestock in tribal areas.
- Majority of the respondents families raised advances for agriculture requirements, The Department of Tribal Welfare should provide agriculture inputs such as tools and implements, seeds, fertilizers etc. and digging of borewells including electric or oil engine/ motor etc., on subsidy basis tribal families in timely.
- 50% of the respondents families are living in semi pucca houses followed by Katchcha houses. The Government should provide free housing to the PVTG's families under Prime Minister Awas Yojana scheme including basic amenities like toilets, bathrooms, safe drinking water etc.
- Out of the total sample respondents, female beneficiaries are in less number, the Government should motivate the PVTG Women to start small businesses to supplement the family income.
- TRICOR, Department of Tribal Welfare, Government of Andhra Pradesh should earmark separate funds (fix target) and design suitable and relevant schemes for the empowerment of PVTG's women through income generating activities.
- Of the total sample respondents 43% are illiterates. The Department of Tribal Welfare through its education wing should take measures to improve the literacy or education among ST people in general and PVTGS in particular.
- More awareness campaigns should be organized in the tribal areas for effective utilization of Economic Support Schemes (ESS) of TRICOR.
- The size of the margin money cum loan amount and also the quantum of subsidy amount should be increased.
- Most of the beneficiaries spending their time (working days) to visit different offices for availing loan under ESS, TRICOR. The Government should take measures to reduce the time in the sanction of loan from banks and also release of subsidy from Government (TRICOR) to the beneficiaries.



- Reduce the time in releasing the loan amount thereby causing much in convenience in grounding the unit. Steps be taken to speeding of the grounding by conducting more meetings with bankers by the concerned officers.
- Facilitate Skill development training programmes to the beneficiaries for effective utilization of loan sanctioned by the TRICOR.
- There is diversification of loan amount from original sanction. This shall be handled with Iron hand and will (should) be discouraged.
- Nearly 50% respondents not paying monthly installment of loan amount, so, the bankers should take pre-opinion from the beneficiaries/stakeholders before fixing the monthly installments / EMI towards to loan.
- There is no follow-up of schemes/backward and forward activities resulting in lots of malpractices. This shall be strictly adhered forth with, for the well being of targeted group.
- Their shall be and effective monitoring system to follow-up of schemes/ grounding/ continuance of scheme. This will check and bring out all ill-effects, bad practices in the PVTG areas. For this purpose a monitoring cell is required at each ITDA / non – ITDA District including the State Head Quarters.
- The schemes proposed shall be in accordance of the need of the family and need of the local demand with available physical / human resources/ necessary infrastructure with requisite knowledge of schemes. If not the scheme will be defunct at the utmost dismay of PVTG's.
- Prior to selection of the scheme, the beneficiary shall be educated about schemes various components i.e. the total unit cost, subsidy amount, margin money loan, no.of installments, rate of interest, insurance coverage etc.
- The necessary technical knowledge, guidance, skills besides requisite training in availing the scheme shall be provided by concerned departmental officers.
- The Government shall give strict instructions to all the banks operating in their respective PVTG areas to dispense with the practice of insisting the beneficiary for neither deposit benefit some amount or any collateral security for availing certain schemes under ESS. This will definitely help the needy beneficiary to stop approaching the un scrupulous informal lenders at exorbitant rate of interest.
- It is informed in all most of all areas that the beneficiary including the local leaders were of the opinion that the margin money is not a loan but subsidy and need not be repaid. Accordingly the outstanding amount under margin money, recovery is cropping from year to year. Such that the repayment of structure of loan component prescribed under each scheme shall be explained in detail till the beneficiary understands in depth. This practice will help in recovery of loan amount to the larger extent within the time schedule.
- Economic support schemes besides income / employment generation schemes shall be encouraged to the larger extent to wean the PVTG's from the habit of shifting cultivation.



-
- Need based schemes should be implemented for which the ITDA Officers should visit the PVTG's hamlet and conduct a series of meetings with the PVTG's.
 - There should be a specific policy for the development of PVTG's in Andhra Pradesh.
 - Monitoring and evaluation should be periodically undertaken by the professional academic and research organizations.