



SAMPADA TRUST

Annual Report

2011 –2012



Foreword

It gives me immense pleasure to present the Annual Report of Sampada Trust, for the year 2011-12. It has been a year of the highest achievements and activities by Sampada Trust. Our main object of women empowerment in rural areas continues to be the thrust area and is drawing strength from the ever increasing number of participants in micro financial, micro-entrepreneurial and micro insurance activities. A large number of rural poor women have availed financial and non financial services from the able staff of Sampada Trust and for improving their fortunes.

Sampada Trust provides women empowerment services by formation of Self Help Groups (SHGs) of the poor women, their capacity building, training, extension of micro-finance and insurance facility to the rural poor women mainly across 8 districts in Maharashtra.

Alongside there have been associated benefits of girl child carrying on their school education because of the better financial, social and awareness of the family. Better health care, improvement in the standards of hygiene and cleanliness, participation in the family decisions and local governance etc has led to the overall betterment in the lives of the rural poor.

We have plans to enlarge our efforts and area of intervention to the capacity building towards the skill development, entrepreneurship and marketing of the products made by the women and exposing them the existing normal marketing channels so that they have a feel of the demand and supply change scenario and can compete themselves to sell their product. This will actually lead to the long term and sustainable benefits of the micro financial services being extended by Sampada Trust.

Crispino Lobo
Executive Director

Introduction

Sampada Trust, with its head office at Ahmednagar, Maharashtra, is a professionally managed Non Governmental Organization registered on November 21, 2002 as a Trust under the Bombay Public Trust Act 1950. The organization began as an informal outreach program of Watershed Organization Trust (WOTR). As the watershed movement expanded across Maharashtra and other states in India, women came to be organized as a part of the self help groups (SHGs) and this further led to a need for credit support. WOTR initiated credit operations on a small scale in 1998. As these operations reached out in a wider circle a need was felt for a separate institution to deal with micro-finance. Keeping this in mind, the Sampada Trust was formed to undertake a variety of activities like women empowerment, micro-finance, micro-enterprise development and micro-insurance etc., and thus it became the main responsibility of the organization. Sampada Trust provides women empowerment services by formation of Self Help Groups (SHGs) of the poor women, their capacity building, training, extension of micro-finance and insurance facility to the rural poor women mainly across 8 districts in Maharashtra.

Vision, Mission and Identity

Vision

The poor are empowered and enabled to secure sustainable livelihood opportunities and live a better life with dignity.

Mission

To mobilize the creative potential of groups and individuals by empowering them and providing financial, entrepreneurial and customized services in order to secure and enhance their quality of life.

Identity

We are a team of professionals sensitive and committed to excellence and to meeting the highest expectations of our partners and above all our clients, the poor.

Activities

1. Promotion of women's Self Help Group (SHG)
2. Capacity building
 - i. Personality development
 - ii. Skill based training
3. Micro-finance
4. Micro-enterprise development
5. Micro-insurance
6. Undertaking of developmental activities through SHGs and SMS

Board of Trustees

Sampada Trust is governed by a four-member Board of Trustees. They are:

Asoke Basak

Chairman

Former Additional Chief Secretary, Government of Maharashtra

Dr Marcella D'Souza

Managing Trustee

MBBS, Takemi Fellow (Harvard University)

Crispino Lobo

Executive Director

MA, MPA (Harvard University)

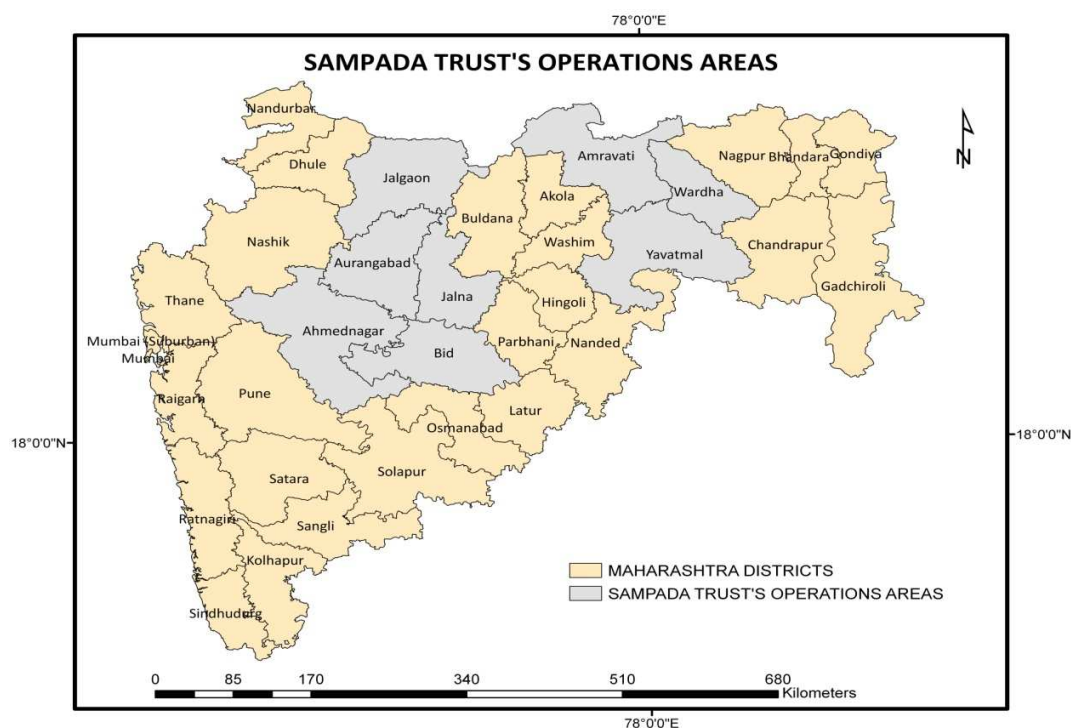
Yogesh C Nanda

Trustee

Former Chairman, NABARD and Now Chairman Agriculture Finance Corporation

Areas of Operation

The rural areas and villages of Maharashtra in which Sampada Trust operates are located in drought-prone, tribal and underdeveloped areas. Most of the villagers are small farmers or landless labourers, more often than not, farmers with small non irrigated land facing genuine difficulties like the lack of vegetative cover are the ones whose fertile soil is often eroded by the running water during heavy bouts of rainfall, making their land unproductive. At other times, a shortage of adequate rainfall makes their land dry. These areas tend to suffer from food shortages as well as nutritional deficiency. Furthermore, due to lack of adequate aquifer recharge, water for domestic, drinking as well as irrigation purposes becomes a primary problem for long periods of six to eight months in a year in these districts. Sampada Trust is mainly operating in Ahmednagar, Amravati, Aurangabad, Beed, Jalgaon, Jalna, Wardha, and Yeotmal, districts of Maharashtra.



Sampada Trust, for the first time, had decided to open full-fledged branches at 4 potential locations viz. Pathardi (now Tisgaon) in Ahmednagar district, Jalna in Jalna districts, Wardha in Wardha district and Yeotmal in Yeotmal district in August 2010, subsequently five more branches at Rahuri and Shrigondha in Ahmednagar district, Ambajogai in Beed, Bidkin in Aurangabad district and Assegaon in Yeotmal were opened during the subsequent years. In all there are 9 full-fledged branches of Sampada Trust. The branches have been equipped with the computers and adequate field staff.

Women's Empowerment

The life of an average village woman in rural India is at times extremely difficult. The women and girl children in particular, are characterized by heavy workloads both at home and on the farm. They also have to endure primitive hygiene conditions, poor nutritional status, less access to health facilities, illiteracy and superstition. The major reason for girls



dropping out of school can be attributed to the long hours devoted to completing household chores and fetching firewood and water from across long distances. Ironically, despite being entrusted with the responsibility of attending to the well-being of the family, they are marginalized in matters pertaining to the upbringing of children and village affairs. They possess no assets, do not have their own funds and have little access to other resources. Moreover, women often have no control over their income and savings, if at all they have any. In rural society, a woman holds a secondary status to that of a man.

Since ages, child production, rearing and upbringing them has exclusively been the domain of women. As such, decision-making, leadership like qualities and activities have been considered to be out of reach of women. Also, women were thought most unfit to enter the political realm and undertake the task of governance. Sampada Trust women



empowerment programme therefore aim at giving women an opportunity to prove themselves to be equal to the task that men pride themselves to be capable of doing. The women have not only come together and proved themselves but have discovered new horizons. The path to true empowerment involves establishment of village women Self Help Groups (SHGs), federating them at the village level into an apex-body organization (locally known as Samyukta Mahila Samitis or SMSs), creation of awareness among the members of SHGs regarding women's status, their own health, child health, nutrition, sanitation and hygiene, legal rights, economic upgrading, inculcation of saving habits, improving access of women to the micro-credit, involvement of women in local level planning, etc.

A group comprising 10-20 members having common interest and economic background with confidence in each other and showing a keen interest to work together is formed. Internal savings and credit dispensation systems out of their saved money as well as implementation of developmental activities are then practiced within the group. The overall impact is that with the formation of SHGs and its various activities enable the women to gain



confidence, dignity & self esteem and coordination among them. They are able to take their own decisions and face challenges as also act independently. This has helped them create their own future and gain the required skills and knowledge to resolve further issues & problems. This ability has developed the women to gain their independence and happiness while working in a group. Up to 31 March 2012, 212 SHGs were formed across districts of Maharashtra thereby taking the cumulative no. of total SHGs formed by Sampada Trust since beginning to 3387. A total of 44031 women are active members of these SHGs. There were 486 SMS formed cumulatively in the State by the ST as at the end of 31st March 2012.

Table-1**Women Empowerment**

Sr.no	Particulars	Cumulative as on 31 March 2009	1st April 2009 to March 2010	April 2010 to March 2011	April 2011 to March 2012	Cumulative till 31st March 2012
1	No of villages	713	12	-	200	925
2	No. of SHGs formed	2664	260	251	212	3387
3	No. of SMS	409	8	24	45	486
4	No. of SDA activities	154	-	-		154
5	SHG Trainings	516	102	51	15	684
6	SHG Awareness Trainings	713	150	51	15	929
7	District level Cluster based Workshops	0	12	29	3	44
8	Audit of SHGs	7008	726	977	55	8846
9	Growth Monitoring Health Project	98	-	-	24	122

Training

Training plays an important role as it helps the SHG members in expanding their information & knowledge base, brings about positive changes in the attitudes of the women/groups. Also, imparting skill development trainings, build upon and sharpening their existing skills and develops their capacities and capabilities to further take up new economic and livelihood ventures in an efficient manner and to participate in the various socio- economic developmental activities. This further strengthens SHGs and helps in the development of shared/collective leadership in the SHGs members, as well as among the federations (SMSs) formed.

In 2011-2012, 15 village-level SHG trainings were accomplished wherein 455 members participated actively. Besides 15 SHG awareness trainings were



organized during the year. Cumulatively a total of 684 and 929 such workshops respectively were conducted by the end of the year since inception of the organization and provided training to a total of 23013 women. 45 SMS training sessions were conducted and 3 District

level cluster based training programme were conducted during the year. In the cluster-based training programmes dealing with Panchayat Raj Institution (PRI), the topics covered included introduction of the Panchayat Raj Institution, role of women in Panchayat Raj, importance of women's active participation in Gram Sabhas, features and functions of a Gram Panchayat and details about employment guarantee schemes and other government policies for women and children.

Audit of the SHGs is a regular feature with ST to monitor proper financial health; functioning and maintenance of the books of account etc. 55 SHG audits were conducted during the year thereby taking the cumulative no. of SHG audits to 8846 as at the end of the year.

Social Development Activities

Melawas or gatherings of women have become the means to build the capacities of the women to come to the forefront and share their practical experiences of implementation of their own thoughts and dreams. A melawa provides a platform to the rural women to build networking of relationships, bonds of solidarity and exchange experiences from different villages and empower women with the required



knowledge. It not only provides opportunity to women to get together but also to communicate with other SHG groups' members present during such an event. During the year 2011-12 3 cluster level melawas were organised with the involvement of 721 women. Resource persons such as advocates, micro-entrepreneurs and women members of successful SHGs were invited for these melawas to provide the participants with the inputs about health, social issues, legislation, various enterprises and approaches towards empowerment.

Micro-Enterprise Trainings

Micro-Enterprise plays a critical role in the economic development of any economy, but particularly in those economies that are undergoing a transition from the traditional subsistence to a modern industrial economy. In India, the micro and small industries sector has a long historical tradition and since independence has contributed significantly to the overall economic development of the country.



Given its employment pattern, growth, geographical dispersion and contribution to total industrial output, the micro-enterprise sector will continue to play a significant role in ameliorating/eradicating poverty and promoting higher levels of gainful employment.

Income generating activities are important in the process of leading women towards financial security and eventually mainstreaming them. Entrepreneurship development is very essential if these income generating activities are to be made sustainable. The process of entrepreneurship development starts with the development of an entrepreneurial culture among the SHGs members. Motivation plays a crucial role in the creation and initiation of any business activity. It has been observed that ‘entrepreneurs are



achievement-motivated’ and developing this drive in a person is possible through imparting orientation and training inputs. The survival and growth of the activity depends upon the inputs received during the actual implementation of the activity. Finance is a major constraint for starting any enterprise, as the rural entrepreneurs are often not considered bankable by the formal sector, more so because many of them are already defaulters. Though government and bank schemes do exist to provide capital to rural entrepreneurs, it has been found that due to various reasons these schemes do not reach the poor and the needy. There is a basic lack of confidence in the ability of the poor people to repay loans. Keeping this in mind, Sampada Trust makes available credit support in the form of micro-finance to rural entrepreneurs through the SHGs.

Sampada Trust provides training in the field of entrepreneurship which includes the inputs related to motivation, behavioral sciences, financial support and managerial aspects that can create an enabling environment for the successful start of micro-entrepreneurial unit. The process commences with identification of the women who are ready to take up entrepreneurship as a career option and business opportunities on the basis of their existing income generating activity, resources and needs in a given area. These training programmes are then organized on a cluster level and thereafter the women are provided with loan syndication through microcredit intervention and hand-holding support. These activities are monitored till they become economically viable and sustainable.

Skill-Based Training

Skill-based training programmes are conducted to sharpen the working efficiency to come out with a quality product which has ready market. Inputs are also given about project proposal, its viability, entrepreneurship training, marketing and packaging etc along with the skill development. This helps the women to manufacture the products with the locally available resources and start independent business ventures.



Table-2**STATUS OF MICRO ENTERPRISE DEVELOPMENT**

Sr. No.	Particulars	As on March 09	April 09 - Mar 10	April 10 to March 11	April 11 to March 12	Cumulative total
1	No. of EAP's conducted	47		2		49
2	No. of participants	2124		69		2193
3	No. of Off-farm activities commenced	3123				3123
4	No. of on-farm activities commenced	4156				4156
5	*No of TOTs(For Sahyoginis & CMRC Mgrs)	0	5	7		12
6	No of Participants	0	153	220		373
7	No of livelihood Trainings /studies conducted	0	1	3	7	11
8	*Evaluation of CMRCs			4 Akot, Shetphal , Shirur Khapar)		* Conducted for MAVIM as Resource organization in IFAD assisted Tejaswini project

Micro-Financial Facility

Micro financial facility is one of the most effective solutions to help poverty alleviation, empowering poor families with the resources they need to improve their lives. But currently, these services are reaching less than 10% of the estimated 400 million poor people in the country. Poor people, with access to microfinance i.e. savings, credit, insurance, and other financial services, are more resilient and better able to cope with the everyday crises they face. Even the most rigorous econometric studies have proven that microfinance can smoothen consumption levels and significantly reduce the habit/need to sell assets to meet their basic needs. By reducing vulnerability and increasing earnings and savings, financial services allow poor households to make the transformation from "EVERY-DAY SURVIVAL" to "PLANNING FOR THE FUTURE." Households are able to send more children to school for longer periods and to make greater investments in their children's education. Increased earnings from financial services lead to better nutrition and better living conditions, which translates into a lower incidence of illness. Increased earnings also mean that clients may seek out and pay for health care services when needed, rather than go without or wait until their health seriously deteriorates.

Micro-Finance (MF) and Micro-Enterprises (ME) thus can play a vital role in helping the poor to realise their dreams and aspirations. Self-employment is a basic need of every person in society in order to come out of poverty and live a life of dignity. Individuals and institutions in society can share this collective responsibility. Institutional support in the areas of micro-finance and micro-enterprise development makes a significant contribution



to increased employment leading to socio-economic enhancement of people in rural areas. By supporting women's economic participation, microfinance helps to empower women, thus promoting gender-equity and improving household well-being. For micro-finance to be a success, we need to have the strong back-up of self help groups and neighborhood communities. Formation of SHGs is an essential feature in order to facilitate the process of providing credit to the poor. But the SHGs' main purpose is not only to route credit but also to avail of allied services. Group activities undertaken and issues addressed collectively at micro level help strengthen the ties between group members and generate a sense of belonging. SHGs serve as support groups for the poor enabling them to avail of various services and benefits. The main principle is to 'HELP PEOPLE HELP THEMSELVES.'

Sampada Trust has cumulatively extended micro financial support to 124727 poor members of 11428 SHGs over the last 9 years as shown in the table below. While the average assistance per member was Rs.8735/- the same was Rs. 80113/- per SHG. During the year 2011-12 ST extended financial assistance to 321 SHG and 1765 JLGs in 261 villages of various districts in Maharashtra State to the poorest among the poor persons to enable them to raise their economic status. In the last 3 years the performance of the SampadaTrust in extending financial assistance to the poor women has been increasing. Sampada Trust work to kindle the light of awareness, to engender faith in those who are hopeless: faith in themselves and in their inherent capacity, strengths, and gifts. Health, education, and resource linkages make success practical and attainable.

Table-3

Year	Fin. Assist. to the poor	No. of Clients	No. of SHG/JLG	Demand	Collection	Balance	Collection percentage
2009-10	66292710	11116	1020/146	57776021	54897833	2878188	95%
2010-11	73839500	10783	669/465	82750521	81456872	1293649	98%
2011-12	125979050	11573	321/1765	53324481	53259636	64845	99.8%
	Total	33472	2010/2376				

Sampada Trust constantly motivates and encourages women in SHGs to move beyond credit and not to view financial assistance as only one of the means of empowerment and not an end in itself. The financial support activity is seen as one element in an integrated approach of empowerment that is viewed as a holistic approach affecting all spheres of a woman's life, including her personal life (her fight against physical, mental torture and violence), the domestic sphere (her decision-making ability and control over resources), the political arena (her involvement in the political processes), and the economic sphere (her access to resources and control over her own income).

Thus, empowerment is achieved when all these aspects of a woman's life are addressed together and comprehensively. After assessing the credentials of the SHGs and feasibility of the submitted projects, Sampada Trust extends financial support up to Rs 20,000 each for activities like crop cultivation, cattle rearing, goat farming, retail trade, food processing, tailoring, weaving, candle- making etc. The assistance is disbursed as per the requirements and can be categorized into

different loan products viz. short term and mid- term. The women have been experiencing many positive changes in their lives through the SHGs mechanism coupled with micro- financial assistance facilities. They have acquired practical skills and are capable of working as an individual or in a group and can manage financial accounts and handle repayment etc. by themselves. A number of women have started micro-enterprise activities both at the individual as well as in a group mode. They have started contributing to the improvement of their family's economic status, learnt to speak up in public spheres as well as at the household level and some have also started to exercise impressive leadership skills in mobilising villagers to address social- economic problems in their village etc.

Micro-Insurance

Women in the villages need to protect their lives and livelihoods. However, insurance services were not accessible to the rural poor and women. Considering the demand from the rural areas and the need for security for women, Sampada Trust arranged to start offering insurance plans to those in need. Sampada Trust operates as a corporate agency on behalf of two major insurance companies in order to provide 'at the doorstep' services to women in remote rural areas who otherwise would have no security cover whatsoever. With access to micro insurance, poor people are able to cope with suddenly arising unexpected expenses associated with death, serious illness, and loss of assets etc. Risk coverage is provided by offering life as well as general insurance..

Group insurance for accident benefits for Rs 25,000 is provided through a Combo Package by Bajaj Allianz at a premium of Rs 180/- per head per annum which also includes life insurance of Rs 50,000/- per woman and claim eligible amount

in the case of natural death. Cattle insurance for dairy animals is covered by the Tata AIG at a premium of 5% of the loan amount.

In order to avoid huge amount of investments to cover hospitalization expenses, it is possible to provide health guard as a social security scheme through Sampada Trust. When in operation this will enable the women to benefit from the expenses to be made by them for hospitalization and medical expenses.

During the year 2011- 2012, a total of 25433 women were insured under the Janata Personal Accident (General Insurance) & Life Insurance Policy. Besides 201 cattle financed by ST were also insured. Besides 473 Jeevan Madhur and 41 Jeevan Mangal LIC Policies were also issued. 39claims with an amount of Rs. 753742/- were lodged with various Insurance Companies. Claims worth Rs. 507263/- were settled and remaining claims worth an amount of Rs. 245355/- were pending. The insurance claim amount was given to the affected families.

Table- 4

Sr. No.	Name of Policies	No. of women insured
1	JPA(Royal+ Bajaj)	13996
2	Life insurance	11437
3	Cattle	201
4	LIC Jeevan Madhur	473
	Jeevan Mangal	41

The table below indicates the number of women insured during the last 5 years by the ST. It would be seen that cumulatively ST has provided insurance cover to 1,50,793 women in its area of operation.

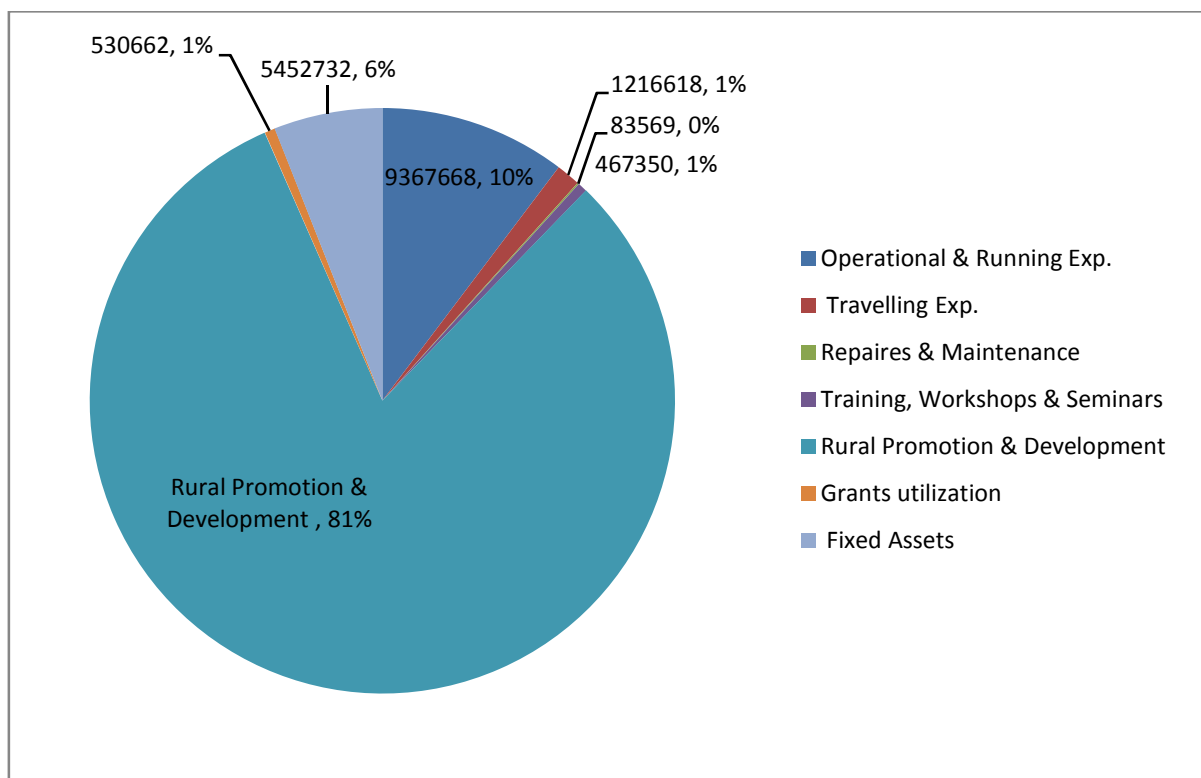
Table- 5

Sr. No.	Particulars	Year 2005- 6	Year 2006-7	Year 2007-8	Year 2008-9	Year 2009- 10	Year 2010- 11	Year 2011- 12
1.	No. of women insured at the beginning of year	20751	29633	55368	60573	70003	96293	125360
2	During the year	8882	25735	5205	9430	26290	29067	25433
3	As at the end of year	29633	55368	60573	70003	96293	125360	150793

Financial Statement

Expenditure Profile

1. Operational & running Exp.	9367668
2. Travelling Exp.	1216618
3. Repairs & Maintenance	83569
4. Training, Workshops & Seminars	467350
5. Rural Promotion & Development	73839500
6. Grants utilization	530662
7. Fixed Assets	5452732



Future Projects

Some of the activities being planned for 2012-13 include:

- Reduced processing time
- Aggressive selling of products
- Improved Product design as per the market choice and need
- Emphasis on expanding in semi-urban areas
- Collaboration with agencies like ITC e-Choupal, other Corporate.
- Leveraging the good relationship with clients (from inception till now)

Collaborations

Sampada Trust is actively considering collaborating with other financial service providers especially for offering savings services to clients. This includes Banks under banking correspondent mode. ITC e-Choupal, Watershed Organisation Trust (WOTR) for expanding its outreach in terms of loan products and insurance, with risks minimized as the clients have sustained economic activity.

- With government of Maharashtra for offering to open urban outlets for rural artisans' products.
- Insurance companies for providing variety of insurance services.

Publications

- SHG Proceeding Book (Marathi/English) - A simple and easy to fill in pro-forma to maintain records and minutes of SHGs.
- SMS Register (Marathi/English) - Assists the SMS to maintain accounts and records of the SHGs.
- Udyojakata Parichaya (Marathi) - A booklet on entrepreneurship awareness.
- Janavarancha Sangopan Shastra (Marathi) – A booklet with valuable information on care and management of livestock.
- Chimanchara (Marathi) - A booklet on balanced diet and nutrition recipes.
- Sampada Forum (English) - A six monthly publication of Sampada Trust.
- Film: Sowing Seed of Empowerment (Marathi/ English).
- Film: My Place under The Sun (Marathi/ English).
- Film: We Help Ourselves (Marathi/English).
- Film: Rise of The New Dawn (Marathi/English).

Enablers and Donors:

Sampada Trust is grateful for the support of:

- Andheri Hilfe, Bonn
- Becker-Cordes Foundation
- Perls Foundation
- Government of Maharashtra
- Watershed Organisation Trust (WOTR)
- State Bank of India
- Corporation Bank
- ADCC Bank
- MGGB Bank
- ICICI Prudential
- UII
- Bajaj Allianz
- Royal Sundaram

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