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Dewan Foundation Project on Income Generation for Livelihood
*(An Evaluation and Audit Report of Brighter Future Society
Vijaynagaram, Andhra Pradesh)*



Women members of SHG group having her own tailoring shop after training and Loan from Dewan Foundation

Society for Education and Economic Development

Kh.No. 774/6, Mandi Village, Main Mandi Road, Near Mandi & Gurgaon Border, New Delhi 110075

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Introduction

Dewan Foundation provided the following tranches of loan funds to Brighter Future Society for providing loan to HIV affected and infected persons and leprosy patients for their livelihood:

Total loan fund till 31 st March,11	Rs. 43,26,277
5% Administrative Cost	Rs. 2,16,314
Amount Available for distribution	Rs. 41,09,963
Loan distributed to members of SHGs	Rs. 30,15,000
Balance Amount	Rs. 10, 94,963
Percentage of amount distributed	73.3 percent
Loan given to Auto Load Carriers	Rs. 2,60, 000
Balance Amount	Rs. 8,34,963
Fund revolved since Oct, 07	Rs. 83, 69,500
Administrative Cost 5%	Rs. 418,475
Interest amount since Oct,07	Rs.76,214
Balance amount in Bank	Rs.10, 40,033

The annual multiplier effect is 1.67 on the one unit of loan fund.

Defaulter's rate works out as 4.37 percent.

Keeping in view the SHGs group' peer collaterals and direct contact of NGO with beneficiaries the rate of default seems to be slightly on higher side. In this case it could be higher due to sickness and demise of HIV affected and infected persons and leprosy patients.

Goat Rearing Project

For Goat Rearing a separate loan fund :

First Phase	Rs. 15,00,000
Second Phase	Rs. 10,00,000
Total Funds available for the project	Rs. 25,00,000

Total beneficiaries

First phase 150 amounting to	Rs.14,25,000
Second Phase 100 amount to	Rs. 950,000
Administrative Cost of the Project	Rs. 115,984
Total Amount distributed/spent	Rs. 24,90,984
Total Repayment amount	Rs. 2,87,500/-

In this project there is neither multiplier nor repayment. The amount of repayment accounts for approximately 11 percent.

Analysis of Beneficiaries

The total Number of beneficiaries is 921 consisting of 291 male and 630 female. Majority are women (68.4 percent) beneficiaries. More than one third of them were Leprosy patients. General poor accounted for nearly 30 percent. HIV affected and infected accounted for near one fourth and others physically challenged and Lily Nath. Thus beneficiaries were most deserving and poor.

Purpose of Loan

Loans were given for forty three types of activities. However, Majority accounted for three activities namely, vegetable vending (15.60%) Cow rearing (10.36%) Tailoring (11.7%) This was followed by Kirana shop and telephone booth and other petty shops. Details are given in Annexure -1 of this report.

Analysis of On-spot Study

On day of the visit to Trust as Vijaynagaram a group of people were also given loans in the presence of other beneficiaries and visiting expert.



Expert visited individual beneficiaries who were given loan for income generation for livelihood.

Loans to Women Vegetable Vendors

Group of women vegetable vendors were given loans. These women acquire vegetables from villages and sale in the vegetable market. A discussion with women beneficiaries revealed that local administration managing the vegetable market has given licence to these women vendors. This has enabled women to legally conduct vegetable sale business in the market. Every beneficiary expressed happiness for getting loan from Foundation through the Trust and was regularly repaying the loan with interest. They revealed that this has helped in generating income and has immensely benefited them in their struggle for livelihood. Some of the beneficiaries were also doing vegetable and fruit business from loan amount outside the market.





Visit to Tailoring Training Centre

Training Centre for tailoring was visited and it was observed that several groups of women were under going training in tailoring and some of them were also engaged in making dresses for school students and as well embroidery work.



Tailoring Shop of Beneficiary: One of the women trained in this centre also opened a shop of tailoring in the Market. An interaction with the beneficiary revealed that training has given her lot of confidence in setting tailoring shop. She is earning enough meet her expenses and also able to repay loan with interest. This has considerably empowered her. She is able to send her children to school. Her happiness was very much evident during the time of interaction with the expert.



From Cobbler to Shoe Making and Mending Shop

The Trust has also provided loan funds to HIV affected and infected males. Some of them were cobblers and doing cobblers work on payment. With the loan amount they were able to set up a small shop and engaged in not only mending shoes and Slippers but even making them and selling in the market. An interaction with some of the beneficiaries revealed that with a loan amount of Rs.10, 000- they could start their petty shop and earn livelihood. They have regularly paid their loan instalments and interest on the same. This change in their life with small funds has value added to their services and helped developing the products like shoes and Slippers (Chapples).



Goat Rearing Project

Dewan Foundation has also provided funds for providing loans to women members of SHGs for rearing of goat. The concept was beneficiary should rear the goats and give back the same number of goats after a certain period as repayment. During the visit to the it was observed that almost all persons goats had gone for grazing and none were available. An interaction with them revealed that they have not been able to repay in kind. They were, however, willing to repay the loan amount from which goats were purchased and given to them. There was short of resistance on their part pay in kind. Since they are willing to repay the loan amount, it is suggested that recovery may be affected through instalment payments.

Expert had come across a similar project run in Alwar District of Rajasthan. It was narrated to expert that groups have been formed for rearing of goats. One group was given goats specify weight other details. This group was to rear the goats and give it to another group. It was informed that one chain is complete. One group has been able to give goats to another group. However, a deeper analysis can only reveal the sources of success or otherwise of this project.

General Observations

- The project seems to be running very well in this region by Dewan Foundation- Brighter Future Micro - Finance Institute in providing loan funds to HIV affected and infected male and female population in the area of Vijaynagaram of Andhrapradesh.
- Provision of licence to women vegetable vendors by local authority and funding by Dewan Foundation for income generation activity has considerably helped women vegetable vendors. Loan to women beneficiaries for growing vegetable has further strengthened their economic base by providing opportunity for backward linkage in vegetable marketing.
- The loan funding from Dewan Foundation to women and man beneficiaries has considerably added to local informal economy and caused value addition in every product sold in informal local economy.



Women in Tailoring Training at Brighter Future Society, Vijaynagarm, Andhra Pradesh