Chapter VI

Major Findings

The overall nature and objectives of the present research work was aimed acknowledging income, savings and investment of landless BPL families in least developed rural area. Number of studies have heavily centred around determining norms and incidence of poverty as well as efforts in designing the measures for poverty alleviation. The mapping the poor families within the purview of their potential capabilities and willingness to pertaining to, save and invest was aimed to encourage them in that direction.

In all 8332 families were identified as BPL households in which 4878 families were landless BPL families in 1997-98. In recent survey conducted in 2002-03, 9041 families were identified as BPL families. Out of which 5000 families were identified as landless BPL families. The number of landless BPL families has raised by 2.50 per cent since 1997-98. It indicate that the percentage of landless BPL families in overall BPL families was 55.30 in Khatav taluka. Due to the trend of divided families and selling of small, marginal landholdings, has caused in raising the number of landless BPL families in least developed drought prone Khatav taluka.

The average household size of landless BPL families was 4.61, which was less than the average household size (5) were seen in Khatav taluka (Population Census,2001). The category wise average household size was highest in SC social group, then followed by S.T., VJNT,(4.49).

The head of family by gender revealed that 61.25 per cent were male dominated. The informal interactions/ dialogue with male and female in family revealed that they were involved in traditional customs and are pressurized by male members. Especially, women members have an inferiority complex of not having capabilities of upholding the family matters. The illiterate and orthodox male members in the families are not prepared for their mindset for awarding empowerment in varied references. This expresses the existing nature of women empowerment.

The sex-ratio exhibits that the landless BPL families residing in smaller village population size has comparatively higher sex-ratio than the BPL families residing in larger village population size. The villages having larger population size, have been linked with urban area due to increased transport facilities and have enabled to access advanced gender identifying technology through local and near by urban hospital facilities. That has impacted on rapid generating trend of destroying the female
embryo even in some BPL families, but still it was revealed that landless BPL families have an average 1006 sex-ratio in all social groups, which is substantially higher than the national figure.

The aging pattern of landless BPL families was a problem of larger incidence due to illiteracy among landless BPL families. The landless BPL families residing in villages and vadi-vasti have a smaller population size (less than 2000) had highest illiteracy percentages (54.95), where the landless BPL families reside in the villages having larger (more than 4000) population size had 47 per cent illiteracy. The illiteracy was lowest in open group and it was highest in ST, V.J.N.T social groups. It heavily reflects the educational deprivation of chronic poor families in the least developed area. But still a positive transformation pertaining to schooling their children was found in landless BPL families. The educational facilities from Anganwadi (school for children below age of 6 years) to higher education was raising rapidly due to the rise in number of such institutions. Still the percentage of household members in educational stream during the period expresses the need of lowering (reducing) the percentage of dropouts from school. It was especially higher in SC and ST, V.J.N.T. social groups.

The one of the major objective of the present research was to reveal number of sources of income, which were entertained by landless BPL families in least developed rural area and to measure the contributory role performed by these sources of income (SOI) in the total income size of landless BPL families in Khatav taluka.

In all 10 sources of income were identified. These SOI were performing a role in contributing the total income earnings of landless BPL families in varying size and scale (number).

One of the norm of measuring the incidence of poverty and identifying the BPL families is the level of annual income size of the family. And the size of annual income of the family was determined by the nature and scope of SOI being entertained by the working members in family. Hence, an attempt was made to find out items of sources of income and also their importance in shaping the size of annual income of landless BPL families.

The compiled data pertaining to total annual income for the reference period was processed by tri-annual average method. It indicates that tri-annual income size for all social groups was Rs.20698.82 during the reference period from 2004-05 to 2006-07. The landless BPL families from OBC social group had highest tri-annual income size. The ST, V.J.N.T. categories recorded lowest tri-annual income. The percentage share of each items of sources of income in total tri-annual income to all social categories reveals that, self-employment
enterprising activities has highest (27.28) percentage share of income in total income size. It was lowest (0.07) consisting of aids from Non-Government Organizations.

The role of sources of income in shaping the total annual income of landless BPL families has ruled out by assumption of dependence of rural hard-core poor families from agricultural labour wages. The agricultural sector has placed at third position in offering income to landless BPL families. The self-employed enterprising activities and employment opportunities in trading sector as a sources of income was rapidly growing hence, the earning opportunities were available in agricultural sector. But still agricultural labour wages remained the major source of income to female BPL members.

Considering the crucial importance of SOI in shaping the income size, an attempt was made to recognize the nature and scale of command over these SOI by landless BPL families. The tri-annual averages which command over SOI by landless BPL families from all social groups reveal that out of 10 SOI, only 3.81 sources of income were caught by these families. The SC social category (4.14) followed by open category (3.90) had highest average command over SOI as compared to the rest of social groups. But still the total annual income size of these social groups was placed at third and second position compared to other social groups. This leads to confining the availability of number of SOI as a serious matters in shaping the annual income. The capabilities and approbation towards exploiting the SOI in its fullest strength influenced the annual income size of landless BPL families. It is evidenced by the average command over SOI by OBC social group. Among the 4 social, groups the landless BPL families from OBC group had the lowest tri-annual average (3.46) command over SOI, but still this category had the highest tri-annual income size. The emerging need of raising the income level necessarily calls for generating capabilities of the families in commanding over and also awarding opportunities in exploiting the maximum number of source of income.

The perspectives of nature of some of the SOI, such as goat and sheep rearing, domestic poultry farming, transfer of income and windfall income, considered small and petty at the macro-level measurement of SOI, have helped in adding to total income of the landless BPL families. These sources of income fulfils mainly two types of needs of the families. At the very outset, it helped in making avail of the purchasing power regularly, with which these families can fulfill their daily or weekly needs. It is being used by them as marketable assets, whenever they face economic crisis. Another positive impact of the acquired SOI by landless BPL families was to keep them involved in
such activities whenever they are unemployed. It also helped in mitigating the mental disturbances arised out of severe economic crisis.

The study reveals that, the importance of saving, has been cultivated among landless BPL families. All the sample households were having the savings habits. The financial and physical savings contributes to the gross savings of the BPL families.

The sample households from all social categories have preferred to save more (77.03 per cent) in the form of financial savings than in the form of physical saving (22.97 per cent). The OBC social group had highest approbative trends (81.38 per cent) towards financial savings (81.26 per cent) followed by open social group. But it was interestingly found that, landless BPL families from SC social group has highest approbative trend (31.70 per cent) towards the physical savings to total savings made by them.

The savings in the form of deposit with banks and saving in Post-Offices has largest (42.50 per cent) share of savings. The savings in the form of insurance premiums has a smallest (6.98) share in the total financial savings by all social groups.

It was also observed that, savings in the form of holding the cash in hand has a substantially larger (26.05 per cent) share in total financial savings by all social groups. It addresses the need of expanding the banking sector network to capture the savings in the form of holding the cash in hand in rural area.

Another important findings needs to be remarked is about compositional structure of physical savings by landless BPL families. The percentage share of contractual saving is largest (37.19 per cent) in total physical savings. It underlines the behavioural habits pertaining to regular savings arrogated by landless BPL families, in spite of their smaller income size. It has been performed as a regular savings. This sprouted behavioural habitual trend recognises the importance of regular savings among landless BPL families. This advocates the need of awarding beneficial savings schemes mainly aimed to cover hard-core BPL families.

An attempt to recognize the nature of the overall propensity to save by landless BPL families, average propensity to save as calculated by triannual method, reveals that, it was 0.122 to all the landless BPL families among all social groups. The highest average propensity to save (0.127) was found in the open social group, while lowest average propensity to save was found (0.113) in ST, including VJNT group. It was petty a small figure, but if considered on the base of their slim income size, the average propensity to save by landless BPL families exposes the good deal of
scarifying present consumption to augment savings for their better future life.

The investment pattern of landless BPL families in least developed rural area also illustrative nature of investment pattern. It was intended to highlight the approbative trends towards varied items of investment in financial and physical assets and the contributory role performed by landless BPL families in making addition to gross domestic investment in India.

The review of gross domestic investments by all types of sectors (at current prices) explicitly shows that, household sector investment has performed pivotal contributory role in augmenting gross domestic investment in India. Being largest segment in overall BPL families, the nature of investment pattern of landless BPL families, was considered essentially important in designing the policy measures aiming at promoting the household sector investment in India.

In recognizing the behavioural trends toward investment pattern of landless BPL families, the total investment was classified into financial investment and physical investment as considered by CSO, RBI and NCAER.

The tri-annual average of financial investment by sample landless BPL families from all social groups reveals that largest share of investment (54.54 per cent) was in the form of investment in the saving deposits with banks, Post-Offices, co-operative banks and Patasanstha in total financial investment, while it was lowest (5.02 per cent) in the form of windfall investments.

The tri-annual average of physical investment by sample landless BPL families from all the social groups reveals that the largest share of investment (28.87 per cent) was the investment in house constructions and their repairing expenses, followed by expenses made upon(23.28 per cent) purchase of entertainment goods. The largest share of investment in housing construction and it’s repairs exhibits the need of secured shelter being recognized by these hard-core poor families.

The expenses made on purchase of entertainment goods focuses on peculiar behaviour of the landless BPL families. With their entertaining means, these families try to mitigate the burden of chronic pauperism surfaced around them in their day to day lively-hood.

The investment in gold and silver purchase occupies special significance in the sense, that it can be liquidated into cash, whenever they found an economic crisis and lacks purchasing power in unavoidable circumstances.

Considering their meager income size, weightage being given to purchase of jewellery articles is remarkably high. It was revealed that
investment in purchase of jewellery articles occupies 7.53 per cent share in their total physical investment by all social groups. The ST, including VJNT and SC group have more preferential trend towards wearing jewellery articles than the rest other social groups. It again indicates that these ultra-poor families have also cultivated awareness of looking neat like the rest of society.

For realizing the accurate behavioural trends towards investment pattern of sample households, the calculated tri-annual average propensity to invest by social categories reveals that, it was 0.148 for all social group. The highest (0.153) tri-annual average propensity to invest was seen in OBC. The lowest (0.141) trend of same was found in SC group.

The landless BPL families in least developed rural area have understood the importance of savings and investment. It also focuses the growing importance of investment than savings, because average propensity to invest was (0.148) higher than the average propensity to save (0.122) by all categories. And even for each social group average propensity to investment is more than average propensity to save.

The research was tested to investigate income, saving and investment behaviours of landless BPL families in least developed rural area. This helped in focusing on the nature of sources of income earnings and command over on it by landless BPL families. The study pertaining to their saving and investment behaviours leads to confine that even chronic poor household sector in least developed rural area save and invest by sacrificing their current consumption. The priority is being given by them in augmenting savings and investment in various forms. The landless BPL families in least developed rural area possess saving-investment friendly approach. They are pro-saving, investment worthy. By developing a strategically designed policy measures to encounter and promote potentialities and capabilities pertaining to the income earnings activities, savings habits and investment pattern of landless BPL families is a long-lived target of reducing the incidence of object poverty.