

2011



## Closing Report of IFAD- MIOP

*Project Period from January to September 2011. Funded by: Pakistan Poverty Alleviation Fund, Islamabad*

The IFAD-initiated MIOP- programme targets for small farmers, livestock owners, traders and micro entrepreneurs, and particularly women and households headed by women.



Report Submitted By: MER Section  
Rural Credit Enterprise Development Sector Sindh Rural Support Organization, Head Office-  
Sukkur

2011





## Introduction of Sindh Rural Support Organization:

Sindh Rural Support Organization (SRSO) is a not for profit organization, registered under section 42 of Companies Ordinance 1984. SRSO is funded by government of Sindh to work in the designated districts of Sindh. This policy has been endorsed by government to achieve the goals of poverty reduction through community empowerment, skills enhancement, capacity building and development of community supported infrastructure projects, and the provision of support for income generation, enterprise development and micro credit. For this purpose SRSO organizes the local communities and develop their managerial and technical capacity. People and the government are supported in forge partnership and inculcating the sense of ownership among the people. SRSO is presently entrusted with the responsibility of fostering a countrywide network of community organizations at the grassroots level in 9 districts of Sindh and works in the following sub-sectors while applying the participatory development approach of sustainable development.

### Objectives of SRSO

- ▽ The main objective of SRSO is to foster a network of grassroots level organizations in all UCs of nine districts of upper Sindh to enable rural communities to plan, implement and manage developmental activities and programmes for the purpose of ensuring productive employment, alleviation of poverty and improvement in the quality of life.
- ▽ To address and support GoP's policy of poverty alleviation.
- ▽ To praise and expansion of GoS efforts and translate poverty reduction strategies into action.

SRSO works to release the potential abilities, skills and knowledge of rural men and women, to enable them to articulate their aspirations and to effectively organize the resources they meet their identified needs. The purpose is poverty alleviation - enabling people to break the cycle of poverty, which begins with lack of opportunity, extends to the well-known misery of economic and nutritional poverty and leads new generations to endure the same conditions. The process is social mobilization - bringing people together on new terms for a common purpose.

SRSO presence in 9- Districts in Sindh through Regional Offices and field offices. SRSO is currently working with more than one million poor households organized into a network of about 4800 Community Organizations with sustained incremental growth. SRSO's mandate is to alleviate poverty by harnessing people's potential lying within the communities to help themselves and undertake development activities.

### Micro Credit as an essential mean for poverty alleviation

One of the obstacles to micro credit in developing countries like Pakistan is in sufficient capital. A bigger impediment is access to credit rather than the ability to pay the cost of such credit. In Pakistan there are more than 5000 registered NGOs of which very few operate either at the national, provincial or city level. Many of them support income generating activities but only as an appendage their objectives rather than as self-sustaining credit programs.

Capital formation is an essential component of rural development. SRSO, on one side helps build the capital at the grassroots through a programme of savings and better management of natural resources





and on the other side extends micro credit to the members of COs for their plans of productive employment. However, experience shows that whereas credit is a universal need of the communities, it is not easy to find actual loanees in the initial phase. Most of them would rather wait and see what happens to their peers who had taken credit. But when they do, there is a quantum leap in credit disbursements without any unfavorable effect on recoveries (which remain almost 100%) even when the service charge is kept at markets rates (20%per anum).

### How to Rural Credit Enterprise Development sector is working in SRSO

Unfortunately, the present public sector institutions and commercial bank have not demonstrated capability to reach the bottom poor. Even some institutions which were formed with a mandate to reach a specific target group for micro credit could not achieve this purpose for various political and administrative reasons.

While, sectors are the entity organization form to organize people, reporting relationships, and work in a way that best supports to accomplishment of the organization's goals. SRSO sectors are usually organized by functions such as rural credit enterprise development sector human resources, administration, Enterprise development and finance management. The forward thinking rural credit enterprise Development Sector is devoted to providing Effective strategy, events, and people-friendly within organization or institution contractual agreement in which a borrower receives something of value now and agrees to repay the lender at some later date. They are buying on credit (receiving the item at that time, and paying back the month by month, quarterly or per annum). Any time when an individual finances something with a Loan, they are using credit in that situation as Well.



#### 1. Objectives of the Micro Credit Program

- To increase outreach of micro credit by following an efficient, proactive and focused credit delivery mechanism for the poor.
- To minimize delinquencies.
- To achieve financial self sufficiency of micro credit operations by setting up a suitable organization structure for micro credit.

#### 2. Methodology

SRSO considers social mobilization as a primary mean for supporting to rural women in their efforts to alleviate poverty. The essence of the process of social mobilization is encouraging women to form a group, typically consisting of 12 members, known as a Community Organization (CO).



The RCED sector active working in SRSO since from 2003. The main objective of this sector is to reduced poverty. The National System of Rural Credit is the most traditional instrument of agricultural livestock and enterprise development in Pakistan. Community Organization is an important forum for

*Rural Credit Enterprise Development Sector Sindh Rural Support Organization, Head Office- Sukkur*





empowering people to take an active role in the management and execution of local development initiatives. Once the community is mobilized then they are able to identify their needs and find the resources necessary to meet those needs.

The financial products consumption of rural producers and others borrowers had been analyzed through statistical tools and a questionnaire was applied to rural credit managers and analysts to identify the process of analysis and concession of rural credit. It can be detached that despite the significant participation in the rural credit, those cities present Low percentage of rural population, indicating an economic diversification.

Thus, one guarantees that the sample of non-producers customers is representative and with differentiated profile those agencies have in common high positions at the internal ranking of resources loaned in rural.

The RCED sector imparting systems and procedures for manage the credit operations as a separate activity. The indeed assume that, whereas the social organizers and other program staff are responsible for capacity building of SRSO's targeted communities.

The Credit staffs are responsible for amount disbursement, recoveries and its monitoring.

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The credit program of SRSO consists of two components I. e;

1. Rural Credit
2. Semi-Urban credit

The rural credit focuses on providing credit facilities to farmers and other professionals in rural areas. While the urban providing micro credit services to female client only in major towns and cities / adjoining major towns in program areas. The urban program is working in districts Sukkur, Khairpur, Larkana and Kamber Shahdadkot.

While those between Rs. 20,000 to Rs. 50,000 are based on security such as post dated cheques and registration papers of property. The loan size is based on an assessment of the borrower's need evaluation. These loans are given for a period of 12 months and service charges are earned on these loans at the effective rate: 20% per annum.







## Rural Credit Enterprise Development Sector Looking as MF (Micro finance)

Microfinance refers to a variety of financial services that target low-income clients, particularly women. Since the clients of microfinance institutions (MFIs) have lower incomes and often have limited access to other financial services, microfinance products tend to be for smaller monetary amounts than traditional financial services. These services include loans, savings, insurance, and remittances. Microloans are given for a variety of purposes, frequently for microenterprise development. The diversity of products and services offered reflects the fact that the financial needs of individuals, households, and enterprises can change significantly over time, especially for those who live in poverty.

Because of these varied needs, and because of the industry's focus on the poor, microfinance institutions often use non-traditional methodologies, such as group lending or other forms of collateral not employed by the formal financial sector. The lack of access to credit for the poor is attributable to practical difficulties arising from the discrepancy between the mode of operation followed by financial institutions and the economic characteristics and financing needs of low-income households. For example, commercial lending institutions require that borrowers have a stable source of income out of which principal and interest can be paid back according to the agreed terms. However, the income of many self employed households is not stable, regardless of its size. A large number of small loans are needed to serve the poor, but lenders prefer dealing with large loans in small numbers to minimize administration costs. They also look for collateral with a clear title - which many low-income households do not have.

### A Project of FIAD- MIOP

The IFAD-initiated MIOP- programme targets small farmers and livestock owners, traders and micro entrepreneurs, and particularly women and households headed by women. The objective of this programme is to improve and increase poor people's access to a wide range of financial services and products.

SRSO working in close collaboration with the PPAF, the programme is developing a response to the demand among poor rural people for increasingly available credit and a broader range of diversified microfinance services. It encourages existing microfinance operators, currently or potentially associates of the PPAF, to explore ways of extending their outreach. The aim is to bring financial services and products to people in remote communities and to overcome cultural and religious barriers relating to traditional credit, as well as gender partiality and inappropriate delivery systems. The programme is an integral part of the credit and enterprise development programme of the Pakistan Poverty Alleviation Fund (PPAF), a government-created funding agency operating through NGO partner organizations. The SRSO is one the partners of PPAF. It is state in scope but





On rural areas and poor concentrates exclusively communities. The programme supports the development of microfinance products. It encourages development of new financing systems, including systems that reduce the burden of debt, minimize risk and promote asset creation. The programme emphasizes development of approaches and products particularly keyed to women's need through a flexible funding mechanism, the programme encourages microfinance operators to implement pilot projects to test and develop new products and approaches, and it finances their scaling up. The microfinance operators work with their own member community organizations and with participating poor rural people, who are the recipients of the newly developed financial production.

### 1. A Grant SSN- Business Revival for flood victims: (6- Six months Project)



#### **Over view**

In August 2010 the TORI BAND was broken than everyone was alert to escape from their huts and a havoc water was destroyed district Jacobabad and Shikarpur. In the same way the water flow comes from Baluchistan and Dadu (sindh) to District Shahdadt and destroyed standing Crops, livestock, residence, shops, schools. Although, the infrastructure of those 3- districts were highly damaged within week and above 70% was under fearful water of flood. Then there were many flood relief camps were established in different locations of the district for the facilitation of IDPs. The devastating flood has badly affected human lives and properties. Torhi bund breach inundated the vast area of Shikarpur, Jacobabad and Kamber-

Shahdadt districts were in complete destroyed, many towns, thousands villages and settlements, standing crops, basic infrastructure and displacement of the millions. The result of the catastrophic situation of the people of above districts and people from above mentioned districts are displaced.





**Situation Analysis:** The flood water has entered into the SINDH Province

Devastating completely more than 11000 villages in the Kacha and surrounding

Area displace more than 213,000 households from their villages along with 1,065,000 numbers of livestock. According to the SRSO's preliminary rapid assessment report the flooding started right from Guddu affecting Districts situated at both banks of River Indus namely Kashmore @ Kandhkot, Shikarpur, Jacobabad, Ghotki, Sukkur, Khairpur, Larkana, Noshehro feroz.

The flood affected population who had moved from the affected areas are seems to be helpless and no humanitarian agencies have reached out to the far-flung areas to meet the basics needs such as food and safe water.

While the capacity of the government and local response agencies

are already over stretched. The situation is alarming and showing fear all around.]

Mobility, access and logistic support to affected rural villages and populations are the key emergency gaps. Restoration of basic community micro infrastructure like; link roads, foot bridges, suspension bridges, destruction of standing cash crops, livestock and all the property they have vanished diseases prevention, irrigation channels and food storage and drinking water supply systems and sanitation and would be the major problems for rehabilitation.

#### **Challenges for SRSO Credit program**

- Improve the flood affecters' lives.
- To recuperate the seasonally flood affected clients portfolio at timely.
- Changes the flood Affecters psycho through strong mobilization.
- Resettlement and rehabilitation of the effected clients.
- Recover the portfolio from migrated people of district Shikarpur, Shahdadkot and Jacobabad.





### ***Revival of Business***

These above mentioned districts clients are survived in very worse circumstances and facing difficulties. PPAF granted PKR 33, 842, 250 amounts for entirely flood affected clients of SRSO Microfinance

Programme in the Units and revival their business. On the other hand SRSO- RCED paid roll as a facilitator and conducted different sessions regarding Health & hygiene, provided cook food and dry rashan, Mosquito nets in camps and schools, also provide various ideas of income generating for flood effectives.

Simultaneously, different international organizations also District Government taken part to help flood affective people under the umbrella of SRSO. This will help the client not only for revival of the business but that was make to work hard for reconstruct his/her income source and support him to come back to routine life sooner than later.

### ***Methodology:***

Extremely devastation district's existing Units are disaster in the flood. The Unit In charge, credit officer and SCO Senior Credit Officer were reviving the appraisal in the camps. Each client was to be appraised and ensured to restart his/her business from the given amount. There were existing units working in the district. Concern field staff was appraised the client and the each appraisal was to be verified by SCO and District Manager. The project duration announced 6- six months (January 01- June 30, 2011).

According to the submitted proposal to PPAF for grant, through SSN- Business revival for flood victims project.

PPAF granted PKR 32,400,000/= for district Kamber Shahdadkot, Shikarpur & Jacobabad with operational cost PKR 8319,000/= by January 2011 to June 2011.the division of grant in Shahdadkot 19,253,000/= Jacobabad 8,309,000/= while in Shikarpur 4828,000/= Below detail showing utilization of grant given by PPAF







S.NO	Description	Units	Cost	2011		
				Jan-Mar-11	Apr-June 11	Total
<b>Operational Cost (H/O)</b>						
1	Project coordinator	1	30,000	90,000	90,000	180,000
2	Monitoring /Training officer	1	20,000	60,000	60,000	120,000
3	Social Organizers	7	10,000	210,000	210,000	420,000
4	Data Entry Operators	3	10,000	90,000	90,000	180,000
5	Office Boy	3	7,000	63,000	63,000	126,000
				<b>513,000</b>	<b>513,000</b>	<b>1,026,000</b>
Staff benefits @12.5%				<b>64,125</b>	<b>64,125</b>	<b>128,250</b>
<b>Admin/Recurring Cost (Branches)</b>						
1	Office Supplies and Stationary	1	8,000	24,000	24,000	48,000
2	POL and Maintenance	1	25,000	75,000	75,000	150,000
3	Utilities	1	15,000	45,000	45,000	90,000
<b>Sub-total-Admin/Recurring Cost</b>				<b>144,000</b>	<b>144,000</b>	<b>288,000</b>
<b>Project Cost</b>						
1	Cash for Livelihood Rehabilitation	2160	15,000	32,400,000		32,400,000
<b>Total Project Costs</b>				<b>32,400,000</b>		<b>32,400,000</b>
<b>Total Costs</b>				<b>33,121,125</b>	<b>721,125</b>	<b>33,842,250</b>
<b>PPAF Share-Total Costs</b>				<b>33,121,125</b>	<b>721,125</b>	<b>33,842,250</b>





## Case Studies:

### Case Study 1: . Story of Miss:Zahiran kandrani



Miss zahiran is one of barrower of community organization wazir khan, she belongs a poor family and her husband is working as labor and main source of income is an agriculture. In this havoc disaster of flood her village is also victimize and everything was finished including crop of rice which was source of income.

In this regard she decided to mobilize all barrowers regarding returning of credit amount and retuned amount of recovery. When everyone was making efforts regarding new yearly crop of rice and there was issue of amount and Miss Zahiran kandrani not lose her struggle and hope for support from SRSO or other NGOs.

After some days grant was given to flood affected barrowers she is also one them and got grant of Rs: 10000/ for the purpose of agri input and she purchased urea and seed for cultivation of rice after grant SRSO team visited many time and she ever said that her crop became very good and this credit goes to SRSO RCED, but now this case study was interviewed at her crop and really it was very amazing to see the rice crop. She said that with the grace of ALLAH her objectives were complete and if she did not get this amount in time nor did not get seed and Urea than such type of result gained not possible. Now she got huge amount from her crop and shall keep rice for food and some saving will deposit in her CO account.





## **EXTREME FLOOD AFFECTED LIFE**

Mai Hakim zadi, resident of village habit khan magsi talka Qubo saeed khan. She's associated with SRSO in community organization AQSA . She's got credit 12000 rupees from the SRSO in 2010 for the head preps of crop seeds and fertilizer. Her family already belongs to hand to mouth; or lower class of society. Her life was passing hardly in such scenario.

The extreme flood came and made her family life bad to inferior. At the arrival of absolute flood everybody rushed towards safe and secure places to save their life. As a mother, then no mother wants of the world would see as can see her off spring dying of flood or any other thing but unfortunately due to grave financial crisis she could not get out of the place.

At last, she complied to come in the relief camp of Shah Dad kot with the help of some kind hearted people. In such scenario, the suffering did not leave her during flood when she was worried for the two Marcel's of meal to his ten years old son.



He got rather weak and light day by day but there was none to look after him. No one was insufficient to take good medicine and treatment while on the other hand there remained nothing.

her shelter home and crops only source of income were damaged and destroyed the tears and also depend relief my destiny in such situation what does a mother heart feels the time flies fast it does not care for anybody.

it's always on its wings man is puppet in the hand of nature either a beggar or a king so at last her ten year old son affected the battle of life and passed away due to cholera imagine for a while a man who depended upon the funds of various organizations.

She had capable to stand on his or her own feet's and none care of society for others. Because she was also buried by the villagers at that time man is the supreme creature of Allah almighty but it matter of great sorrow when such incident occur us in a pit able condition.

It's not enough and over there, she has another daughter too. She is also suffering hepatitis B.

Her name is Rehana she is fourteen years old. That time she can't afford to take her to any doctor or treatment her cured the medicine are rather expensive then her not afford in this





condition afford it my heart sinks when I see my suffering in shelter I have left everything in the hand of Allah.

In this dark period SRSO has proved to be a light providing lamp for us recently SRSO provided me PPAF grant 25000.

From that amount I have purchased some goats and getting my bread and butter and my children by the grace of Allah. Now my time is passing better the depends like SRSO must be encourage as much as possible to help the poor and the needy on humanitarian basis to bring progress and prosperity among and minimize the level of her sorrows.

### Case Study- 2

#### **God Help those people who helps themselves**



Current situation is the world that no one is ready to help others. Everyone is busy to stable their selves. It is also said that poverty is curse but this story is different from others. As Allah said in his holy book that “God help those who helps themselves”, this story shows that if any one who helps themselves than God helps those.

Barrower Fatima w/o Hassan Ali representing CO Hassan Ali, UC Mubarak pur tehsil thull, Jacobabad her family was destroyed everything during flood disaster. By the mean when disbursement started at district Jacobabad, She got loan from SRSO on agri inputs. She said that after receiving credit of 10000/= they purchased Seed and fertilizer for seasonal rice but unfortunately heavy flood has ruined each and every thing. In this havoc situation therefore returned loan to SRSO because never I want to leave SRSO.

Many times I have been supported by SRSO in any aspect; besides this, my husband Mohammed Hassan got training of Motorcycle mechanic from Islamabad through SRSO.

He is lame from one leg but he never felt any inferiority. Villagers ever used to say that Hassan Ali (Husband of barrower Fatima) will beg but she said that we will work hard and show to them to be stable.







After getting grant from SRSO he invested whole amount in motor mechanic shop and now he earns more money and we are passing our life best and all these praise goes to SRSO that he ever support to us regarding credit and technical Trainings.

Moral: God helps those who help themselves

**Sessions for Improving Knowledge (Client Protection Workshops)**



For any Organization to carry out its work in an effective way with increased performance and efficiency it is essential to invest in the capacity building of its employees and partner.

RCED is a major sector of SRSO. This sector is growing to the status of an institute taking responsible role in the development of rural economy within community organizations.

***Objectives of the workshop:***

- € SRSO & RCED Introduction
- € Advantages of Loan ( SRSO- RCED V/S Other organizations and Banks)
- € Deduction of Principal amount, service charges, Insurance, Processing fee charges and documentation fee, etc:
- € Discuss on rate of service charges 26% will be implementing from July 2011.
- € Impact of utilization of loan (positive Impact on barrowers business and their lives)





Meanwhile, the purpose of the workshop, which is housed at the Center for Financial Inclusion, and the Principles is to ensure that providers of financial services to low-income populations take concrete steps to protect their clients from potentially harmful financial products and ensure that they are treated fairly.

**Methodology:**

The workshop was conducted on participatory method. Different techniques were used Like Group discussion and individual ideas sharing also session of the questions by clients.

“Pakistan is basically agricultural country 70% population is employed in agriculture especially in rural Sindh”. Due to poverty it is very difficult to farmers for purchasing agriculture inputs in cash & control rates, due to which they are catches by local money lenders (Middle Man), Which are giving inputs in black market prices and 3<sup>rd</sup> quality seeds, it is very strange that they are charging 120% annual with compound rate interest formulas and charging surcharges also from poor farmers.

In this connection SRSO is staring, watching and observing these greedy

and black marketers which are sucking the blood of backward farming community, and step forward to introduce the Micro credit program for these helpless and non technical farmers for growing their crop productivity and enhance their income, in this SRSO is also working for agriculture development in rural Sindh. IWEIP (Integrated Water Efficiency Irrigation Project) is major example of SRSO agriculture development, in which with the support and funding by PPAF, the mega schemes i.e Water Course, Tube well and Land leveling/ Drip Irrigation system implemented through this scheme.

The Client Protection Principles describe the minimum protection microfinance clients should expect from providers. These Principles are distilled from the path-breaking work of providers, international networks, and national microfinance associations to develop pro-consumer codes conduct and practices. While the Principles are universal, meaningful and effective implementation will require careful attention to the diversity within the provider community and conditions in different markets and particular areas contexts.





Providers will take reasonable steps to ensure that credit will be extended only if borrowers have demonstrated an adequate ability to repay and loans will not put borrowers at significant risk of over-indebtedness. Similarly, providers will take adequate care that only appropriate non-credit financial products (such as insurance) are extended to clients.

SRSO is not only working for agriculture but working to uplifting the small enterprises through Enterprise Development program called “EDP” for promoting the small enterprises to Macro business of rural women’s, not only enterprises but introducing traditional & cultural handicrafts, Embroidery of rural women’s. Regarding Livestock production SRSO also financing for rearing of livestock for strengthening milk & meat production.

Regarding the agenda teams also shared that the SRSO also working for proper utilization of micro credit through peer monitoring and mentoring of borrowers individually for effective program delivery and management.

Through which increase serviceability and sustainability of Community organization as well as borrowers by enhancing their technical and managerial capacities and financial resources through CMST/Refresher or any other need base trainings. The terms, and conditions of financial products (including interest charges, insurance premiums, all fees, etc.) will be transparent and will be adequately disclosed in a form understandable to clients. Responsible pricing means that pricing, terms, and conditions are set in a way that is both affordable to clients and sustainable for financial institutions also Debt collection

practices of providers will not be abusive or coercive. On that occasion teams to the point the participants regarding above mentioned topic, also shared very fruitful suggestions regarding credit utilization.

The community women conscious regarding their health insurance, team described that Adam Jee Insurance Company Limited launching their different insurance products linking with SRSO program, regarding credit insurance that, there is only claim cover permanently disability or death. There are also individual insurance and family insurance of community organization members. At the program conclusion teams collect the Ideas, Experiences & Suggestions from Participants regarding micro credit utilization & getting it safe and secure. Staff of financial service providers will comply with high ethical standards in their interaction with microfinance clients and such providers will ensure that adequate safeguards are in place to detect and correct corruption or mistreatment of clients. Providers will have in place timely and responsive mechanisms for complaints and problem resolution for their clients.





The grant funded by PPAF according to the IFAD- MIOP project for client protection workshops was PKR 300,000/=. The details are as under:

**Workshops Details:**

<b>Client Protection Event</b>					
<b>S. No</b>	<b>No of Client Protection</b>	<b>Trained Clients M/F</b>	<b>Cost</b>	<b>Total Cost</b>	<b>District</b>
1	8-Events	939	6,790	54320	Ghotki
2	3-Events	390	10,180	30540	Shahdadkot
3	2-Events	332	19,858	39715	Larkana
4	6-Events	777	8,888	53325	Sukkur & KHP
5	3-Events	270	5,000	15000	Jacobabad
<b>Total 22</b>		<b>2708</b>	<b>13,636/=</b>	<b>192900</b>	
			<b>Average per event</b>		

<b>Vehicle Arrangements</b>		
1	Vehicles running on client workshop at different districts	77,080
2	Workshop attended expenses at Karachi	30,020
<b>Total</b>		<b>107,100</b>
<b>Total of Events</b>		<b>192,900</b>
<b>Grand Total</b>		<b>300,000</b>







### Kiosk Project for New Branches at District Larkana and Shahdad kot:

Poverty alleviation strategies and programs aim are increasing people's access to goods, services and opportunities & ability to withstand the socio-economic shocks entailed in job loss, crop failure and illness, and expanding the horizon of opportunities for improving the quality of life of the poor.

Thus, RCED sector can point to the pooling of resources through social mobilization, income generation, accumulated savings, asset creation, the establishment of profitable enterprises, the creation of reliable and profitable links to the market, capacity building for better access to employment, reduced costs in health and the provision of educational services where they did not exist previously, as its most significant contributions to poverty alleviation. Credit Loan Portfolio includes Micro Credit (MC) and Enterprise Development Facility (EDF) Loans. Micro Credit Loans are loans given to female entrepreneurs for productive /income generating activities on the social collateral basis. These loans are secured against two guarantors and loans to individual group members may be extended from Rs. 10,000 to Rs 25,000. Loans are given as for seasonal (for a period of 06 months) and service charges are earned on these at the rate ranges from 20% per annum on flat basis. Enterprise Development Facility (EDF) represents loans disbursed to borrowers for activities that can generate revenue, against collaterals such as house registry, vehicle papers etc. Loans to individuals as well as group members range from Rs. 12,000 to Rs. 25,000 are based on social collateral.

### *Why SRSO need to Initiated EDP- in Semi- Urban areas:*

In keeping with its mandate of poverty alleviation for its micro- credit program, SRSO targets poor urban areas by identifying them after through survey of targeted entire semi urban (cities) areas. These areas are selected on the bases of their poor sanitation, housing for example: one family lives in one room) and the condition of other amenities etc; residence of semi- urban areas are generally daily wage laborers, small shop keeper, street vendors, housemaids and lower grade government servants such as clerks, peons etc;





In the selected semi-urban area there was felt to need some financial help to sustain handicrafts, milk production also homemade other productions by clients. Therefore team mobilized poor women and organizes them into groups of three or more members, once a group is organized, semi-urban conducts a households survey of each members, their literacy level, occupations, income, expenditure, and assets are collected. Over 70% semi-urban borrowers are illiterate and about 95% of women borrowers are survive in less facilities. In this connection the EDP- Semi-Urban branches are opened in Dokri and Bakrani at district Larkana other are Meero Khan and Nasirabad at district Shahdadkot.

### Case Study- 3

#### Self Business “Little candles can extend light in the darkness”

It is the story of a poor women named Sidra D/o Zahid hussain living in city Khair Mohammad Arija taluka Bakrani that is situated Larkana district near to moen jo daro.

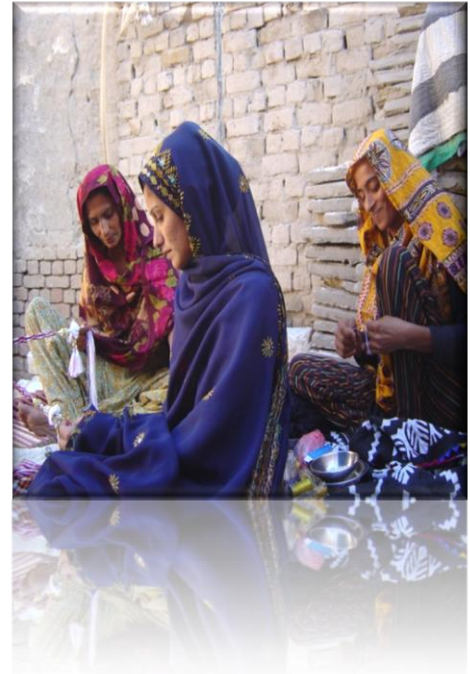
There are 06 family members. Her father does work of barbar in the city and he was a lonely source of income of this house.

Due to extremely illness, her father is not able to continue his job regularly. Sidra is very hardworking and doing work f embroidery and also making rillies in her home but this earned amount is not sufficient for the expenses of her house.

She is very confused about the exceeding expenses of their house and wants to starts small business in her house. This problem was solves EDP loan. SRSO EDP team came in our house and give information about their programme.

This was good sign to SRSO- strives to help poor and hardworking females in reducing poverty through providing small loans and skill enhancements. SRSO provide loan to every needy person on their door steps. Miss Sidra satisfied about the policy of this organization and she made a group named Sanobar and took loan of 12000 for purchasing material of embroidery and starts their business in her house. Now her business is stabled and also she earned more income from Business and 01 other female does work in this home. Now she's earning 1200 to 2500 per each rilli. Now their family is comes out from extremely poor condition right now.

According to the Sidra sharing that, “this programme of SRSO is very helpful for those females which want to do work for improving economic strength in their houses. She also said that we are very poor community and not reaching for getting the loans of banks because there are huge formalities for getting this loan. After my economy grow my relatives and other community members are respecting me and they treated socially and morally well.





**The details of the Project are as under:**

**Kiosk project in District Larkana and Shahdad kot (January-September 2011)**

S.N	Description	Units	Cost	2011			Total
				Jan-Mar-11	Apr-june 2011	jul-sep-11	
<b>Capital Costs (H/O)</b>							
1	vehicle (jimny)	1	1,900,000	<b>1,900,000</b>			1,900,000
2	Laptop/deskt op & Printers	1	115,000	115,000			115,000
3	Furniture & Fixtures	1	30,000	30,000			30,000
<b>Capital</b>							
<b>Costs (Branches)</b>							
1	Motor bikes	4	95,000	<b>380,000</b>	266,000		380,000
2	Laptop/deskt op & Printers	4	115,000	460,000			460,000
3	Furniture & Fixtures		30,000	120,000			120,000
<b>Total Capital Costs</b>				<b>3,005,000</b>			<b>3,005,000</b>
<b>PPAF Share-capital (70%) costs</b>				2,103,500			2,103,500
<b>Operational costs</b>							
<b>Salaries and Benefits (H/O)</b>							
1	Monitoring /Training officer	1	20,000	60,000	60,000	60,000	180,000
2	Driver	1	8,000	24,000	24,000	24,000	72,000
<b>Salaries and Benefits (H/O)</b>							
1	Credit Officer	4	9,000	108,000	108,000	108,000	324,000
2	credit Assistant	8	7,000	168,000	168,000	168,000	504,000





	276,000	276,000	276,000	828,000		
<b>Total Salaries</b>						
Staff benefits@ 12.5%	45,000	45,000	45,000	135,000		
<b>Sub-total Salaries and Benefits</b>				<b>1,215,000</b>		
<b>Admin/Recurring Cost (H/O)</b>						
1 POL and Maintenance	1	15000	45,000	45,000	45,000	135,000
<b>Admin/Recurring Cost (Branches)</b>						
1 Utilities (tele.Gas,Elec)	4	1500	18,000	18,000	18,000	54,000
2 Office Rent	4	2500	30,000	30,000	30,000	90,000
3 Office Supplies and Stationary	4	1500	18,000	18,000	18,000	54,000
4 POL and Maintenance	4	6000	72,000	72,000	72,000	216,000
<b>Sub-total-Admin/Recurring Cost</b>			<b>183,000</b>	<b>183,000</b>	<b>183,000</b>	<b>549,000</b>
<b>Total Operational Costs</b>			<b>588,000</b>	<b>588,000</b>	<b>588,000</b>	<b>1,764,000</b>
<b>PPAF Share-Operational costs (90%)</b>			<b>529,200</b>	<b>529,200</b>	<b>529,200</b>	<b>1,587,600</b>
<b>Training Costs</b>						
1 Staff Training	13	20,000	260,000			260,000
2 Exposure Visit (Project Staff)	13	20,000	260,000			260,000
<b>Total Project Costs</b>			<b>520,000</b>			<b>520,000</b>
<b>Total Costs</b>			<b>4,113,000</b>	<b>588,000</b>	<b>588,000</b>	<b>5,289,000</b>
<b>PPAF Share-Total Costs</b>			<b>3,152,700</b>	<b>529,200</b>	<b>529,200</b>	<b>4,211,100</b>







### Out Put:

- ✦ Focuses 100% on females and mobilized to enhance their capabilities to coming out from disaster situation.
- ✦ About 2,178 - clients are facilitated from PPAF grant with average Rs:14876/= and started small business, strengthen agriculture and purchased livestock for their survival in district Shah Dad kot, Jacobabad and Shikarpur.
- ✦ Meanwhile 2nd project of MIOP SRSO started in semi- urban areas, there are 1,779 clients to be benefited with the average Rs: 11880/= from EDP- Loan and started handicrafts (tailoring, rilli making, hand embroidery knitting, applic work and bedding in cloths SRSO staff increase the outreach with the support of MIOP project in branches Mirokhan, Naseerabad, Bakrani and Dokri.
- ✦ Built up confidence with getting good economy of their home.
- ✦ Access the out reaching of female clients through that project

### Out Comes:

- Ⓜ Boost up faith and trust on SRSO and PPAF
- Ⓜ Enthusiastically ready to continuously work with SRSO in present and future
- Ⓜ Utilization of their amount in precise manners.
- Ⓜ Grant amount also helped to care and medical treatment of the pregnant women during living in camps.
- Ⓜ Communities proved that in any disaster, they will ready to repay to SRSO in any situation.
- Ⓜ Economically growing up and enhance their business.
- Ⓜ Rural women's be taught saving at individual level.
- Ⓜ Rural and semi- urban females are self-sufficient after getting economical success.





### Impact of the Project:

- SRSO accomplished to practice mandatory saving at Cos and individual level.
- Revival their business and income have been increasing. Meanwhile coming out from disaster collision.
- Women empower at their home because Now they are beneficiary and paying roll as a leader.
- Project support to rural and semi urban women's to socially, morally and financially as well.

