



Annual Report

(April 2009 – March 2010)

SAMPADA TRUST

AHMEDNAGAR



Foreword

It gives me immense pleasure to present the Annual Report of Sampada Trust, for the year 2009-10. It has been a year of improvement and consolidation of the major 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 branch network in other areas also as the branch mode of functioning has given us good experience and confidence to expand the branch network and business. This will actually lead to the long term and sustainable benefits of the micro financial services being extended by Sampada Trust. I am happy that the annual report for the year 2009-10 is ready for the use of the staff as well as the borrowers and all other concerned.

Crispino Lobo

Executive Director

Introduction

Sampada Trust, with its head office at Ahmednagar, Maharashtra, is a professionally managed Non Governmental Organisation registered on November 21, 2002 as a Trust under the Bombay Public Trust Act 1950. The organisation began as an informal outreach program of Watershed Organisation Trust (WOTR). As the watershed movement expanded across Maharashtra and other states in India, women came to be organised 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 organisation. Sampada Trust provides women empowerment services by formation of Self Help Groups (SHGs) of the poor women, their capacity building, training, extension micro-finance and insurance facility to the rural poor women across 12 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.

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

Crispino Lobo

Executive Director

MA, MPA (Harvard University)

Dr Marcella D'Souza

Managing Trustee

MBBS, Takemi Fellow (Harvard University)

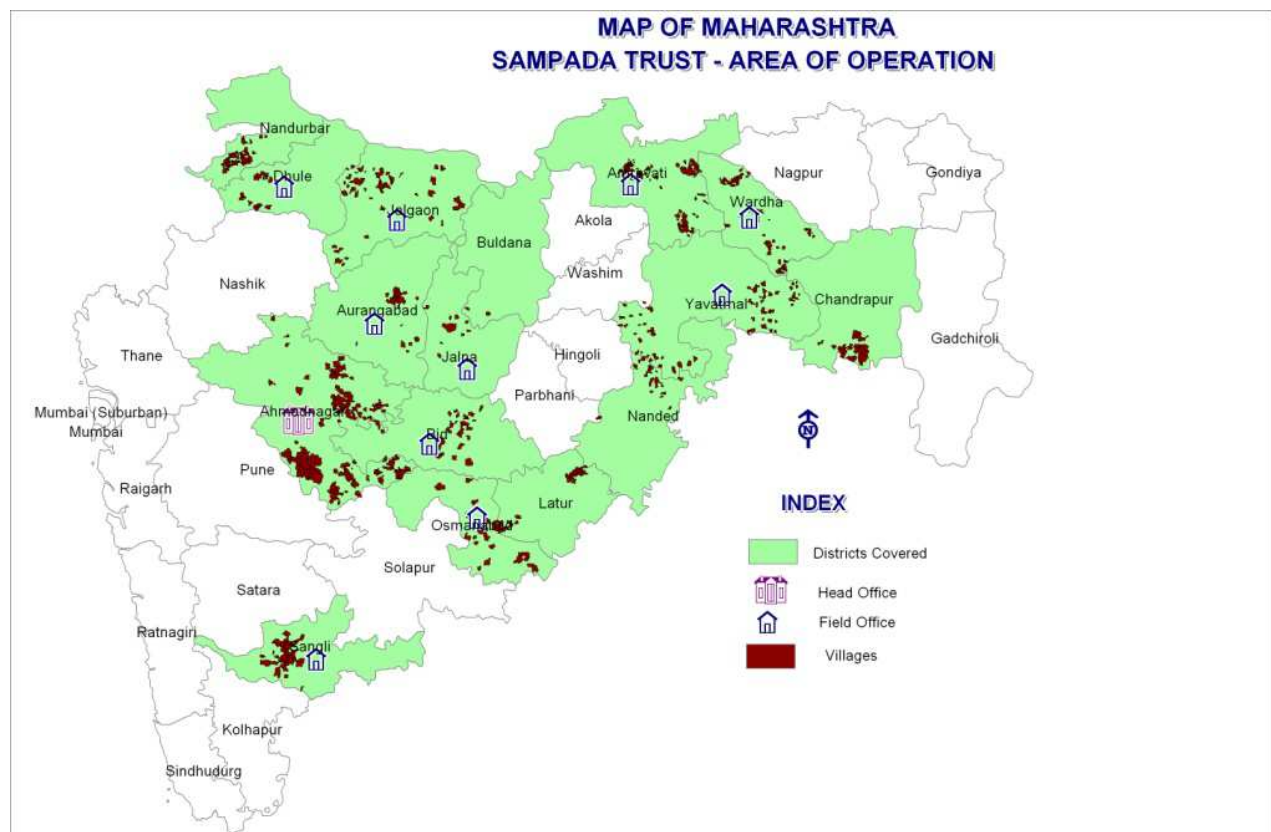
Yogesh C Nanda

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. During heavy bouts of rainfall, the fertile soil of their land is often eroded by the running water, making the land unproductive. At other times, a shortage of adequate rainfall makes the 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.

Sampada Trust has hitherto been operating with individual staff posted at several places. For the first time it has been decided to open full-fledged branches at 3 potential locations viz. Pathardi in Ahmednagar district, Kalam in Osmanabad district and Yeotmal in Yeotmal district. The branches have been equipped with the computers and adequate field staff. We plan to open 3 more branches in a phased manner in this year itself.

Women's Empowerment

The life of an average village woman in rural India is at times extremely difficult. 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. In rural society, a woman holds a secondary status to that of a man. The women and girl children in particular, are characterised by heavy workloads both at home and on the farm. They also have to endure primitive hygienic conditions, poor nutritional status, less access to health facilities, illiteracy and superstition.

The women generally 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.

Sampada Trust women empowerment programme has therefore been aimed at giving women an opportunity to prove themselves to be equal to the task that men pride themselves to be capable of. 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 apex-bodies (locally known as Samyukta Mahila Samitis or SMSs), creation of awareness among the members of SHGs regarding women's status, child health, nutrition, sanitation and hygiene, legal rights, economic upgrading, inculcation of saving habits, improving access of women to micro-credit, involvement of women in local level planning, etc.

A group comprising 10-20 members of common interests and economic background with confidence in each other and showing a keen interest to work together is formed. Internal savings and credit dispensation systems as well as implementation of developmental activities



are then practiced within the group. The overall impact is that the formation of SHGs has enabled the women to gain confidence, dignity and self esteem. They are now 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 problems. This ability has developed the women to gain their independence and happiness while working in a group. During year 2009-2010, 260 SHGs were formed in 12 villages across districts of Maharashtra thereby taking the cumulative no. of total SHGs formed by Sampada Trust since beginning to 2924. A total of 39474 women are active members of these SHGs. There were 417 SMS formed cumulatively in the State by the ST as at the end of 31st March 2010.

Women Empowerment: (2004-2010)- Table-1

S.no	Particulars	Cumulative Total
1	No of villages	725
2	No. of SHGs formed	2924
3	No. of SMS	417
4	No. of Social Development Activities (SDA's)	154
5	SHG Trainings	618
6	SHG Awareness Trainings	863
7	District level Cluster based Workshops	12
8	Audit of SHGs (No)	7814
9	Growth Monitoring Health Project	326

Training

Training plays an important role as it helps the SHG members in expanding their knowledge base, brings about positive changes in the attitudes of the women/groups. Also, imparting skill development trainings build upon their existing skills and develop their capacities and capabilities to further take up new economic and



livelihood 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 2009-2010, 102 village-level SHG trainings were accomplished wherein 3570 members participated actively. Besides 150 SHG awareness trainings were organized during the year. Cumulatively a total of 618 and 863 respectively such workshops were conducted by the end of the year since inception of the organization and provided training to a total of 22113 women. A total of 114 SMS training sessions were conducted involving 2,015 members. 12 District level cluster based training programme were conducted during the year for the first time. 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. 726 SHG audits were conducted during the year thereby taking the cumulative no. of SHG audits to 7814 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 2009-10, 6 cluster level melawas and 2 health melawas were organised with the involvement of 7588 women. Resource persons such as doctors, 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.

Drinking Water and Toilet Construction

Sampada Trust has been instrumental in initiating the the drinking water project in four villages.



The need of the village was identified through PRA and accordingly priority was given for drinking water. In these chosen villages, the villagers shared 15 per cent of the cost as local contribution before the implementation of the project. During the same year, toilets were constructed with the help of local contribution from women

members while the main expenses were borne by the institution's project fund.

Minor support of the government agencies was also undertaken for the construction of toilets. A total of 378 toilets were constructed in 10 villages. The activity was monitored by the Samyukta Mahila Samitis (SMSs).

Child Care and Growth Monitoring

With the objectives of reducing malnutrition and anemia among village children, the SMS and anganwadi workers undertake growth monitoring of children in the age group of 0-5 years. Mothers were assisted to read and understand the growth charts and the nutrition status of their children.



Renewable Energy

In the rural areas life is a daily struggle, people actually live without power for long spells with very little or no electricity. Traditional fuel sources like firewood, kerosene and agro-waste are



used to meet their energy demands. Sampada Trust's objective was to make renewable sources of energy available to this deprived section and meet their domestic energy requirements for cooking and lighting. Therefore, solar home lighting systems had been installed in 128 villages.

The target groups (SHG members) had been selected on the basis of wealth ranking criteria. In six districts, a total of 1,489 solar light units were installed. The total beneficiaries of this project are 7,445 inhabitants.

Since cooking fuel is a basic necessity in every home, smokeless biomass stoves called AGNI were introduced in 705 poor homes while 629 stoves were distributed among average households. A total of 1,334 stoves were distributed among 116 villages benefiting a population of 6,670 people.



Micro-Enterprise and Skill Based Trainings

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 eradicating poverty and promoting higher levels of gainful employment in the rural areas.

Entrepreneurship development and capacity building 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. Orientation and motivation plays a crucial role in the creation and initiation of any business activity. Income generating activities are important in the process of leading women towards financial security and eventually mainstreaming them.

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.

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, behavioural science, financial support and managerial aspects that can create an enabling environment for the successful start of micro-enterprises. 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 resources and needs in a given area. These training programmes are 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 .

Skill-Based Training

Six skill-based training programmes were conducted related to milk and milk products. The making of various products like curd, paneer, shrikhand, butter, ghee, khoa, channa etc was demonstrated by resource persons and the participating women made these products on their own. Inputs were given about viability, project proposal, entrepreneurship, marketing and packaging. This has helped the women to manufacture these products from the locally available resources (milk) and start independent business ventures. A total of 387 women participated in this training programme.

Table-2

MICRO ENTERPRISE DEVELOPMENT (2004-2010)

Sr. No.	Particulars	Cumulative total
1.	No. of EAP's conducted	47
2.	No. of participants	2124
3.	No. of Off-farm activities commenced	3123
4.	No. of on-farm activities commenced	4156
	Total Farm + Non Farm enterprises promoted	7279

Micro-Finance

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 lead to better consumption levels and significantly reduce the habit/need to sell assets to meet 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 their 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 it or wait until their health seriously deteriorates.

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 and ownness. 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 constantly motivates and encourages women in SHGs to move beyond credit and to view credit as only one of the means of empowerment and not an end in itself. The credit 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). 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 sanction & disburse loans up to Rs 10,000 each for activities like cattle rearing, goat farming, retail trade, food processing, tailoring, weaving, candle- making etc. These loans are disbursed as per the requirements. The women have been experiencing many positive changes in their lives through the SHGs and micro- finance activities. 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 problems in their village etc.

Sampada Trust has cumulatively extended micro financial assistance of Rs.47,34,28,374/- to 116270 poor borrower members of 10974 SHGs over the last 8 years as shown in the table below. While the average assistance per borrower was Rs.4071/- the same was Rs. 43141/- per SHG.

Table-3

MICRO FINANCIAL ASSISTANCE : (2002-2010 cumulative)

Sr. No.	Particulars	Cumulative Total
1	No. of Villages	2,618
2	No. of Loans	6,405
3	No. of SHG's involved in MF	10,974
4	No. of Client in MF	116,270
5	Disbursement	473,428,374
6	Principal Outstanding (Year end)	30,524,030
7	Average assistance per SHG	43,141
8	Average assistance per Individual	4,071
9	No. of SMS Involved	1,569

During the year ST extended financial assistance of Rs. 66,292,710/- to 1,030 SHG and 176 JLGs in 399 villages of various districts in Maharashtra State as shown in the table No. 4 given below.

Table-4

Financial Statement for the Year 2009-2010

Sr. No.	Particulars	Achievements
1.	No. of villages covered	399
2.	No. of SHGs financed	1,030
3.	No of JLGs covered (Avg. 4 members)	176
4.	End clients covered	10,485
5.	Micro financial assistance	66,292,710
6.	Outstanding (31.03.2010)	48,603,583

Micro-Insurance

Women in the villages felt the 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 started facilitating insurance services to those in need. It 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 can cope with sudden arising unexpected expenses associated with death, serious illness, and loss of assets etc. Risk coverage is provided by way of life as well as general insurance.

Group insurance for accident benefits for Rs 20,000 is provided through Janta Personal Accident at a premium of Rs 15 per head and life insurance of Rs 5,000 at a premium of Rs 50 per woman. Cattle insurance and insurance for assets are the other areas that are covered. In order to avoid huge amount of investments to cover hospitalisation expenses, it is possible to provide health guard as a social security scheme through Sampada Trust. During the year 2009-2010, a

total of 29639 women were insured under the Janata Personal Accident (General Insurance) & Suraksha Insurance Policy (Life Insurance). Besides 483 cattle financed by ST were also insured. A total of 45 claims were settled, the total amount being Rs 706750. The insurance claim amount was given to the affected families through the Samyukta Mahila Samitis.

Sr. No.	Name of Policies	Achieved no. of women insured
1	JPA	9,601
2	Suraksha	19,199
3	Cattle	267

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 1,95,392 women in its area of operation.

Table -5

Sr. No.	Particulars	As on 31st March 2006	As on 31st March 2007	As on 31st March 2008	01st April 2008 to 31st March 2009	1st April 2009 to 31st Mar 2010	Total
1.	No. of women insured (Life and General)	20,751	29,633	55,368	60,573	29,067	195,392

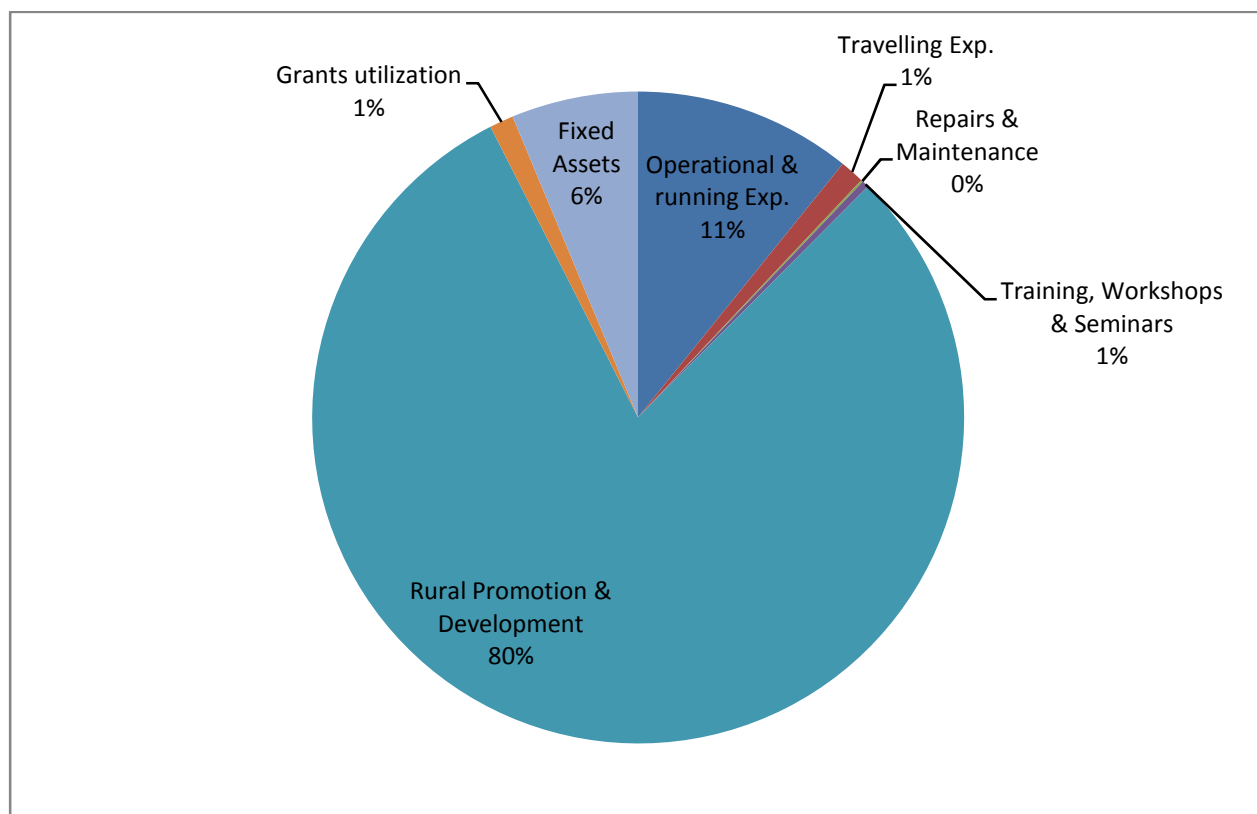
Case Study

“Now that I have benefited due to my insurance policy I have understood its importance and realised that it is always a good practice to invest in insurance. It is wrong to assume that certain incidents can only happen with others and not with us,” says Nanda Gulab Hande, a 36-year-old woman insured by Sampada Trust. Tragedy struck the Hande household when Nandabai’s 40-year-old husband was brutally murdered in four people of the same village over a minor dispute. Nandabai being a member of the Mahalakshmi Self Help Group for the last five years, all the SHG members had contributed for taking out an insurance policy for her because of her impoverished status. Nandabai and her husband had been insured under the Janata Personal Accident policy. After her husband’s death, the promoters of the SHG helped Nandabai claim the insurance amount and this helped her to fend for her family as also allow her two children to continue with their studies.”

Financial Statement

Expenditure Profile

1. Operational & running Exp.	8,942,637
2. Travelling Exp.	1,004,879
3. Repairs & Maintenance	86,671
4. Training, Workshops & Seminars	278,294
5. Rural Promotion & Development	66,292,710
6. Grants utilization	983,430
7. Fixed Assets	5,207,199



Future Projects

Some of the activities being planned for 2010-11 include:

- Opening of Branches
- Reduced processing time
- Aggressive selling of products
- Product design as per the market need
- Change in delivery methodology

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, Bo
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- 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

Contact Details

Crispino Lobo,
Executive Director,
Sampada Trust,
Behind Market Yard, Ahmednagar - 414001
Tel: 0241- 2451311, Fax: 0241- 2451134
Email: info@sampada.org
Website: www.sampada.org