CHAPTER THREE

PROFILES OF DISTRICT, VILLAGES, HOUSEHOLDS AND BORROWERS

Households and Borrowers behaviour is influenced by the socio-economic and demographic characteristics of the region. Hence, in this chapter we have presented the profiles of the sample district and villages together with those of households and borrowers.

3.1 Sample District

Calicut District is situated in the west coast of India. The district is surrounded by Cannoore District on the north, Wynad District on the east, Malappuram District on the south and west by Arabian Sea. It lies between north latitudes 11.00 and 11.50 and east longitudes 75.30 and 75.08. Calicut District came into being on Ist January 1957. The district is divided into 3 talukas and 54 villages.

It's geographical area is 2345 Sq. Km. The total population (1991 census) was 26.20 lakhs and the number of households was 45.7 thousands. Other demographic characteristics of the district revealed that literacy rates for males and females were 94.45 and 86.93, respectively. 7.25 percent of the population belonged to the scheduled castes and scheduled tribes (SC/ST), respectively.

Female work participation rates were 17.55 and 9.02 percent respectively. Table no. 3.1 gives the occupational distribution of main workers.

Table 3.1 : Distribution of Main Workers in
Calicut District

Sr. No.	Workers	No.	Percent
1.	Cultivators	37599	6.17
2.	Agricultural laborers	825889	13.56
3.	Livestock, forestry, fishing, hunting, plantations etc.	76303	12.53
4.	Mining and quarrying	14730	2.42
5.	a) Manufacturing, processing servicing and repairs in household industry	9837	1.61
	b) Manufacturing, processing servicing and repairs in other than household industry.	75428	12.39
6.	Construction	36877	6.06
7.	Trade and commerce	112118	18.41
8.	Transport, storage and communications	59573	9.78
9.	Other services	103952	17.07
	Total main workers	609005	100.00

The table shows that out of a total 609005 main workers only 6.17 percent were cultivators and 13.56 percent were agricultural laborers. Owing to historical and climatic reasons there has been a predominance of commercial agriculture. The main crops grown in this area are rubber, pepper, coconut, arecanut, ginger, bananas, etc.

3.2 Sample Villages

The two sample villages namely Kodencherri and Puduppadi were selected from Koduvally Taluka of Calicut District. There were a total of 7199 households in the two villages. Out of which, Kodencherri village accounted for 3497 households and Puduppadi 3702 households. Table 3.2 presents the genderwise distribution of population in the sample villages.

Table 3.2 Distribution of Population in Sample Villages

Village	Population				Total
	Male		Female		
	No.	Percent	No.	Percent	
1	2	3	4	5	6
Kodencherri	8830	50.47	8660	49.53	17496
Puduppadi	9612	49.69	9731	50.31	19343
Total of sample villages	18420	50.06	18397	49.94	36839

Note : Figure in col. 3 and 5 are percentages to column 6.

39

As shown by table 3.2 there was a total population of 36,839 in the two sample villages, out of which, Kodencherri village had 47.5 percent and Puduppadi village 52.51 percent. Males accounted for 50.06 percent of the population and females for the remaining half of the total population.

The inhabitants of the villages are mainly Muslims, Christians and Hindus. Literacy rate within the sample villages were 79.24 and 74.07 percent for males and females, respectively for puduppadi village and 81.76 and 77.75 percent, respectively for Kodencherri village. Scheduled castes and scheduled tribes population was 3.07 and 1.63 percent, respectively, for Kodencherri and Puduppadi villages.

The family structure is matrilineal mostly among the Hindus and Christians, a daughter getting same, if not more status with a son whether it is nutrition, health,, education, career, etc.

Agriculture is the main source of living for 90 per cent of the population. A large section of the population fall in the category of agricultural labourers. The cultivators are mostly marginal and small farmers. There are very few rich farmers in sample villages. The crops grown in them are rubber, pepper, arecanut, tapioca, ginger, banana and different types of vegetables.

40

Irrigation facilities are not developed because of the nature of agricultural operations and partly due to good seasonal rains.

Since employment opportunities are limited to agriculture many young people have started seeking jobs in the Gulf countries. Many women are working abroad as maid servants.

Both the sample villages have schools, hospitals milk co-operatives and shopping facilities. Most parts of the villages are electrified. Road and transportation system is also developed.

3.3 Sample Households

3.3.1 Income

A household is defined as a socio-economic unit, where individuals live together sharing living quarters and meals. For the purpose of analysis the households are classified into two groups one above the poverty line and the other below the poverty line. The poverty line is taken at an income of Rs. 7200/- per annum.

Table 3.3 : Distribution of Households According to Income

(Amount in rupees)

Income Group	Sample Households		Income		Average Income per household Per annum
	Number	Percent	Amount	Percent	
1	2	3	4	5	6
Above Rs. 7200	94	31.33	1355500	72.61	14420.21
Below Rs. 7200	206	68.66	511350	27.39	2482.28
Total	300	100	1866850	100.00	6222.83

Note : Income of the households in the year of availing the first loan.

- The data in table 3.3 indicates that more than two - thirds of the sample households were below poverty line, having an average income of Rs. 2482 per annum. In contrast to this, the remaining one-third of the sample households lived above the poverty line with an average income of above Rs. 14420 per annum.

3.3.2 Headship of households

The households were generally headed by a senior male member of the family. However, in the absence of an adult male member in the family, women were recorded as heads of the household. The table no. 3.4 classifies sample households into male headed and female headed.

42

Table 3.4 : Headshipwise Distribution of Sample Households

Gender of the Head of Household	No.	Percent
Male	263	87.66
Female	37	12.33
Total	300	100.00

The analysis of the table shows that a large majority of the households were male headed, whereas female headed households were limited to only 12.33 percent.

3.3.3 Family size

There is ample evidence to show that in rural India, household income increases with an increase in the family size. The reason for this is that most of the rural activities are labour intensive and are able to draw human capital resources from within the household. Table 3.5 presents the distribution of the sample households, according to the size of the family.

Table 3.5 : Distribution of Households According to
            Family Size

Family Size	No. of Households	Percent
2-4	122	40.67
5-7	147	49.00
8-10	27	9
11 and above	4	1.33
Total	300	100.00

Table 3.5 shows that nearly 60 percent sample households had more than 5 members. Single member households accounted for less than one per cent of the total households. On the otherhand, households with more than 11 members formed just more than 1 percent. The average household size was 5.11 percent.

3.4   Borrowers

The direct impact of credit deployed at the household level is on the borrower. Hence, understanding of the socio-economic status of the borrower provides a proper perspective to credit analysis.

This study examines the important characteristics of borrowers. Literacy, gender, caste, religion and occupation of a borrower have proven influence on the access and impact of credit, as shown by several research studies.

3.4.1 Educational status of the borrowers

Literacy and the level of formal education is perhaps the most important factor known to have a salient influence on access to credit and it's impact as it directly influences the decision making process of the borrowers. Table 3.6 presents the distribution of the borrowers according to the literacy and the level of formal education.

Table 3.6 : Distribution of Borrowers According to the Level of Education

Level of education	No. borrowers	Percent
Illiterate	13	3.17
Primary	256	73.14
Secondary	68	19.43
College	13	3.71
Total	350	100.00

It is a known fact that Kerala has the highest literacy rate in the country. Table 3.6 indicates that less than 4 percent of the borrowers were illiterate. Although most of them had received primary education, less than one-fifth had secondary education and those with higher education accounted for less than 4 percent.

3.4.2 Genderwise distribution

There were 350 borrowers in our study spread over two sample villages, Kodencherri and Puduppadi. Table 3.7 presents genderwise distribution of sample borrowers.

Table 3.7 : Genderwise Distribution of Borrowers

Gender	No.	Percent
Male	256	73.14
Female	94	26.86
Total	350	100.00

As expected, nearly three-fourth of the borrowers were males and a little more than one-fourth were females. It needs to be noted that this female ratio is better than the ratios reported by some studies of Gujarat villages. The major reason for a higher ratio in Kerala compared to Gujarat could be the relatively higher female literacy rate and the matrilineal pattern of society.

3.4.3 Occupational distribution

The occupational distribution of the borrowers indicates the sectoral flows of credit and hence, have important policy implications for development planners. Table 3.8 gives the occupational distribution of borrowers.

Table 3.8 : Occupational Distribution of Borrowers

Occupation	No.	Percent
Marginal farmers	110	31.43
Small farmers	18	5.14
Agricultural labourers	128	30.57
Animal husbandry	07	2.00
Small business	18	5.14
Artisan	03	0.86
Service	19	5.43
Domestic	47	13.43
Total	350	100.00

As to be expected, agriculture accounted for more than three-fourth of the borrowers of which nearly half were agricultural labourers and remaining half were marginal and small farmers. It was also found that 13.43 per cent of the borrowers almost all women, were simply engaged in domestic activities and not earning for livelihood. Small business and service sectors had around 5 percent of borrowers each.

3.4.4 Age structure

Age is an indicator of income earning capacity of borrowers. Table 3.1 gives the agewise distribution of the borrowers.

Table 3.9 : Agewise Distribution

Gender	No.	Average age
Male	256	43.21
Female	94	40.48
Total	350	42.48

The average age of the whole sample is 42.48.   It was marginally higher for the men and women.

3.4.5 Cast / Religion

In India, caste has the most important bearing on the system of stratification. Economic stratification is the highest among scheduled cast, scheduled tribes and other backward classes.

Table 3.10 : Castwise Distribution of Borrowers

Cast	No.	Percent
SC	11	03.14
ST	09	02.57
General	330	94.29
Total	350	100.00

In the sample, only 3.14 and 2.57 percent of the borrowers belonged to the scheduled castes and scheduled tribes category. The majority of the borrowers belonged to the general category.

Religion is one of the most important characteristic of borrowers. Table 3.11 gives the borrowers distribution according to the religion.

Table 3.11 : Religionwise Distribution of Borrowers

Religion	No.	Percent
Hindus	90	25.71
Christian	159	45.43
Muslims	101	28.86
Total	350	100.00

The sample villages are inhibited by the Hindus, Christians and Muslims. The above table shows that majority were Christians, the next larger number of borrowers were Muslims, closely followed by the Hindus.

References

Cencus 1991. Government of India.

District Statistical Handbook 1994. Department of Economics and Statistics. Kozhikode.