CHAPTER 4

PART -1

NATIONAL BANK FOR AGRICULTURAL AND RURAL
DEVELOPMENT (NABARD)

4.1 CONCEPT OF NABARD

NABARD was known before 1982 as an ARDC (The Agricultural Refinance and Development Corporation.) The ARDC established in 1963 by act of Indian parliament. The ARDC converted in to NABARD on 12th July 1982. NABARD is set up by the Government of India as a development bank with the mandate of facilitating credit flow for promotion and development of agriculture and integrated rural development. The mandate also covers supporting all other allied economic activities in rural areas, promoting sustainable rural development and ushering in prosperity in the rural areas. With a capital base of Rs 2,000 crore provided by the Government of India and Reserve Bank of India, it operates through its head office at Mumbai, 28 regional offices situated in state capitals and 391 district offices at districts.

It is an apex institution handling matters concerning policy, planning and operations in the field of credit for agriculture and for other economic and developmental activities in rural areas. Essentially, it is a refinancing agency for financial institutions offering production credit and investment credit for promoting agriculture and developmental activities in rural areas.

NABARD is set up as an apex Development Bank with a mandate for facilitating credit flow for promotion and development of agriculture, small-
scale industries, cottage and village industries, handicrafts and other rural crafts. It also has the mandate to support all other allied economic activities in rural areas, promote integrated and sustainable rural development and secure prosperity of rural areas. In discharging its role as a facilitator for rural prosperity NABARD is entrusted with:

- Providing refinance to lending institutions in rural areas
- Bringing about or promoting institutional development and
- Evaluating, monitoring and inspecting the client banks

4.2 Management of NABARD

The management of the NABARD is entrusted to Board of Directors to be appointed by the Government of India in consultation with the Reserve Bank of India. In the Board of directors there is a Chairman and a Managing Director and 13 other directors. Of the 13 directors appointed in the Board of Directors; 2 are to be experts in subject like rural economics, rural development and handicraft; 3 directors should have experience in the field of cooperative and commercial banking; 3 directors from among the directors of the Reserve Bank of India; 3 from among the official of the Government of India; and 2 directors from among the officials of the State Governments. In addition there is an Advisory Council in the NABARD which consist of such directors of the NABARD; there is an Advisory Council in the NABARD which consist of such directors of the NABARD and such other persons who in the opinion of the NABARD possess special knowledge on subjects with which the NABARD is concerned. The
Advisory Council gives advice on matters referred to it by NABARD are carry out other functions entrusted to it by the NABARD.

Accordingly the amendment 2000 of NABARD Act, 1981, the number of State Government representatives has increased from 2 to 4 in the board of directors of NABARD. As per the amendment other shareholders’ representation in board of directors may up to 4 directors. Now, NABARD enjoys the statue of “Development Bank”. NABARD can grant loans in foreign currency facilities. NABARD can also grant loan to persons and institutions for infrastructural facilities. Also, NABARD has empowered to establish subsidiaries. Private participation up to 49% of the share capital is also allowed in recent amendments.

The Chairman and Managing Director of NABARD have been appointed for a term of five years and other members of the board of directors for a period of three years. An Executive Committee is formed for day to day operations. The executive committee works under the directors of the Board of Directors. Apart from the Executive Committee, an Advisory Council also works to advise the matters referred by the Board of Directors.

**4.3 Functions of NABARD**

Under Section 21 of the Act, establishing the NABARD, the NABARD has to provide refinance assistance to the State Cooperative Banks (Apex Banks), the Regional Rural Banks or any other financial institutions approved by the RBI. The NABARD has a dual role to play as - an apex institution and as a refinance institution. It has inherited its apex role from RBI i.e. it is performing all the functions performed by RBI with regard to agricultural and rural credit. At the same time, the NABARD is
performing the function of providing refinance facilities to all the banks and financial institutions lending to agricultural and rural development.

The main functions of NABARD are as follows:

(1) The NABARD works as an apex body to look after the credit requirements of the agriculture and rural sector.

(2) The NABARD services as a refinancing institution for all kinds of production and investment credit to agriculture, small scale industries, cottage and village industries, handicraft and rural artisans and other allied economic activities with a view to promote all over rural development.

(3) NABARD has the responsibility of coordinating the activities of Central and State Government the Planning Commission and other all-India and State level institutions entrusted with the development of small scale industries, village and cottage industries, rural crafts, industries in the tiny and decentralized sectors etc.

(4) In order to fulfill the financial needs of the rural sector, NABARD borrows funds from the Government of India. World Bank and other financial institutions. It borrows short term funds from Reserve Bank of India.

(5) It provides short term, medium term and long term credits to State Cooperative Bank, RRBs, Land Development Banks and other financial institutions approved by the Reserve Bank of India.

(6) It gives long term loans (up to 20 years) to State Government to enable term to subscribe to the share capital of cooperative credit societies.
(7) It gives long term loans to any institution approved by the Central Government or contribute to the share capital or invest in securities of any institution concerned with agriculture and rural development.

(8) It maintains a Research and Development Fund to promote research in agriculture and rural development, to formulate and design project and Programmes to suit the requirements of different areas and to cover special activities.

(9) It has been entrusted with the responsibility of inspecting District and State Cooperative Banks and Regional Rural Banks. The inspection of Central land development banks and other cooperative institutions is undertaken on voluntary basis.

(10) It has authority to oversee the functioning of the co-operative sector through its Agriculture Credit Department.

4.4 Pivotal Role of NABARD

- Acts as a coordinator in the operations of rural credit institutions
- Extends assistance to the government, the Reserve Bank of India and other organizations in matters relating to rural development
- Offers training and research facilities for banks, cooperatives and organizations working in the field of rural development
- Helps the state governments in reaching their targets of providing assistance to eligible institutions in agriculture and rural development
- Acts as regulator for cooperative banks and RRBs
- Extends assistance to the government, the Reserve Bank of India and other organizations in matters relating to rural development
Offers training and research facilities for banks, cooperatives and organizations working in the field of rural development

Helps the state governments in reaching their targets of providing assistance to eligible institutions in agriculture and rural development

Acts as regulator for cooperative banks and RRBs

4.5 Some of the Milestones in NABARD's Activities are:

- Total production credit disbursed at end March 2011 was ₹34196 crore.

- Refinance disbursement under Investment Credit to commercial banks, state cooperative banks, state cooperative agriculture and rural development banks, RRBs and other eligible financial institutions during 2010-11 aggregated ₹13485.87 crore.

- Through the Rural Infrastructure Development Fund (RIDF) ₹12060.04 crores were disbursed during 2010-11. A cumulative amount of ₹121488.40 crore has been sanctioned for 444162 projects as on 31 March 2011 covering irrigation, rural roads and bridges, health and education, soil conservation, drinking water schemes, flood protection, forest management etc.

- Under Watershed Development Fund which has a balance of ₹1847.69 crore as on 31 March 2011, 579 projects in districts of 14 states have benefited.

- Farmers now enjoy hassle free access to credit and security through 1009.30 lakh Kisan Credit Cards that have been issued through a vast
rural banking network. During 2010-11, 72.6 lakh KCC were issued by banks with a sanctioned limit of ₹43370 crore.

- Under the Farmers’ Club Programme, during the year 21903 clubs were launched, taking the total to 76708 clubs as on 31 March 2011 helping farmers get access to credit, technology and extension services.

- Village Development Programme (VDP) is being implemented in 801 villages across 25 states.

- Under Tribal Development Fund, cumulative sanction amounted to ₹917.60 crore for 317 projects covering 2.5 lakh families. During 2010-11 financial assistance of ₹373.97 crore was sanctioned for 126 projects benefiting 94,163 tribal families.

- Under Farm Innovation and Promotion Fund (FIPF), cumulatively 123 projects in various states, involving financial support of ₹11.65 crore were sanctioned as on 31 March 2011.

- Farmers Technology Transfer Fund (FTTF) – 512 innovative projects in 27 states with grant assistance of ₹44.97 crore were sanctioned during 2010-11.

- There were more than 69.53 lakh savings linked SHGs and more than 48.51 lakh credit linked SHGs covering 9.7 crore poor households as on 31 March 2011, under the microfinance programme.

4.6 NABARD Today

- Initiates measures toward institution-building for improving absorptive capacity of the credit delivery system, including monitoring, formulation
of rehabilitation schemes, restructuring of credit institutions, training of personnel, etc. Coordinates the rural financing activities of all the institutions engaged in developmental work at the field level and maintains liaison with the government of India, State governments, the Reserve Bank of India and other national level institutions concerned with policy formulation.

- Prepares, on annual basis, rural credit plans for all the districts in the country. These plans form the base for annual credit plans of all rural financial institutions. Undertakes monitoring and evaluation of projects refinanced by it.

- Promotes research in the fields of rural banking, agriculture and rural development. Functions as a regulatory authority, supervising, monitoring and guiding cooperative banks and regional rural banks.

**Chart: 4.1 Commitment Building through NABARD**

**Commitment building thru capacity building by NABARD**

(Source: http://www.nabard.org/)
Above chart shows how NABARD approaches training with building capacity.

4.7 NABARD’s Subsidiaries:

1) NABARD Consultancy Services (NABCONs)
2) NABARD Financial Services Limited, [NABFINS]

1) **NABARD Consultancy Services (NABCONs)** is a wholly owned subsidiary promoted by National Bank for Agriculture and Rural Development (NABARD) and is engaged in providing consultancy in all spheres of agriculture, rural development and allied areas. NABCONs leverages on the core competence of the NABARD in the areas of agricultural and rural development, especially multidisciplinary projects, banking, institutional development, infrastructure, training, etc., internalized for more than two decades. In tune with NABARD's mission to bring about rural prosperity, Nabcons has more than just commercial interest in the assignments it undertakes.

2) **NABARD Financial Services Limited, [NABFINS]** is a subsidiary of National Bank for Agriculture and Rural Development (NABARD) with equity participation from NABARD, Government of Karnataka, Canara Bank, and Union Bank of India, Dhanalakshmi Bank and Federal Bank. It is a non-deposit taking NBFC registered with the Reserve Bank of India and shall operate throughout India. The main objectives of the Company are to provide financial services in two broad areas of agriculture and microfinance. NABFINS provides credit and other facilities for promotion, expansion, commercialization and modernization of agriculture and allied activities. NABFINS shall engage in the
business of providing micro finance services (with or without thrift) and other facilities to needy and disadvantageous sections of the society for securing their prosperity in both rural and urban areas. NABARD, which is the world renowned apex development bank of their country and pioneered the world’s largest microfinance movement, while promoting NABFINS has envisaged that NABFINS shall evolve into a Model Microfinance Institution to set standards of governance among the MFIs, operate with exemplary levels of transparency and operate at reasonable / moderate rates of interest.

4.8 NABARD Associated with

Model Bankable Projects: NABARD's international associates range from World Bank-affiliated organizations to global developmental agencies working in the field of agriculture and rural development. These agencies offer material and advisory help in implementing schemes that are aimed at uplifting the rural poor and in making agricultural processes effective and yielding. NABARD's strategies, inter alia, cover formulation and circulation of Model Bankable Schemes and Location Specific Bankable Schemes to the financing banks. NABARD also proposes to identify highly potential zones for undertaking investment activities in various states and organize interactive workshops in these potential zones. The Technical Services Department of NABARD is preparing and bringing model bankable agricultural projects in the areas of Minor Irrigation, Land Development, Plantation & Horticulture, Agricultural Engineering, Forestry and Wasteland, Fisheries, Animal Husbandry and Biotechnology.
4.9 Research and Development Activities

During the year 2010-11, 17.68 crore was utilized from the Research and Development Fund for supporting activities like research projects/studies (0.80 crore), seminars (0.80 crore), training/summer placement (15.77 crore), occasional papers (0.02 crore), NABARD Chair Professor Scheme (0.14 crore) and other activities (0.15 crore). The cumulative disbursement stood at 136.19 crore. During 2010-11, ten research projects involving a grant assistance of 1.09 crore were sanctioned. Further, six projects/studies sanctioned earlier were completed during the year. During the year 2010-11, grant assistance of 1.27 crore was sanctioned to various universities, research institutes and other agencies for organizing 131 seminars, conferences, symposia and workshops covering subjects/areas related to agriculture and rural development including agricultural marketing.

During the year 2010-11, five Occasional Papers titled Kisan Credit Card, Infrastructure for Agriculture and Rural Development, Economics of sugarcane production and Processing, Micro-finance for micro-enterprises and Promoting Rural non-farm sector were published. Under the NABARD Chair Professor Scheme, three Professors affiliated to IARI, Alagappa University and Xavier Institute of Management, Bhubaneswar was appointed by the Bank. Grant assistance of 15.58 crore was utilized from the Fund during the year on training of staff of client banks. During the year, 576 training programmes were conducted by the Training Establishments of the Bank for 14,667 participants. BIRD conducted a special on-location programme on Credit Planning and Development Finance for IAS probationers undergoing Phase I course, at the LalBahadur Shastri National
Academy of Administration, Mussorie and an in-house programme on financial system and development finance for probationers of the Indian Economic Service. RTC, Mangalore organised an International Exposure Programme on Micro Finance for a batch of 14 officers from SANASA Development Bank, Sri Lanka during the year. During the year 2010-11, the bank provided technical and financial support to seven Junior Level Training Centers, 12 Agricultural Co-operative Staff Training Institutions and three Integrated Training Institutes to enable them to improve their training System.

4.10 Financial Performance & Management of Resources

The total financial resources of NABARD increased to 1,58,872 crore, as on 31 March 2011, registering an increase of 16.57 per cent, over the crore, as on March 31, 2011, constituted 21.87 per cent of the total resources of the bank. The paid up capital, as on 31 March 2011, was 2,000 crore against the authorized capital of 5,000 crore; with the share of GOI being 99 per cent and that of the RBI at one per cent. The amount of reserves and surplus increased by 1,188 crore, as on 31 March 2011. The amount outstanding under the non-project long-term (LT) loans granted to State Governments for contributing to the share capital of co-operative credit Institutions, amounted to 167 crore as on 31 March 2011. There was a decrease of 32 crore as compared to the position as on 31 March 2011. The total income of NABARD during the year amounted to 9,202 crore as against 7,965 crore for the year 2010-11. The profit before tax and profit after tax were at 1,824 crore and 1,279 crore respectively as on 31 March 2011, as compared to 2,272 crore and 1,558 crore respectively, in the
previous year. The average cost of borrowings (interest expenditure as a per cent of average borrowings) decreased from 6.83 per cent per annum during 2010-11 to 6.64 per cent per annum during 2010-11. The capital to risk weighted assets ratio (CRAR) was 21.76 per cent as on 31 March 2011, as compared to 24.95 per cent as on 31 March 2011.

4.11 Micro, Small & Medium Enterprises

Micro, Small and Medium Enterprises (MSMEs) contribute significantly to the economic growth by being inclusive, employment friendly and promoting equitable development. The major advantage of the sector is its employment potential at low capital cost. The sector manufactures more than 6,000 products, ranging from traditional to high-tech items. It is estimated that in terms of value, MSME sector accounts for about 45 per cent of the manufacturing output and 40 per cent of the total exports of the country. As per the 4th Census of the MSME Sector, there were 28.5 million enterprises producing output valued at 8,80,805 crore and providing employment to 65.9 million persons during 2008-09. The sector contributes 8 per cent to the country's GDP. Initiatives taken for the development of MSME sector include the implementation of MSMED Act, 2006, reservation of 21 items for exclusive manufacture in micro and small enterprise sector, dereservation of certain items for providing opportunities to MSME for technological upgradation, promotion of exports and achieving economies of scale and providing competitive edge to these units under the National Manufacturing Competitiveness Programme (NMCP).
4.12 Adivasi Development Programme in Gujarat and Maharashtra

The KfW NABARD-V-Adivasi Development Programme in Gujarat is being implemented in Valsad and Dangs districts through BAIF since 1994-95, with an outlay of 67.25 crore with components of mango and cashew nut wadi (small orchard), soil conservation, water resources development, women/landless family development and health. The programme covered 13,663 families from 162 villages against the target of 10,000 families. A total area of 5,153 ha., was brought under wadi, against the target of 4,047 ha.. KfW also sanctioned a grant assistance of € 7 million (approx. 38.15 crore) for Phase II (2006-2014) of the programme, covering 4,700 families in these districts. Under this Phase, 5,922 families had been identified, 2,343 hacter, of wadi established and 253 wadi tukadis (group of 8-10 wadi holders) formed, as on 31 March 2011. The KfW NABARD Adivasi Development Programme in Maharashtra is under implementation in Nashik and Thane Districts, since 2000, with KfW assistance of € 14.32 million (82.22 crore). The project covered 13,848 families against the target of 13,000 families and 4,975 ha. of wadi area against the target of 4,047 ha.

4.13 Microfinance

There were more than 69.53 lakh savings-linked SHG and more than 48.51 lakh credit-linked SHG covering 9.7 crore poor households, as on 31 March 2011, under the microfinance programme. The share of outstanding bank loans to SHG as a percentage of bank loans to weaker sections by scheduled commercial banks was 16.3 per cent, compared to 15.8 per cent in the previous year. Under the Microfinance Development and Equity Fund,
47.38 crore was released during 2010-11, of which 29.95 crore was grant support for promotional activities and 17.43 crore for Capital Support / Revolving Fund Assistance to Micro Finance Institutions, as against 20.49 crore and 60.42 crore, respectively, in the previous year. During the year, grant assistance of 37.86 crore was sanctioned to various agencies for promoting and credit linking 81,890 groups, taking the cumulative assistance sanctioned to 146.22 crore for 5.81 lakh groups. Grant assistance of 51.06 crore was released during the year for the formation of 4.01 lakh SHG. Nearly 2.60 lakh SHGs were credit linked.

Under the Rajiv Gandhi Mahila Vikas Pariyojana, 25,571 SHG were promoted, of which 14,979 were credit linked by end March 2011. In addition, 951 Cluster Level Federations and 26 Block Level Federations have been formed. 31. An amount of ` 24.74 crore was sanctioned as grant for promoting 1.25 lakh Joint Liability Groups across the country till March 2011. During the year, 1,606 Micro Enterprise Development Programmes were conducted for 37,138 members on various location-specific farm, non-farm and service sector activities. Cumulatively, 4,449 MEDP were conducted for 1.09 lakh participants. 32. NABARD continued to support the project sanctioned to the Government of Arunachal Pradesh for implementing 'Micro-Finance Vision 2011'. The project involves promoting and credit linking of 1,650 SHG at a cost of ` 39.15 lakh. An amount of ` 9.49 lakh has been released so far.

NABARD Financial Services Ltd. disbursed an amount of 50.64 crore to 2,019 groups through 31 Business Correspondents (BC) during 2010-11. In addition, disbursements to the extent of 1.50 crore were made to MFI and
Federations, taking the aggregate disbursements during the year to 52.14 crore. Grant assistance of 153.18 lakh was released during the year to Centre for Microfinance Research (CMR) established by NABARD in Bankers Institute of Rural Development (BIRD), taking the cumulative assistance to 347.36 lakh. Of the prioritized 27 themes for research, 6 have been completed and the remaining is ongoing.

NABARD is instrumental in facilitating various activities under micro-finance sector at the ground level, involving all partners, viz., NGO, bankers, socially spirited individuals, other formal and informal entities and even government functionaries. This is done through training and capacity building of partners, promotional grant assistance to Self Help Promoting Institutions (SHPI), Revolving Fund Assistance (RFA) to Microfinance Institutions (MFI), equity/Capital Support (CS) to MFI to supplement their financial resources and 100 per cent refinance against bank loans for micro-finance activities.

As on 31 March 2011, there were more than 69.53 lakh savings linked Self Help Group (SHG) and more than 48.51 lakh credit linked SHG covering 9.7 crore poor households under the micro-finance programme. As on 31 March 2011, the share of bank loans outstanding to SHG, as a percentage to loans outstanding to weaker sections by scheduled commercial banks, improved marginally to 16.3 per cent from 15.8 per cent in the previous year.

4.13 A.)Micro-finance Development and Equity Fund

The Microfinance Development and Equity Fund (MFDEF) is being utilized for promotion of various micro-finance activities such as formation
and linkage of SHG through SHPI, training and capacity building of stakeholders, capital and soft loan assistance to MFI, livelihood propagation, studies, documentation, etc. During 2010-11, 47.38 crore was released, of which 29.95 crore was grant support for promotional activities and 17.43 crore for CS/ RFA to MFI, as against 20.49 crore and 60.42 crore, respectively, in the previous year.

4.13 B.) Capacity Building of Partner Agencies

In order to fine tune the strategies for up-scaling support to the micro-finance sector, NABARD conducted awareness creation and sensitization programmes and arranged exposure visits for SHG members, NGO, bankers, trainers, Panchayat Raj Institution (PRI) representatives, NABARD officials, Government Officials and micro-entrepreneurs, throughout the year, entailing an expenditure of 10.08 crore during the year, as against 9.93 crore in the previous year.

4.13 C.) Support to Micro-Finance Institutions

(i) Support to banks and MFI for rating 2.50 NABARD continued to provide grant assistance to CB and RRB for getting the MFI rated by accredited rating agencies (CRISIL, M-CRIL, ICRA, CARE and Planet Finance). During the year, rating support of 17.66 lakh was provided to 14 agencies as against ` 15.83 lakh to 13 agencies during the previous year.

(ii) Capital Support and Revolving Fund Assistance to MFI 2.51 the RFA is provided to MFI, on a selective basis, for on-lending to the unreached poor. During the year, CS of 2.53 crore was sanctioned to nine agencies, taking the cumulative support to 27.40 crore for 41 agencies.
During the year, RFA amounting to 15.18 crore was sanctioned to 20 agencies; the cumulative RFA sanctioned was 99.33 crore for 48 agencies.

4.13 D.) Special Initiatives in Backward Region

(i) Rajiv Gandhi Mahila Vikas Pariyojana 2.52 NABARD continued to support the Rajiv Gandhi Mahila Vikas Pariyojana (RGMVP), a special initiative of the Rajiv Gandhi Charitable Trust (RGCT), for promotion, credit linkage and federating of SHG in select districts of UP, in association with participating banks and implementing NGO. As on 31 March 2011, 25,571 SHG have been promoted, of which 14,979 have been credit linked. In addition, 951 Cluster Level Federations and 26 Block Level Federations have been formed.

(ii) Priyadarshini Project 2.53 The Programme for 'Rural Women Empowerment and Livelihood in Mid-Gangetic Plains' called "Priyadarshini" envisages holistic empowerment of 108000 poor women and adolescent girls through formation of 7200 SHG. It covers four districts (Sultanpur, Bahraich, Shravasti and Rae Bareily) of Uttar Pradesh and two districts (Madhubani and Sitamarhi) of Bihar. The eight-year programme, with a project outlay of US $ 32.73 million is jointly funded by the International Fund for Agriculture Development (IFAD) and the GOI to the extent of US $ 30 million and US $ 2.73 million, respectively. During the year, the process of engagement of Resource NGO and Field NGO and establishment of Programme Implementing Units was completed.

4.13 E.) Scaling-up of Micro-Finance Programme: Special Initiatives

(i) Financing of Joint Liability Groups Exposure visits for Joint Liability Groups (JLG) for senior officers of the Bank were arranged during
the year, in the districts of Alappuzha (Kerala), Vellore, Tiruvannamalai (Tamilnadu) and Mysore (Karnataka). An amount of 24.74 crore was sanctioned as grant for promotion of 1.25 lakh JLG across the country till 31 March 2011. During the year, banks disbursed a loan of ` 659.70 crore to 85,766 JLG taking the cumulative loan disbursed to 1,145.29 crore for 1,41,045 JLG.

(ii) Micro-Enterprise Development Programme 2.55 NABARD had launched the Micro-Enterprise Development Programme (MEDP) during 2005-06 for skill upgradation and development of sustainable livelihoods/venturing into micro-enterprises by members of matured SHG. During the year, 1,606 MEDP were conducted for 37,138 members on various location-specific farm, non-farm and service sector activities. Cumulatively, 4,449 MEDP had been conducted for 108656 participants.

4.13 F. Pilot Projects

In order to assess the suitability of various innovative initiatives and also enhance the sustainability of MF activities, NABARD continued to extend support for various pilot projects. I. SHG-Post Office Programme. The results of SHG-Post Office Linkage Programme in Tamil Nadu have been very encouraging. The project utilizes the vast network of Post Offices in rural areas for disbursement of credit to the rural poor, on an agency basis. NABARD has sanctioned an additional 200 lakh RFA to India Post for onward lending to SHG. A total of 2,819 SHG have opened zero interest savings accounts, of which 1,219 SHG have been credit linked by Post Offices, with loans amounting to 3.36 crore, as on 31 March 2011. The project is also being implemented in Meghalaya; RFA of 5 lakh for on-lending to 50 SHG in East Khasi Hills was sanctioned to India Post.
4.14 NABARD’s funding to Gujarat

While Gujarat is endowed with favorable features like Net Sown Area of about 50.2 percent, a high proportion of land available for cultivation and good annual growth rate in productivity of pulses, some of the testing issues are:

- Constraints like low irrigation facilities, large areas under arid, semi arid and rain fed conditions (70 percent) and low forest area (9.9%).
- Large areas of land suffer from sea water intrusion and salt accumulation. A long coastal strip of 540 km is facing salinity in ground water.
- Canal irrigated areas in South Gujarat regions have become waterlogged due to excess use of irrigation water.
- The two major cash crops of groundnut and cotton which have been central to the State’s economy are cultivated mostly in traditionally concentrated pockets, that is, in Saurastra and middle and north Gujarat respectively. Ensuring stability in production of these two crops, grown to a large extent under rain fed conditions is a crucial for economic development of the State.
- Livestock population has been increasing, especially of buffaloes, sheep and goats. Fodder scarcity would be of major concern for sustenance of milk production and other livestock products.
- The State has 1640 km of coastline, 1.88 lakh ha of inland water body in the form of ponds, tanks, reservoirs and rivers. Appropriate measures
have to be taken to develop fisheries for national and international markets.

- Growing unemployment and poverty alleviation in the state calls for promotion of Rural Non Farm Sector and micro enterprises through synergy of interventions of State Government, banks, NGOs, KVIC, KVIB and higher financial institutions.

NABARD has taken initiatives to increase production and marketing credit by introducing liquidity support scheme, scheme for Tenant Farmers’ Groups, short term refinance to self employed weavers groups. NABARD has devised schemes for Jatropha Plantation, Capacity Building for adoption of Technology and Agri. Clinics & Agri. Business Centers, Creation of Farm Innovation and Promotion Fund, Equity participation in Multi Commodity Exchange. For promoting Non-Farm Sector, NABARD is emphasizing on clusters development, supporting establishment of RUDSETI type of institutes, venture capital support for Dairy and Poultry sector products, production, processing and marketing and pilot scheme for publicity of Swarojgar Credit Card. On planning front, consultative process involved in PLP making and further strengthening through Pre-PLP and special DCC meet. NABARD has also taken various steps for development of micro finance and farmers' clubs.

4.15 Microfinance (SHG-Bank Linkage Programme) in Gujarat

This trend of increase in support of NABARD With credit linking 16.19 lakh SHGs in the country, it has become the biggest programme with the objective of extending formal banking services to the unreached rural poor. In Gujarat State, approximately 54,000 SHGs have been formed, more
than 24,000 bank linked and Rs. 43.20 crore has been financed to these
groups. Eight out of 9 RRBs and 5 out of 18 DCCBs are working as Self
Help Promoting Institutions. The other NABARD’s promotional
Programmes being implemented through Banks is Farmers’ Club
Programme which manifests in the Five Principles of Credit and envisages
appropriate utilization of credit. More than one thousand Farmers’ Clubs
have been formed in the State.

i. The State Government had waived the duty chargeable on the
instruments executed by Self Help Groups for securing loan/borrowing not
exceeding Rs. One lakh sanctioned under the scheme of NABARD for a
period of one year from the date of issue of the order dated 20th December,
2004. As the term period of exemption of stamp duty is nearing completion,
the Government of Gujarat may extend the exemption from payment of
stamp duty on permanent basis to SHG groups.

ii. The SHGs, being “co-operatives within co-operatives”, the State
Government may amend the State Co-operative Societies’ Act or
alternatively issue directions to DCCBs /PACS to admit SHGs as one unit
instead of admitting each SHG member as nominal member, as is being
done presently.

iii. Creation of micro finance (SHG) cells in controlling offices of
banks and appointing nodal officers in the banks to coordinate with branches
in promotion, grading and credit linkage of SHGs.
iv. Designating a few rural branches as micro finance branches in the areas where formation and linkage of SHGs have shown sustainable growth.

v. NGOs should train their field level staff about the SHG concept, objectives and goals, SHG formations methodology, their capacity building and monitoring of SHGs activities.

vi. NGOs and bank branches may put best of their efforts to achieve the maximum number of credit linkage of SHGs.

vii. Efforts for initiating the groups to take up micro-enterprises for income generation and sustainability.
CHAPTER 4

PART -II

SMALL INDUSTRIAL DEVELOPMENT BANK OF INDIA (SIDBI)

4.16 Introduction:

SIDBI was set up by an Act of Parliament, as an apex institution for promotion, financing and development of industries in small scale sector and for coordinating the functions of other institutions engaged in similar activities. It commenced operations on April 2, 1990. SIDBI extends direct/indirect financial assistance to SSIs, assisting the entire spectrum of small and tiny sector industries on All India basis.

The range of assistance comprising financing, extension support and promotional, are made available through appropriate schemes of direct and indirect assistance for the following purposes:-

- Setting up of new projects
- Expansion, diversification, modernization, technology upgradation, quality improvement, rehabilitation of existing units
- Strengthening of marketing capabilities of SSI units.
- Development of infrastructure for SSIs and
- Export promotion.

SIDBI continues its commitment to mainstream energy efficiency and environmental protection measures in its promotional, financing and development initiatives for the MSME sector. SIDBI’s responsible financing
initiative is dedicated towards furthering long-term sustainable and inclusive growth of the sector and contributing towards Nation-building.

4.17 Support during the crisis

SIDBI, being the principal financial institution for MSMEs, has provided timely financial support to the MSME sector during the period of the global financial crisis and economic slowdown to overcome their liquidity problem. During the FY 2010-11, SIDBI provided additional support to MSMEs, such as, need-based restructuring of debt, coverage of loans up to Rs.100 lakh under credit guarantee, providing customized risk capital to MSMEs and setting up an e-platform called NSE Trade Receivables Engine for E-discounting for discounting of MSMEs receivables on real time basis. Further, the Bank accorded greater thrust to the sustainable development of the MSME sector by way of, inter alia, promoting energy efficiency, clean production credit lines, Green Rating, etc.

4.18 Promoting sustainable development

SIDBI is committed to promote sustainability in the MSME sector by recognizing the fact that sustainable development is a key to the sector’s survival and growth in future. Accordingly, the Bank focuses on responsible financing by integrating environment, energy efficiency and social standards with its financial support to MSMEs in an increasing manner. In order to improve productivity and competitiveness of MSMEs through energy efficiency (EE) measures in their production process, the Bank up scaled its EE financing by contracting bilateral Lines of Credit (LoC) from Japan
International Cooperation Agency (JICA), Kreditanstalt fur Wiederaufbau (KfW) and French Development Agency (AFD). Similarly, the Bank availed a World Bank LoC to promote clean technologies, environmental safety and social standards in the MSME sector. Some of the notable EE initiatives of SIDBI include providing collateral free credit to Mumbai taxi owners to replace their existing petrol taxis with CNG fitted taxis, special refinancing to Delhi Financial Corporation for assisting more than 600 LPG fitted auto rickshaws at Chandigarh, financial support to Bhartiya Micro Credit for providing 500 rickshaws to disadvantaged persons in and around Lucknow and financial assistance to Friends of Women’s World Banking for providing 50,000 solar lanterns to micro entrepreneurs in Manipur and other states of North Eastern Region. To promote investment in clean technologies, CETPs, waste recycling and management in MSME units / clusters, the Bank availed a World Bank Line of Credit based on Environment and Social (E&S) standards. The utilization of the World Bank loan has been highly satisfactory. Further, the Bank has introduced a Scheme to provide “Assistance for Clean Production Options”, under which, apart from financial assistance on concessional terms, technical support is also provided to MSMEs for investing in environmentally friendly technologies. SIDBI, in partnership with Bureau of Energy Efficiency and World Bank under its Global Environment Facility project, has decided to implement EE measures in 30 clusters. As a part of its commitment to sustainable development, the Bank supported Small and Medium Enterprises Rating Agency (SMERA) to develop ‘Green Rating’, for the MSMEs for the first time in the country. To encourage MSMEs to go in for ‘Green Rating’, SIDBI gives concession in interest rate upto 50 bps to its MSME clients who obtain Green Rating of ‘SMERA Green3’ and above. All these measures
address the issues and concern of climate change by reducing Green House Gases and would ultimately improve the productivity / profitability of MSMEs.

4.19 Inclusive Growth

The recent years have witnessed Micro Finance emerging as a potent tool of inclusive growth and attainment of Millennium Development Goals. SIDBI, on its part, is committed to contribute towards the national goal of attaining Inclusive Growth by reaching out to those at the bottom of the pyramid. The Bank has, so far, provided micro finance assistance through more than 150 Micro Finance Institutions (MFIs) partners; thereby benefiting more than 340 lakh advantaged Persons, mostly women in the rural sector. As a part of its responsible financing initiative, SIDBI has been addressing various issues and concerns of the micro finance sector like transparency in dealing with poor clients, reducing interest rates, improving transaction efficiency, etc. through its policy instruments by sensitizing the concerned stakeholders at various forums. The Bank has created a Lenders’ Forum to harmonize the legal covenants of the lending banks, with a view to ensuring transparency in lending rates and adherence to the Code of Conduct by MFIs. The Bank has also initiated discussions for development of a Code of Conduct Assessment Tool for MFIs to assess their degree of adherence to the Voluntary Microfinance Code of Conduct. These continuous efforts of SIDBI have since started yielding some positive results.
4.20 Operation & Financial Performance

The Bank has for the first time crossed the landmark of sanctions of Rs. 35,000 crore and disbursements of Rs. 30,000 crore during FY 2010-11 and recorded the highest ever sanctions and disbursements of Rs. 35,521 crore and Rs 31,918 crore, respectively. The cumulative disbursements of SIDBI as on March 31, 2011 stood at Rs 1,64,331 crore, reaching out to around 360 lakh beneficiaries. Micro finance assistance increased by 53% to Rs. 2,670 crore and micro finance outstanding crossed the Rs. 3000 crore mark for the first time to reach to Rs. 3,812 crore as on March 31, 2011, reflecting an increase of 78%. The aggregate outstanding portfolio of the Bank grew by 23% to Rs. 37,969 crore as on March 31, 2011. The total assets, of the Bank recorded sizable increase of 21% to Rs. 41,885 crore as on March 31, 2011. Net NPA as a percentage of net outstanding stood at 0.18% as on March 31, 2011, reflecting strong monitoring, persistent follow-up and timely action by the Bank, as also adequate provisioning. The total income of the Bank for FY 2010-11 has shown an impressive growth of 22% and stood at Rs. 2,540 crore, net of provisions. Consequently, the profits have also increased by over 41% to Rs. 421 crore. The Earnings Per Share (EPS) have improved to Rs.9.36. The Bank has declared a higher equity dividend of 25% for FY 2010-11.

4.21 Schemes of SIDBI

National Equity Fund Scheme (NEFC) which provides equity support to small entrepreneurs setting up projects in Tiny Sector.
Technology Development & Modernization Fund Scheme (TDMDS) for providing finance to existing SSI units for technology upgradation/modernization.

Single Window Scheme (SWS) to provide both term loan for fixed assets and loan for working capital through the same agency.

Composite Loan Scheme (CLS) for equipment and/or working capital and also for work sheds to artisans, village and cottage industries in Tiny Sector.

Mahila Udyam Nidhi (MUN) Scheme provides equity support to women entrepreneurs for setting up projects in Tiny Sector.

Scheme for financing activities (SFC) relating to marketing of SSI products which provides assistance for undertaking various marketing related activities such as marketing research, R&D, product upgradation, participation in trade fairs and exhibitions, advertising branding, establishing distribution networks including show room, retail outlet, wears-housing facility, etc.

Equipment Finance Scheme (EFS) for acquisition of machinery/equipment including Diesel Generator Sets which are not related to any specific project.

Venture Capital Scheme (VCS) to encourage SSI ventures/sub-contracting units to acquire capital equipment, as also requisite technology for building up of export capabilities/import substitution including cost of total quality management and acquisition of ISO-9000 certification and for expansion of
capacity.

**ISO 9000 Scheme** to meet the expenses on consultancy, documentation, audit, certification fee, equipment and calibrating instruments required for obtaining ISO 9000 certification.

**Micro Credit Scheme (MCS)** to meet the requirement of well managed Voluntary Agencies that are in existence for at least 5 years; have a good track record and have established network and experience in small savings-cum-credit programmes with Self Help Groups (SHGs) individuals.

### 4.22 New Schemes

(i) To enhance the export capabilities of MSME units.

(ii) Scheme for Marketing Assistance.

(iii) Infrastructure Development Scheme.

(iv) Scheme for acquisition of ISO 9000 certification.

(v) Factoring Services and

(vi) Bills Re-discounting Scheme against inland supply bills of SSIs.

### 4.23 Promotional and Development Activities

SIDBI is actively involved in promoting tiny and small scale industries by means of its promotional and developmental activities through suitable professional agencies for organizing Entrepreneurship Development Programmes, Technology Upgradation & Modernization Programmes, Micro Credit Schemes and assistance under Mahila Vikas Nidhi to bring
about economic empowerment of women specially the rural poor by providing them avenues for training and employment opportunities.

**Table No. 4.1: Refinance against term loans in respect of projects/activities eligible for assistance under the Scheme and interest rate.**

<table>
<thead>
<tr>
<th></th>
<th>Refinance against term loans in respect of projects/activities eligible for assistance under the Scheme</th>
<th>Interest on term loans for fixed assets and working capital advances (excluding interest tax) (%) p.a.</th>
<th>Interest on Refinance (%) p.a.</th>
</tr>
</thead>
<tbody>
<tr>
<td>(i)</td>
<td>Up to and inclusive of Rs. 25,000</td>
<td>12.0</td>
<td>9.0</td>
</tr>
<tr>
<td>(ii)</td>
<td>Over Rs. 25,000 and up to Rs. 2 lakh</td>
<td>Not exceeding 13.5</td>
<td>10.5</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Refinance against term loans in respect of projects/activities eligible for assistance under TDMF and ISO 9000 Schemes (Applicable to all eligible institutions) (except RRBs)</th>
<th>Interest on term loans (excluding interest tax) (%) p.a.</th>
<th>Interest on Refinance (%) p.a.</th>
</tr>
</thead>
<tbody>
<tr>
<td>(i)</td>
<td>Up to and inclusive of Rs. 25,000</td>
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<td>Not exceeding 13.5</td>
<td>10.5</td>
</tr>
<tr>
<td>(iii)</td>
<td>Over Rs. 2 lakh</td>
<td>Not exceeding 14.0</td>
<td>12.0</td>
</tr>
</tbody>
</table>

(Source: [http://www.sidbi.org.in](http://www.sidbi.org.in))

### 4.24 Steps to Corporate Social Responsibility

SIDBI is implementing a multi-partner, multi-activity MSME Financing and Development Project, which has the primary objective of meeting both the demand and supply side concerns of MSMEs through a
judicious blend of financial and non-financial services. The international partners of the Project are World Bank; DFID, UK; KfW and GTZ, Germany. The progress of the Project has been quite remarkable and it has so far reached out to about 28,000 beneficiaries, comprising 26,000 MSMEs and 2,000 bank officials and other stakeholders. The Project has bagged international ADFIAP Merit Award in 2011. In addition, SIDBI is engaged in enterprise promotion through its Rural Industries Programmes and Entrepreneurship Development Programmes and enterprise strengthening through its Skill-cum-Technology Up gradation Programme and Small Industries Management Programmes. One important achievement was that the Bank, in association with Union Bank of India, set up a “Management & Skill Development Institute [MSDI]” in Murshidabad District, West Bengal. The Bank has created more than 2 lakh employment opportunities in the MSME sector through these programmes. The Bank has also taken special initiatives in the North Eastern Region (NER), by way of Rural Industries Programme in 22 districts, Cluster Development Programme in 34 clusters, various vocational training programmes, marketing activities, seminars, etc. These programmes have, so far, helped in promoting more than 1,800 units in NER.

4.25 Capacity Building of Financial Institutions

SIDBI is constantly engaged in building and strengthening the capacity of State Financial Corporation (SFCs) and Technical Consultancy Organizations (TCOs) in efficiently delivering various credit and non-credit facilities to MSMEs. In order to improve the operational and financial performance of SFCs, the Bank has MOUs with 12 SFCs, which have started yielding improved results in terms attaining positive net worth,
reduction in NPAs, etc. Technical Consultancy Organizations (TCOs) have been playing an important intermediation role in the development of the MSME sector. An agreement for transfer of shareholding of TCOs in favor of SIDBI was executed between SIDBI and IDBI during the year.

### 4.26 SIDBI as Nodal Agency for Government Schemes

SIDBI continues to extend the Nodal Agency services to the Govt. of India for schemes sponsored by various Central Ministries for encouraging implementation of modernization and technology upgradation by manufacturing units in the MSME sector. These schemes are Credit Linked Capital Subsidy Scheme (CLCSS), Technology Upgradation Fund Scheme for Textile Industry (TUFS), Integrated Development of Leather Sector Scheme (IDLSS) and Scheme of Technology Upgradation/Setting up/Modernization/Expansion of Food Processing Industries.

### 4.26 A.) Venture Capital

SIDBI Venture Capital Limited (SVCL) is an asset management company, established in 1999 for managing venture capital funds. At present, it manages two SEBI registered venture capital funds, viz. the National Venture Fund for Software and Information Technology Industry (NFSIT) and the SME Growth Fund (SGF). After the investment phase, NFSIT is now nurturing the investments made (Rs. 84.40 crore) and has, so far, made partial/full exits from 23 companies including 3 full exits during FY 2010-11. Under SGF, the total commitments amounted to Rs.465.92 crore and cumulative disbursements stood at Rs.442.56 crore. The Fund has, so far, made exits from 4 companies including 2 partial exits in FY 2010-11.
4.26 B.) Credit Guarantee

In order to encourage banks to lend more to the MSME sector, Government of India (GOI) and SIDBI have set up the Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) in July 2000 to provide credit guarantee support for collateral free / third-party guarantee free loans up to Rs. 100 lakh extended by banks and lending institutions for micro and small enterprise (MSEs) under its Credit Guarantee Scheme (CGS). CGTMSE crossed two significant milestones during the FY 2010-11, viz., over 1.50 lakh guarantee approvals in any single financial year so far and 3 lakh guarantee approvals cumulatively as on March 31, 2011. The number of credit approvals during FY 2010-11 had registered a growth of 182% and the amount guaranteed increased by 213% over the previous financial year. As at March 31, 2011, cumulatively, 3,00,105 accounts have been accorded guarantee approval for Rs.11,559.61 crore. The amount of guarantee approvals of Rs.6,875.11 crore in FY 2010-11 alone exceeded the cumulative coverage of Rs.4,684.50 crore during the first nine years of CGTMSE’s operations. The sharp growth in coverage under the Scheme is indicative of the fact that the CGS is now finding greater acceptance with both the Banks/FIs and the MSEs in the country.

4.26 C.) Transfer of Technology

India SME Technology Services Limited (ISTSL) was established in November 2005 to carry out various technological development activities like technology matchmaking, technology transfer and clean development mechanism for MSMEs in India. ISTSL organized awareness campaigns in various industrial clusters during the year and also took up the project for
implementing Energy Efficient technologies in Stainless Steel Re-rolling Cluster of Jodhpur, in association with KfW, Germany. The project is now being taken up for implementing Clean Development Mechanism (CDM) project by implementing Energy Efficiency measures, which are expected to generate CDM revenues, besides reducing the cost of fuel being consumed by the units.

4.26 D.) Credit Rating

SIDBI, along with leading public, foreign and private sector banks and Dun & Bradstreet Information Services India Private Limited (D&B), set up the SME Rating Agency of India Ltd. (SMERA) in September 2005, as an MSME dedicated third-party rating agency to provide comprehensive, transparent and reliable ratings and risk profiling. The cumulative number of ratings since inception till March 31, 2011 stood at 6,599. During the financial year 2010-11, SMERA embarked on diversification of its service offerings to the market. Accordingly, newer services, such as, Green Field and Brown Field Ratings, Micro Finance Institutions’ Ratings, Risk Model Mapping/Validation and Green Ratings were introduced.

4.26 E.) Asset Reconstruction

India SME Asset Reconstruction Company Ltd. (ISARC) was set up in April 2008 as an Asset Reconstruction Company (ARC) to acquire non-performing assets (NPAs) and to resolve them through its innovative mechanisms with a special focus on the NPAs of MSME sector. During FY 2010-11, the Company successfully completed raising of its entire share capital of Rs.100 crore from 19 public sector shareholders, i.e. SIDBI, SIDBI Venture, Bank of Baroda, United Bank of India (the sponsors),
other public sector banks, LIC and 4 State-level institutions. In a very short span of 1 year, ISARC has established its presence as an active player. During FY 2010-11, ISARC evaluated 1,117 non-performing accounts of 20 banks/FIs and carried out detailed due-diligence in respect of 663 NPAs. It acquired 202 accounts from 4 banks / FIs with an aggregate principal outstanding amount of Rs. 249 crore. The income of the Company during FY 2010-11 stood at Rs. 699.61 lakh and the net profit at Rs. 278.39 lakh. The net worth of the company as on March 31, 2011 was Rs. 102.07 crore.

4.26 F.) Technology Development & Modernization Fund

SIDBI has set up Technology Development & Modernization Fund (TDMF) scheme for direct assistance of small sale industries to encourage existing industrial units in the sector, to modernize their production facilities and adopt improved and updated technology so as to strengthen their export capabilities. Assistance under the scheme is available for meeting the expenditure on purchase of capital equipment acquisition of technical know-how, up gradation of process technology and products with thrust on quality improvement, improvement in packaging and cost of TQM and acquisition of ISO-9000 series certification.

SIDBI in July 1996 had permitted SFCs and promotional banks to grant loans for modernization projects costing up to Rs. 50 lakhs. The Coverage of the TDMF scheme has been enlarged w.e.f. 1.9.1997. Non-exporting units and units which are graduating out of SSI sector are now eligible to avail assistance under this scheme.
4.26 G. National Equity Fund

National Equity Fund (NEF) under Small Industries Development Bank of India (SIDBI) provides equity type assistance to SSI units, tiny units at one per cent service charges. The scope of this scheme was widened in 1995-96 to cover all areas excepting Metropolitan areas, raising the limit of loan from Rs. 1.5 lakhs to Rs. 2.5 lakhs and covering both existing as well as new units:

(a) The following are eligible for assistance under the scheme:-

i. New projects in tiny and small scale sectors for manufacture preservation or processing of goods irrespective of the location (except for the units in Metropolitan areas).

ii. Existing tiny and small scale industrial units and service enterprises as mentioned above (including those which have availed of NEF assistance earlier), undertaking expansion, modernization, technology up gradation and diversification irrespective of location (except in Metropolitan areas).

iii. Sick units in the tiny and small scale sectors including service enterprises as mentioned above, which are considered potentially viable, irrespective of the location of the units (except for the units in Metropolitan areas).

iv. All industrial activities and service activities (except Road Transport Operators).

(b) Project cost (including margin money for working capital) should not exceed Rs. 10 lakhs in the case of new projects in the case of existing units and service enterprises, the outlay on expansion/modernization/technology
up gradation or diversification or rehabilitation should not exceed Rs. 10 lakh per project.

(c) There is no change in the existing level of promoters' contribution at 10% of the project cost. However, the ceiling on soft loan assistance under the Scheme has been enhanced from the present level of 15% lakh per project to 25% of the project cost subject to a maximum of Rs. 2.5 lakh per project.

4.26 H.) Outlook

With the Indian economy recovering fast and registering a higher growth rate of 7.4% during FY 2010-11 and estimated 9% during first quarter of FY 2010-11, the prospects of an accelerated economic growth on sustainable basis appear bright. The FY 2010-11 is expected to achieve a growth rate in the range of 8.5%-9.4%. The same growth optimism is being witnessed in the MSME sector also. The inherent strength and resilience of the MSME sector, further bolstered by prompt and prudent policy measures by the Government of India, Reserve Bank of India and banks / FIs, have enabled the sector to largely overcome the economic crisis. The sector is poised on a higher growth trajectory, facilitated largely by the large domestic market and by diversifying its exports to new markets. SIDBI, as the principal financial institution for the MSME sector, continues to remain committed to responsible financing and would continue to align its activities to the national priorities of employment generation, income growth and attainment of Millennium Development Goals. SIDBI would also Endeavour to ensure that adequate and timely credit and appropriate noncredit capacity building support are provided to the MSME sector, so that the sector remains strong, vibrant and achieves international competitiveness.
4.27 SIDBI Foundation for Micro Credit

4.27 A.) Mission

SIDBI Foundation for Micro Credit (SFMC) was launched by the Bank in January 1999 for channelizing funds to the poor in line with the success of pilot phase of Micro Credit Scheme. SFMC's mission is to create a national network of strong, viable and sustainable Micro Finance Institutions (MFIs) from the informal and formal financial sector to provide micro finance services to the poor, especially women.

4.27 B.) Approach

SFMC is the apex wholesaler for micro finance in India providing a complete range of financial and non-financial services such as loan funds, grant support, equity and institution building support to the retailing Micro Finance Institutions (MFIs) including two-tier MFIs so as to facilitate their development into financially sustainable entities, besides developing a network of service providers for the sector. SFMC is also playing significant role in advocating appropriate policies and regulations and to act as a platform for exchange of information across the sector. The launch of SFMC by SIDBI has been with a clear focus and strategy to make it as the main purveyor of micro finance in the country. Operations of SFMC in the coming years, are not only expected to contribute significantly towards development of a more formal, extensive and effective micro finance sector serving the poor in India, but also ensure sustainability at all levels viz. at the apex level (SFMC), at the MFI level and at the client level to ensure continuance of such arrangement. Most importantly, SFMC has strived to create a mechanism in which there should be no barriers to growth. Under the dispensation, there is focus on innovation and action research.
4.27 C.) Rating of MFIs

Most micro finance programmes are being operated by NGOs and are not subjected to regulation and supervision as they are registered as Societies or Trusts. Non-regulation of these institutions has worked to their detriment and these institutions are not able to have smooth access to funds from the financial sector which is vary of lending to such entities. This constraint, coupled with the fact that SFMC was launched with a view to upscale the flow of micro credit with enabling policy modifications relating to simplification of the procedures in availing of assistance and substantial relaxation in the security/ collateral requirement posed a difficult challenge. Therefore, to meet the requirements of the revised dispensation which called for selection of suitable micro finance intermediaries which could be trusted with bulk assistance without collateral constraints, Capacity Assessment Rating [CAR] was introduced by SFMC as a supplementary tool to assess the risk perception. On SFMC's initiative, the rating of MFIs has been started by four agencies. Till March 31, 2009, 497 ratings have been commissioned to MCRIL/ CRISIL/ CARE/ Access Development Services (ADS). SFMC has also organized trainings on CAMEL methodology of ACCION to build the internal capacity of SFMC officers.

4.27 D.) Customized support to MFIs

MFIs are provided annual need based assistance. One of the unique features of the scheme is the comprehensive Capacity Building Support being provided to the MFIs/ NGOs to expand their operations as well as to increase their efficiency. Customized financial support comprising of loans, capacity building grant as well as equity/ quasi equity is being provided to the client institutions.
4.27 E.) Opening of special Microfinance branch

Seven dedicated microfinance branches have been opened by the Bank at Lucknow, Chennai, Hyderabad, Bangalore, Kolkata, Bhubaneswar and Guwahati to deliver micro finance services through intermediaries in a timely and customer-friendly manner. While Hyderabad, Chennai, Bangalore are major hubs of microfinance activity in the country, the other centres viz. Lucknow, Kolkata, Bhubaneswar and Guwahati have been targeted with the primary objective of giving an impetus to microfinance programmes in the underserved areas.

To create a national network of strong, viable and sustainable Micro Finance Institutions for providing micro finance services to the economically disadvantaged people of India, especially women.

The global economy has started exhibiting recovery which is gaining momentum, especially from the fourth quarter of 2009. The US economy showed a 5.6% GDP growth in Q4, 2009. The consolidation of recovery and growth momentum has been contributed by, among others, improvement in global business confidence and strong monetary and fiscal stimuli. Considering these positive trends, IMF upgraded its global economic growth forecast for 2011 from 3.9% made in January 2011 to 4.2% in its April 2011 World Economic Outlook. The Indian economy, backed by the prudent monetary and fiscal measures, made a quick recovery from the global economic slowdown and recorded a sustained and firm recovery during FY 2010-11. The real GDP registered an accelerated growth of 7.4% during FY 2010-11 as compared to that of 6.7% during FY 2008-09. This recovery
could be achieved due to uptrend in industrial activities with Index of Industrial Production (IIP) recording a broad-based growth of 16.7 per cent in January 2011, 15.1 per cent in February 2010 and 13.5 per cent in March 2010. The overall industrial growth was 9.3% for FY 2009-10 as against 3.9% growth in FY 2008-09 with remarkable growth in mining and quarrying (10.6%), manufacturing (10.8%), Electricity (6.5%) and construction sector (6.5%). Among the other sectors, agriculture and allied sector recorded a lower growth of 0.2% (1.6%) due to deficient monsoon and floods in some parts of the country. Services sector continued to show a high growth, though the growth in FY 2010-11 was lower at 8.5% as against 9.8% during last FY mainly due to lower external demand. India’s exports and imports registered a negative growth of 4.7% and 8.2%, respectively, in dollar terms, during FY 2010-11. However, there was a surge in trade during the last quarter and the months of January, February and March 2011 witnessed sustained higher exports growth of 11.5%, 34.8% and 54.1% and imports growth of 35.5%, 66.4% and 67.1%, respectively.

4.27 F.)Policy Environment

Considering the importance of holistic development of the MSME sector to the overall economic development of the country, Hon’ble Finance Minister announced a number of measures in the Union Budgets of 2009-10 and 2010-11 having positive impact on the sector, in addition to fiscal stimulus packages by Government of India and a number of monetary easing and liquidity enhancing measures by Reserve Bank of India to counter the negative fallout of the global slowdown on the Indian economy.
The major steps initiated by GOI in the union budget 2010-11 for micro and small sector are listed below:

- Extension of existing interest subvention of 2 per cent for one more year for exports covering handicrafts, carpets, handlooms and small and medium enterprises.
- High Level Council on Micro and Small Enterprises to be set up to monitor the implementation of the recommendations of High-Level Task Force constituted by the Hon’ble Prime Minister.
- The corpus for Micro Finance Development and Equity Fund doubled to Rs.400 crore in FY 2010-11.
- Appropriate Banking facilities to be provided to habitations having population in excess of 2000 by March, 2012.
- Insurance and other services to be provided using the Business Correspondent model. By this arrangement, it is proposed to cover 60,000 habitations.
- Augmentation of Rs.100 crore each for the Financial Inclusion Fund (FIF) and the Financial Inclusion Technology Fund, which shall be contributed by government of India, RBI and NABARD.
- Limits for turnover over which accounts need to be audited enhanced to Rs. 60 lakh for businesses and to Rs. 15 lakh for professionals.
- Limit of turnover for the purpose of presumptive taxation of small businesses enhanced to Rs. 60 lakh.
- Reduction in basic custom duty on rhodium (metal used for jewellery polishing), gold ore, key components used in production of microwave ovens, long pepper, asafoetida, replaceable kits used for household type water filter other than RO, corrugated box or cartons, latex rubber, etc.
CHAPTER 4

PART -III

SELF EMPLOYED WOMEN’S ASSOCIATION (SEWA)

4.29 History and inception of SEWA

SEWA’s experience in Gujarat encouraged workers in other states as well. Thus, SEWA organizations were set up for informal women workers in other states. Currently SEWA is active in nine states of India. Together these sister SEWA’s form SEWA Bharat, a Federation, with the mandate to highlight the issues of women working in the informal sector, and to strengthen the capacity of the different organizations that serve them. SEWA Bharat is India’s largest membership based organization for women working in the informal sector.

4.30 Introduction

SEWA began organizing workers in the villages of Ahmadabad district from 1979. Gujarat government had announced minimum wages for agricultural laborers.

Initially, rural workers of SEWA were organized to execute traditional union strategy nothing but struggle for minimum wages. The organizers of this union were attracting legal cases followed. As a result of the union action the village women who constitute total village work force lost whatever low paid work they had, forget about getting. From these experiences, SEWA learned some hard lessons that basis for obtaining his capacity and power to bargain. However, the workers in these areas had neither the power to bargain. The workers in this area were weak and
vulnerable due employment as well were unorganized. In this situation there
was almost urban labor and limited employment opportunities, the workers
are unable to bargain for SEWA’s approach to rural organizing is area
specific and demand driven. Under SEWA’s members the community itself
designs and implements all community SEWA helps women members in
rural communities to build and operate their own forming cooperatives and
district level federations, as a result of which the collective bargaining power
and create alternative sources of employment, and security for their families.

Livelihood activities are structured according to local needs and
regional members have formed cooperatives or producer groups for variety
of activities conservation, dairy production, craftwork, reforestation and salt
farming, within to local conditions.

SEWA believes in the primacy of local ownership and knowledge. 
Village women augment the skills necessary to competently administer their
own organization, spearhead teams which comprise of local organizers are
formed, who take charge activities and lead each cooperative. The spearhead
team consists of 80% local SEWA organizers. The team leaders (aagewans)
are selected on the criteria of their in working with SEWA. Spearhead team
members, or ‘barefoot managers’ undergo in administration, financial
management and the technical aspects of their activity.

4.31 Mission

SEWA Bharat is a Federation of membership based organizations of
women workers. It is committed to strengthening the movement of women
in the informal economy by highlighting their at issues the national level and
building its member organizations capacity to empower them.
4.32 Election of SEWA’s Executive Committee

The second part of Sewa’s annual meeting was the election of SEWA’s Executive Committee which happens every three years. The elected union representatives or pratinidhis split up in to their trade groups to elect 25 workers to the Executive Committee.

SEWA’s Executive Committee

Table No. 4.2 SEWA’s Executive Committee 2009-2011

<table>
<thead>
<tr>
<th>Sr .</th>
<th>Name</th>
<th>Designation</th>
<th>Work</th>
<th>Place</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Elaben Bhatt</td>
<td>First General Secretary</td>
<td>Founder of SEWA,</td>
<td>Ahmadabad</td>
</tr>
<tr>
<td>2</td>
<td>Ramilaben Rohit</td>
<td>President</td>
<td>Agricultural Laborer</td>
<td>Anand district</td>
</tr>
<tr>
<td>3</td>
<td>Gauriben Brahmin</td>
<td>Vice President</td>
<td>Embroidery worker</td>
<td>Patan district</td>
</tr>
<tr>
<td>4</td>
<td>Shantaben Parmar</td>
<td>Vice President</td>
<td>Vegetable Vendor</td>
<td>Ahmadabad city</td>
</tr>
<tr>
<td>5</td>
<td>Monaben Dave</td>
<td>Vice President</td>
<td>SEWA organizer, SEWA</td>
<td>Ahmadabad</td>
</tr>
<tr>
<td>6</td>
<td>Jyotiben Mecwan</td>
<td>General Secretary</td>
<td>Tobacco worker</td>
<td>Anand, SEWA</td>
</tr>
<tr>
<td>7</td>
<td>Mittalben Shah</td>
<td>Secretary</td>
<td>SEWA organizer</td>
<td>Ahmadabad</td>
</tr>
<tr>
<td>8</td>
<td>Mumtazben Baloch</td>
<td>Secretary</td>
<td>Embroidery worker, full time at SEWA</td>
<td>Patan district</td>
</tr>
<tr>
<td>9</td>
<td>Parvati Makvana</td>
<td>Member</td>
<td>Construction worker</td>
<td>Ahmadabad city</td>
</tr>
<tr>
<td>10</td>
<td>Rajiben Parmar</td>
<td>Member</td>
<td>Paper picker</td>
<td>Ahmadabad city</td>
</tr>
<tr>
<td>11</td>
<td>Sarojben Nandal</td>
<td>Member</td>
<td>Bidi worker</td>
<td>Ahmadabad city</td>
</tr>
<tr>
<td>No.</td>
<td>Name</td>
<td>Position</td>
<td>Trade/Profession</td>
<td>Location</td>
</tr>
<tr>
<td>-----</td>
<td>---------------------</td>
<td>----------------</td>
<td>---------------------------</td>
<td>-------------------------</td>
</tr>
<tr>
<td>12</td>
<td>Shabnamben Shaikh</td>
<td>Member</td>
<td>Readymade Garment worker</td>
<td>Ahmadabad city</td>
</tr>
<tr>
<td>13</td>
<td>Zebunnisababen Shaikh</td>
<td>Member</td>
<td>Agarbatti worker</td>
<td>Ahmadabad city</td>
</tr>
<tr>
<td>14</td>
<td>Ushaben Patni</td>
<td>Member</td>
<td>Vegetable worker</td>
<td>Ahmadabad city</td>
</tr>
<tr>
<td>15</td>
<td>Pinaben Rathva</td>
<td>Member</td>
<td>Agricultural Laborer</td>
<td>Vadodara district</td>
</tr>
<tr>
<td>16</td>
<td>Chandrikaben Kuhar</td>
<td>Member</td>
<td>Agricultural Laborer</td>
<td>Vadodara district</td>
</tr>
<tr>
<td>17</td>
<td>Sumiben Khant</td>
<td>Member</td>
<td>Agricultural Laborer</td>
<td>Vadodara district</td>
</tr>
<tr>
<td>18</td>
<td>Ranbaiben Rauma</td>
<td>Member</td>
<td>Agricultural Laborer</td>
<td>Vadodara district</td>
</tr>
<tr>
<td>19</td>
<td>Valiben Parmar</td>
<td>Member</td>
<td>Agricultural Laborer</td>
<td>Vadodara district</td>
</tr>
<tr>
<td>20</td>
<td>Fulkuvarba Jadeja</td>
<td>Member</td>
<td>Embroidery worker</td>
<td>Kutch district</td>
</tr>
<tr>
<td>21</td>
<td>Urmilaben Parmar</td>
<td>Member</td>
<td>Agricultural</td>
<td>Gandhinagar</td>
</tr>
</tbody>
</table>

(Source: Annual Report of SEWA)

This time’s Committee is constituted mainly of leaders elected for the first time and all were under 40 years of age! A young and enthusiastic team is in place, representing all the trades and communities of the SEWA family!

### 4.33 Membership Data of SEWA

**Table No.: 4.3 SEWA Membership Growths**

<table>
<thead>
<tr>
<th>Years</th>
<th>2006-07</th>
<th>2007-08</th>
<th>2008-09</th>
<th>2009-10</th>
<th>2011-12</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>All India membership</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>767819</td>
<td>966139</td>
<td>1126492</td>
<td>1274659</td>
<td>1443005</td>
</tr>
<tr>
<td><strong>Gujarat membership</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>423516</td>
<td>519309</td>
<td>602310</td>
<td>685123</td>
<td>756891</td>
</tr>
</tbody>
</table>

(Source: Annual Report of SEWA)
The above table shows Sewa’s Memberships Growth Of last five years and same data represented through following chart.

**Chart No. 4.2 SEWA Membership Growths**

![Chart showing membership growth]

**Sewa’s Membership in different states**

**Table: 4.4 Membership in different states**

<table>
<thead>
<tr>
<th>Years</th>
<th>2006-07</th>
<th>2007-08</th>
<th>2008-09</th>
<th>2009-10</th>
<th>2011-12</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Bihar</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Bhagalpur</td>
<td>9675</td>
<td>12000</td>
<td>13512</td>
<td>14695</td>
<td>16812</td>
</tr>
<tr>
<td>- Munger</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Delhi</strong></td>
<td>12114</td>
<td>15771</td>
<td>16784</td>
<td>18956</td>
<td>19523</td>
</tr>
<tr>
<td><strong>Gujarat</strong></td>
<td>423516</td>
<td>519309</td>
<td>602310</td>
<td>685123</td>
<td>756891</td>
</tr>
<tr>
<td><strong>Kerala</strong></td>
<td>235</td>
<td>675</td>
<td>895</td>
<td>1452</td>
<td>1635</td>
</tr>
<tr>
<td>- Trivandrum</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Madhya Pradesh</strong></td>
<td>292800</td>
<td>382000</td>
<td>451007</td>
<td>508264</td>
<td>596321</td>
</tr>
<tr>
<td>- SEWA Indore</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
The above table shows Sewa’s Membership is growing in different states of last five years and same data is represented through following chart.

Chart No. 4.3: Membership in different states of last five years (SEWA)
4.34 Self-Employed Women Workers

These are workers who have no fixed employee-employer relationship and depend on their own labor for survival. They are poor, often illiterate and vulnerable. They barely have any assets or working capital. But they are extremely active economically, contributing very significantly to the economy and society with their labor.

4.34 A.) There are four types of self-employed workers:

1). Hawkers, vendors and small business women like vendors of vegetable, fruit, fish, egg and other food items, household goods and clothes.
2). Home-based workers like weavers, potters, bidi and agarbatti workers, papad rollers, ready-made garment workers, women who process agricultural products and artisans.


4). Small producers like artisans and salt farmers.

4.34 B.) Election Process of executive committee

Office Bearers
(President, Vice Presidents, General Secretary, Secretaries, Treasurer)

Executive Committee

Pratinidhi Mandal
(Trade Representatives Council)

Trade Committees

Members
4.35 The various organizations are listed below:

4.35 a) Cooperatives
- Milk Producers Co-operatives, with a total of 9,000 members
- Artisans Co-operatives, with a total of 850 members
- Bank Co-operatives, with 55,311 members (share-holders)
- Land based Co-operatives, with a total of 192 members
- Service Co-operatives, with 23,051 members, including, Cleaners Co-operative, Health Co-operative, Child care Co-operatives, Video Co-operative, Construction workers Co-operative
- Vendors Co-operatives, with 2200 members

4.35 b) Village level Producer’s groups

4.35 c) Savings and Credit Groups
   Women require banking and credit services in both urban and rural areas. In the latter, they have formed their own savings groups and are learning to manage their own collective capital. These groups have then formed by their own district-level associations and include women workers of varied trades in many villages. The current district –level savings and credit associations are: 1. Ahmadabad Savings and Credit Association 2.Kheda Savings and Credit Association 3.Gandhinagar Savings and Credit Association 4.Mehsana Savings and Credit Association
4.35 d) **Social Security organizations**

These are organizations of social security service providers, including health workers, child care workers and insurance promoters. The members are the actual service providers, while the self-employed women workers obtain services. They are: 1). Lok Swasthya SEWA Health Co-operative 2). Hramshakti Co-operative 3). Shramlakmi Co-operative 4). Krishna Dayan Co-operative 5). Sangini Child Care Co-operative 6). Shaishav Child Care Co-operative 7). VimoSEWA, insurance collective

4.35 e) **The Gujarat State Women’s Cooperative Federation**

The need for one such association - a Federation - was felt by the co-operatives mainly in the areas of marketing, capacity building for management of primary co-operatives and policy interventions with the government. SEWA sponsored co-operatives organized and took the initiative to form this Gujarat State Women’s Co-operative Federation, the first of its kind. Today it has 96 co-operatives as members with a total of 78,000 self-employed women. It was registered in 1993. In 1996, the Federation became a member of the National Cooperative Union of India.

4.35 f) **Associations of Producers’ groups**


4.35 g) **Anasooya Trust**

SEWA has been using communication services as a means of bringing the reality, concerns and struggle of poor women into the mainstream of
society. In addition, communication services are required by self-employed workers to facilitate sharing of expenses, enhance organizing and strengthen their movement. Through these services, women learn of each other’s concerns, struggles and strategies. One such medium of communication is sewa’s fortnightly Newsletter Ansooya. It communicates the experiences of workers and their organizations to the outside world in Gujarati. SEWA members call Ansooya Sewa’s own newspaper. In order to consolidate and strengthen Ansooya’s efforts to promote women’s development, Shri Mahila Ansooya Trust was established in 1996. The Trust produces publications on issues concerned with women workers. It also promotes local and folk media, booklets, posters and video films. Workers also obtain training in various communication media.

4.35 h) Mahila Housing SEWA Trust

SEWA, SEWA Bank, and all the Federations described above deal mainly with women’s employment and social security needs. In addition to their main purpose, each of the federations was facing a demand for improved quality of life particularly better housing from their members. Since for the self-employed, a house is also a productive asset, their housing needs are closely linked with their employment needs. It was, therefore, decided to promote an organization which would deal only with housing and would help each sister organization to promote the housing requirements of her members, and would link with the larger housing structures nationally and internationally. The Mahila Housing Trust registered in 1995 was promoted by SEWA, SEWA Bank and other sister organizations such as Foundation for Public Interest (technical and training support), and Friends of Women’s World Banking (Finance).
4.35 i) SEWA Gram Mahila Haat (SGMH)

To help rural producer groups directly earn their livelihoods, SEWA established SEWA Gram Mahila Haat in 1999, with the full support and cooperation of the Government of Gujarat. Today, SGMH has three main goals:

a) To provide marketing facilities, managerial and technical support and working capital assistance to the district associations.

b) To enable rural producers to earn a monthly income of at least Rs. 2,000/-

c) To facilitate the producers to become owner/mangers of their collective enterprises.

4.35 j) SEWA Trade Facilitation Centre (STFC) or Unnat Bazaar

SEWA realized the potential of craft production as a source of ensuring sustained livelihood and a disaster mitigation tool during the worst-ever drought in 2000. This was then immediately up-scaled after the earthquake in 2001. In this context, the need to expand the marketing efforts at the national and global level emerged, and SEWA Trade Facilitation Centre (STFC) was thus created. STFC serves as a bridge between the rural micro-level enterprises and the global markets. The poor artisans are the owners of their own company. STFC or Unnat Bazaar strategically targets the markets, thereby influencing the local wages and increasing the bargaining power of the poor artisans. With the objectives of capacity building, product development and exploring new markets, STFC has an integrated marketing approach. This is backed by research, data management, production related services and networking with wider national and international markets. In this way, rural artisans reach national
and global markets and they obtain regular work and income to become self-reliant.

4.36 Urban Union struggling

Ahmadabad is the birthplace of SEWA. Sewa have been organizing women here for almost four decades now. Currently more than 100 trades are organized in sewa’s union. Focused campaigns to safeguard and promote workers rights have resulted in significant gains, including increased collective strength among sewa’s urban members.

4.36 A.) Street vendors Campaign

Through the vendor’s campaign, there was several achievements show below.
1. Recovered vendors 2110 pushcarts worth Rs 6, 33,000
2. Recovered confiscated goods worth Rs 43, 52,000 belonging to 1088 vendors.
3. Helped 3500 vendors resume their livelihood, resulting in Rs 5.46 Crores of earnings during the year.
4. Supported 135 vendors in obtaining Rs 10.3 lakhs of earnings.
5. Released 6560 vendors from the police lock-up, freed them from summons and arrest warrants and saved Rs 9,56,000 in fines.
6. Assisted 5201 vendors to avoid paying bribes worth Rs1, 00,000.

4.36 B.) Waste Paper-Pickers Campaign for Livelihood

There has been a word-wide slump in the re-cycling industry. China was the biggest buyer of scrap metal. Now it has stopped buying, and as a
result, the price of scrap iron has decreased by 70%. Similarly, prices of scrap copper and aluminum have declined by 60% and 50% respectively. This shrinking of markets for scrap and recyclables has adversely affected sewa’s members. In October 2008, the price of one kilo of newspapers went from Rs 8 per kilo to Rs 4 per kilo, and the price of hair declined from Rs 1000 per kilo to Rs 200. 30% of the recycling shops went out of business. As a result, sewa’s paper-picker member’s daily income declined from Rs 50 to 60 to Rs 25 to 30 for ten to eleven hours of waste collection. This has had a direct impact on their food intake which has reduced, their children’s education many have had to leave school and on their overall well-being.


Six major trades constitute the manual laborers category at SEWA: construction workers, head-loaders, agricultural laborers, workers in small factories, diamond polishers and catering workers and others. Each of these occupation groups has their own trade committee. These committees decided to focus on the following common issues this year: increase their membership, strengthen their union, increase income/wages, provide identity cards, assist women to obtain bonus and other welfare measures like housing available to them from the government’s welfare boards. For construction workers in particular, Sewa helped them register in the Welfare Board developed for them. Sewa also pressed for the inclusion of catering and domestic workers in the Board for Unorganized Sector Workers. The results of sewa’s campaigns are given below.
4.36 D.) Home-based workers

Home-based workers have been organized in SEWA for over three decades now. They are running their own campaign for increased collective strength, identity cards, registration in the board for unorganized sector workers, wage increases and inclusion in the schedule of trades covered for minimum wages and its enforcement of this and formulation of a national policy for home-based workers. The results of sewa’s organizing efforts are:

4.37 Gujarat State Unorganized Sector Workers’ Board

As 93 % of all workers in Gujarat are informal or unorganized, SEWA suggested to the labor department the need for a special board to address their concerns. The department responded by creating a cell in the state’s labor and employment department. This then led to the creation of a board that would address the social security issues of the workers in a phased manner.

The first workers to be included in the purview of the Board were agarbatti workers (incense-stick rollers), paper-pickers, street vendors and brass part workers. SEWA and the labor department jointly developed simple registration procedures. It was agreed that SEWA as their union should register the workers in the Board. In the next phase, Sewa negotiated for the inclusion of garment workers, kite-makers, cleaners and catering workers.

At the Board, identity cards were issued to the workers, giving them visibility and recognition as workers. In addition, medical benefits, skill training and equipment for their work was provided. During the year, 1700
members obtained medical check-ups and free medicines from the Board. 20 workers got support to the tune of Rs 1200 each towards hospitalization costs. 38% paper-pickers obtained skill upgradation training which enabled them to increase their income by making various products from waste plastic. After several representations, the Board agreed to give workers a kit worth Rs 300 with equipment needed by them. Paper-pickers obtained a bag for collecting recyclables, apron footwear and other equipment related to their work. Agarbatti workers obtained work tables and other equipment and vendors got weighing scales. A total of 16,375 workers were registered with the Board and 3,156 of them obtained Rs 4,53,000 worth of welfare benefits. 5200 workers participated in 130 legal trainings which included information about labour laws, their rights and aspects of their occupations.

### 4.38 SEWA’s Rural Activities

#### Table No.4.5: Rural Activities

<table>
<thead>
<tr>
<th>District</th>
<th>Main Activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ahmedabad</td>
<td>Dairy, agriculture, nursery-raising, rural marketing of members’ products via sewa’s brand: Rudi</td>
</tr>
<tr>
<td>Gandhinagar</td>
<td>Dairy, paper-picking, marketing Rudi</td>
</tr>
<tr>
<td>Mehsana</td>
<td>Animal husbandry, nursery-raising, marketing Rudi</td>
</tr>
<tr>
<td>Sabarkantha</td>
<td>Agriculture, Nursery-raising, hand-pump repair, marketing Rudi</td>
</tr>
<tr>
<td>Vadodara</td>
<td>Poultry, Nursery-raising</td>
</tr>
<tr>
<td>Kheda-Anand</td>
<td>Tobacco-processing, agriculture, weaving, nursery-raising</td>
</tr>
<tr>
<td>Kutch</td>
<td>Embroidery, animal husbandry, marketing Rudi</td>
</tr>
</tbody>
</table>
Banaskantha | Embroidery, animal husbandry, agriculture, salt manufacturing, gum collection, nursery-raising marketing by Rudi
---|---
Surendranagar | Salt manufacturing, construction, marketing by Rudi
Panchmahal | Livelihood for communal violence-affected women

(Source: Annual report of SEWA)

**4.38 A.) Rudi Multi-Trading Company: Rudi**

Rudi is a marketing company of rural producers and workers. It sells what small and marginal farmers produce. The collection of the rural produce, its quality control, cleaning and packaging is the responsibility of the district associations. The packaged products are then marketed by the Rudi Company through its network of rural women who market these door-to-door. 3887 small and marginal farmers sold their produce through Rudi and 1565 Rudi rural marketing women sold Rs. 1.5 Crores worth of products. Further information on Rudi and its reports are available on their website: www.sewarudi.com.

**4.38 B.) SEWA Gram Mahila Haat**

Most of SEWA’s rural members are involved in agriculture, either as farmers or as agricultural laborers. While organizing rural women workers into their own union builds their strength and bargaining power, they need access to markets to sell their products and develop their livelihoods. 1500 of these groups are associated with Gram Haat.
4.38 C.) Nirman Company

After the earthquake of 2001, SEWA helped its members form groups and develop their skills as masons, carpenters, and construction workers. They used these skills to re-build their homes and that of others in their villages. This rehabilitation and re-building programme was called Naya Ghar or New House. The Naya Ghar programme resulted in new homes and also 5000 rural masons, carpenters, and mechanics coming into contact with SEWA. Sewa provide skill training to many of them at that time. In order to ensure that they continued to get work even after the Naya Ghar programme ended, SEWA established the Nirman Company. Nirman is working towards ensuring that these rural workers obtain employment in the construction industry.

4.38 D.) Developing New Leadership among sewa’s Rural Members

In order to strengthen and take the movement forward, SEWA has been working closely with Sewa’s rural members, daughters, Sewa’s next generation. Sewa’s focus has been on skill-building for the new employment opportunities that have emerged in Sewa’s growing economy. In 2011 SEWA entered into a partnership with the Rai Foundation. An initial group of 40 young women were trained in the hospitality and service industry in Delhi by the Foundation. They are now the faculty for skill-building activities at Ahmadabad. In 2011, Sewa began a course for Sewa’s member’s daughters with an initial group of 15 young women.

4.38 E.) SEWA’s Collective Businesses

SEWA-promoted Cooperatives and their Women’s Cooperative Federation Sewa’s strategy for organizing women involves mobilizing and uniting women workers into Sewa’s union, SEWA, and also helping them
form worker-owned and run cooperatives. Constructive action and building alternative economic organizations of and by the poor is an integral part of the movement for social change, and was suggested years ago by Mahatma Gandhi, who continues to be Sewa’s inspiration.

In order to promote the cooperative movement within the SEWA family and beyond, SEWA established the Gujarat State Women’s SEWA Cooperative Federation, a State-level organization of 8 women cooperatives, in 1992 today 99. The Federation believes that women’s bargaining power, capacity and ownership can be increased by organizing them into co-operatives, thereby building their own collective businesses which can stand firm in the market place and provide work and income to poor women.

**Types of cooperatives in the Federation**

Table No.4.6: Types of cooperatives in the Federation

| 1. | Artisans cooperatives | 11 |
| 2. | Land-based cooperatives | 7 |
| 3. | Milk cooperatives | 59 |
| 4. | Traders cooperatives | 11 |
| 5. | Labors and Service cooperatives | 8 |
| 6. | Banking cooperatives | 3 |
| **Total 99** |

(Source: Annual Report SEWA)

Above table shows the different types of cooperative federation by SEWA and the data also represented through chart as below
In order to make the members competitive and compatible with market demands, the Federation provides need-based interventions like trainings, cooperative education and management, marketing and design services. It also runs a special shop in the main wholesale vegetable market where producers get a remunerative price for their produce. In addition, producers are linked to sellers also SEWA members so that women workers control the entire production and selling chain.

4.39 SEWA Training

The Federation's training is aimed at capacity-building, strengthening women's management skills, their confidence and decision-making. Cooperative members and especially elected board members learn how to run their own cooperatives at the end of the training period. Continuous capacity-building and hand-holding are required. Most of Sewa’s members have either limited literacy and numeracy skills or non at all. Sewa’s training
takes this into account, as also their extensive grass roots experiences. Thus, training is a combination of classroom learning and field-level exposure.

**Table no. 4.7 Sewa’s training to the members**

<table>
<thead>
<tr>
<th>No.</th>
<th>Particulars</th>
<th>No. of women</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Member’s Education</td>
<td>1023</td>
</tr>
<tr>
<td>2</td>
<td>Management Training (including management development, business plan)</td>
<td>289</td>
</tr>
<tr>
<td>3</td>
<td>Marketing Training</td>
<td>102</td>
</tr>
<tr>
<td>4</td>
<td>Technical Training (including on house-keeping, catering)</td>
<td>281</td>
</tr>
<tr>
<td>5</td>
<td>Skill upgradation (garment workers, computers)</td>
<td>152</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>1875</strong></td>
</tr>
</tbody>
</table>

(Source: Annual Report SEWA)

Above table showing area of training by Sewa and it is also represented through following chart.

**Chart No.4.6. Sewa’s training to the members**
4.40 SEWA Bank

Swashrayi Mahila SEWA Sahakari Bank is SEWA members largest cooperative, the first of its kind in India. The bank is owned by the self-employed women who are shareholders, and policies are made by their own elected board of women workers. The Bank is run by qualified managers, accountable to the board. SEWA Bank was established in 1974 with 4000 depositors who each contributed Rs. 10 from their daily earnings as share capital. Today 2, 76,684 poor women are depositors. The Bank’s total working capital is Rs. 94 crores. Since 1996 SEWA Bank has attained equal status with nationalized banks. SEWA’s Bank’s headquarters are in a modern building on the banks of the Sabarmati river. But Sewa have extension counters in the working class areas of Ahmadabad.

Table: 4.8 SEWA Bank

<table>
<thead>
<tr>
<th>Particulars</th>
<th>2006-07</th>
<th>2007-08</th>
<th>2008-09</th>
<th>2009-10</th>
<th>2011-12</th>
</tr>
</thead>
<tbody>
<tr>
<td>Audit Grade</td>
<td>A</td>
<td>A</td>
<td>A</td>
<td>A</td>
<td>A</td>
</tr>
<tr>
<td>Shareholders (No. of women)</td>
<td>55311</td>
<td>60720</td>
<td>65365</td>
<td>70450</td>
<td>74325</td>
</tr>
<tr>
<td>Share Capital (Rs.)</td>
<td>3209600</td>
<td>36436600</td>
<td>39654000</td>
<td>44587000</td>
<td>48695000</td>
</tr>
<tr>
<td>Depositors (No. of women)</td>
<td>304933</td>
<td>307558</td>
<td>315564</td>
<td>326754</td>
<td>351215</td>
</tr>
<tr>
<td>Total Deposits (Rs.)</td>
<td>65857800</td>
<td>73997000</td>
<td>81458900</td>
<td>89354700</td>
<td>96365800</td>
</tr>
<tr>
<td>Working Capital (in Rs.)</td>
<td>94604300</td>
<td>102917900</td>
<td>108965600</td>
<td>115364200</td>
<td>121654800</td>
</tr>
<tr>
<td>Loan Accounts (No. of women)</td>
<td>91096</td>
<td>103679</td>
<td>112645</td>
<td>126965</td>
<td>135645</td>
</tr>
<tr>
<td>Loans (Rs.)</td>
<td>30297400</td>
<td>33454900</td>
<td>36257800</td>
<td>39658500</td>
<td>43652300</td>
</tr>
<tr>
<td>Surplus (Rs.)</td>
<td>5399000</td>
<td>5241000</td>
<td>5468000</td>
<td>5632000</td>
<td>5365000</td>
</tr>
</tbody>
</table>

(Source: Annual Report SEWA)
Above table represents SEWA banks Data in two manners Amount of Rs. and no. of women getting Benefit through it. Both are represented through charts as below:

**Chart no. 4.7 Sewa Bank Data -1**

![Chart showing Sewa Bank Data](chart1)

**Chart no. 4.8 SEWA Dank Data -2**

![Chart showing SEWA Dank Data](chart2)
4.41 Special programmes of SEWA Bank

4.41 A.) Pension

Sewa’s pension programme runs as follows:

- Any woman between the ages of 18 and 55 years may join the programme.
- A minimum monthly installment of Rs.50 or multiples thereof like Rs.100, Rs.150 etc must be deposited in a woman's pension account.
- The lump sum accumulated as pension can only be withdrawn when a woman reaches 58 years of age.
- Monthly pension installments will be deducted directly from a woman’s savings account, hence she must have a savings account.
- One cannot take a loan from the accumulated pension fund.

4.41 B.) Financial Literacy

Sewa’s members are engaged in a number of economic activities. They earn through sheer hard work but find it difficult initially to calculate how much profit they actually make after deducting their expenses. Thus, SEWA Bank organizes financial literacy for workers. The goal is to help them maximize their profits so that they become self-reliant, their assets increase and their businesses expand and grow.

4.41 C.) Amrut Jharna – mobile financial literacy programme

Many women cannot enroll in the financial literacy training for various reasons, including lack of time. Also, there are still several localities where women are not linked to SEWA Bank. Thus, SEWA Bank takes financial literacy training to the women through a mobile van fitted with audiovisual
equipment and teaching aids. The topics covered by Amrut Jharna this year were: 1). How to save 2). How to obtain a loan? 3). How to insure oneself 4). Financial and business planning

4.41 D.) Use of the Automatic Teller Machine (ATM)
Sewa’s members not only learn about budgeting and business planning, but also are encouraged to save daily. They use piggy banks from SEWA Bank to save. Many workers learn of sewa Bank for the first time through this programme which was started in October 2005. In 2006, 686 women were involved in Amrut Jharna and 120 of them bought piggy banks to save regularly.

4.41 E.) Sanjivani Scheme
Ahmadabad was known as the Manchester of India. But with the establishment of small power looms factories in 1980, the cotton textile mills started closing down. Closure of mills created unemployment among mill workers and their economic conditions deteriorated. The whole generation of workers' families have been driven into poverty.

4.41 F.) Urja Loans
Urja means energy. The goal of this loan is to provide cost-saving, environmentally sound technology thereby helping them achieve self-reliance. Through this loan, SEWA Bank encourages women's employment, strengthens their businesses, through energy-saving (including human energy) equipment and renewable energy equipment like solar cookers and lights. In 2011 members were given Urja loans worth Rs. 2,511,795 for 597 women.
4.42 SEWA Social Security

Sewa’s members are active contributors to the Indian economy. They work long hours for very low wages or earn very little from their work. Often they have to toil under very difficult, indeed hazardous, conditions. All of this takes a toll on their overall well-being. And they have no access to statutory social security. SEWA believes that Sewa sisters have a right to social security. They are entitled to it as citizens and especially because of their significant economic contribution. Being poor and vulnerable to sickness and other crises, social security is all the more required by Sewa members.

Social Security must include at least the following elements.

- Health care – preventive, curative and primitive care
- Child care – holistic care of the young child, including nutrition, health care and child development activities.
- Insurance – protection against as many risks as possible, including sickness, accident, maternity, assets.
- Shelter and basic amenities – a roof over one’s head with water, sanitation and electricity.
- Pension – to provide regular income in old age.

4.42 A.) The activities of the SEWA Health Team include:

1) Provision of preventive health services, including:
   - Health information and education, including information on HIV/AIDS.
   - Immunization, iron and folic acid supplementation, and Vitamin A.
   - Supplementation, in collaboration with government services.
- Ante-natal care (ANC), including weighing, screening for anemia, and nutrition Counseling.
- Skills up-gradation (of all SEWA Health functionaries) and training of Midwives.
- Contraceptives both by providing information and making these available by coordinating with government services.
- Screening for reproductive tract infections (RTIs) and cancer through diagnostic camps.
- Occupational health education, provision of work tools and equipment.

2) Promotion of health and well being Health education and information is made available through a six- module training programme for SEWA members, and slightly modified programmes for their husbands, adolescent girls and boys and traditional midwives.

3) Provision of curative health services, including:
   - Low cost medicines; Treatment of tuberculosis through DOTS method and screening and treating
   - diagnosed persons; Mobile clinics called camps for reproductive health problems, children’s and General health problems;
   - Acupressure therapy
   - Ayurvedic (traditional medicine) treatment

4) Research – on occupational health, impact of Sewa’s health services.

### 4.43 SEWA Health

Following Activity perform by Sewa

A.) Tuberculosis (T.B.) control work resulted in significant outcomes

B.) Low Cost Medicines

C.) From Dai to Community Health Worker (Swasthya Sathi)
D.) Convergence between Health and SEWA Insurance or Vimo SEWA
E.) Policy Action
F.) Achievements

1. Lok Swasthya health cooperative was awarded the first prize for the best cooperative in the district.
2. The Swasthya Sathis now maintain their own data bases reflecting their outreach in their villages and urban neighborhoods.

**Table no.4.9 Achievement in different District**

<table>
<thead>
<tr>
<th>No.</th>
<th>Districts</th>
<th>No. of centers</th>
<th>No. of children</th>
<th>No. of Mothers</th>
<th>No. of Teachers</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Ahmedabad</td>
<td>59</td>
<td>905</td>
<td>790</td>
<td>69</td>
</tr>
<tr>
<td>2</td>
<td>Kheda-Anand</td>
<td>30</td>
<td>906</td>
<td>650</td>
<td>66</td>
</tr>
<tr>
<td>3</td>
<td>Surendranagar</td>
<td>6</td>
<td>240</td>
<td>160</td>
<td>12</td>
</tr>
<tr>
<td>4</td>
<td>Patan</td>
<td>20</td>
<td>600</td>
<td>500</td>
<td>40</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>85</strong></td>
<td><strong>2651</strong></td>
<td><strong>2100</strong></td>
<td><strong>187</strong></td>
</tr>
</tbody>
</table>

(Source: Annual Report SEWA)

The child care team focused on trying to ensure that each of its centers became self-sustaining. It is still a work-in-progress, but some significant steps forward have been taken. Throughout the year Sewa had meetings with parents, child care centre teachers, local leaders, employers and other possible donors. But first Sewa prepared an income-expenditure chart for each centre. Sewa explained these to sewa members and their husbands, the parents. The latter have been consistently contributing towards the running cost of the centers. Contributions are collected in cash and in kind. The range of monthly fees contributed from parents is between Rs. 40 and Rs. 10 per child per month. As the running costs amount to Rs. 300 per child per
month or Rs. about 10,000 per centre per month, SEWA and the child care cooperatives raise the required funds through multiple sources. The table below shows the amounts collected every month.

### 4.44 Vimo SEWA or SEWA Insurance

SEWA’s experience with providing micro insurance services to women workers over more than a decade points to the fact that micro insurance must be integrated with both financial services (savings, credit and pension) and social protection (health care, in particular), and also with poverty reduction programmes. It must be part of a strategy that aims to reduce poverty by focusing on employment/livelihoods with social security. It is this holistic and integrated approach which will eventually reduce vulnerability and stem the de-capitalization that occurs when risks and crises confront poor families.

Vimo SEWA has been constantly improving its services based on sewa members’ feedback. Sewa have also been trying to reach sewa members in different ways, in order to increase sewa’s outreach and services to workers.

- small and large meetings (sammelans)—these need to be held repeatedly
- gram sabhas or village-wide meetings
- linking with SHGs livelihood-based groups, savings and credit groups and others to get a chunk of insured’s on the one hand, and lowering transactional costs on the other
- developing special premium payment plans monthly savings towards annual premium, one-time lump-sum payment which is put in fixed deposit (and the interest accrued is used to pay the annual premium), loans for fixed deposit-linked insurance
• linking with loanees of SEWA Bank
• linking with individual depositors of SEWA Bank and taking premium directly from their savings accounts with their consent
• linking with NGOs in other states
• linking with specific groups of workers—like members of a cooperative

4.45 SEWA Academy

4.45 A.) Capacity-building for the SEWA Movement

SEWA Academy is the focal point for all of SEWA’s capacity building, communications and research efforts. SEWA Academy functions as SEWA members ‘University’, providing them with their first introduction to a formal learning environment. It is the organizational wing responsible for member education, leadership training, literacy, print and audio video communications and research. The Training Unit in SEWA Academy provides SEWA members with education and capacity building aimed at self-development. Through encouragement and support, the women increase their self-confidence and leadership skills as well as unite through a common ideology, thus building the SEWA movement. Poor women have very little opportunity for their own exposure and development. Hence, they capitalize on the learning opportunities provided by SEWA Academy.

4.45 B.) SEWA Academy’s four main activities are:
1. Training
2. Literacy
3. Research and Documentation
4. Communication
4.48 SEWA Bharat

Promoting membership-based organizations of women in other states of India

SEWA’s experience in Gujarat encouraged workers in other states as well. Thus, SEWA organizations were set up for informal women workers in other states. Currently SEWA is active in nine states of India. Together these sister SEWA’s form SEWA Bharat, a Federation, with the mandate to highlight the issues of women working in the informal sector, and to strengthen the capacity of the different organizations that serve them. SEWA Bharat is an All India’s Federation of Membership - based organization for women working in the informal sector. It is committed to strengthening the movement of women in the informal economy by highlighting their issues at the national level and building its member organizations capacity to empower them.

Some highlights of SEWA Bharat’s work this year are outlined below.

4.48 A.) SEWA Bihar

SEWA Bihar held its first annual general meeting as a trade union this year. More than 1500 women participated. The Mayor of Bhagalpur town was the Chief Guest and agreed to the workers demand for housing and for space to sell their wares. The Mayor has now provided special space for the vendors of Bhagalpur to sell their products.

4.48 B.) SEWA Rajasthan

SEWA Rajasthan stepped up its campaign to organize papad workers in Bikaner and ensure that they get minimum wages, identity cards and access to government programmes. In the state’s capital of Jaipur, SEWA
Rajasthan began a dialogue with state officials for a women's market and a state policy for street vendors.

4.48 C.) SEWA Kerala

SEWA Kerala was registered as a trade union this year and hence became an affiliate of SEWA. A campaign for a state policy for street vendors was initiated along with other unions in Kerala. A draft policy has now been prepared and will be reviewed by the government. In preparation of this draft policy, SEWA Kerala enlisted the services of several colleges and schools of social work to survey areas where vendors work and to study their issues. A consequence of this is that several municipalities in Kerala have now prepared draft reports on street vendors. All of these reports will be useful material for preparing the national policy on street vendors. In Tiruvananthapuram district, more than 4000 families depend on bamboo for their livelihood. 200 of these are organized in SEWA. Skill upgradation training was organized for these workers and their access to raw material was facilitated by constant negotiation and dialogue with the Bamboo Corporation of the government.

As a result of SEWA Kerala’s efforts, the workers have obtained access to bamboo and at a cheaper rate, thirty per cent less than earlier. Further, the Bamboo Corporation bought their finished products at a rate that was 20% higher than before. The result of these interventions was a doubling of their income. In addition to these initiatives, SEWA Kerala renewed its efforts to obtain a law for home-based workers in the state, by continuing dialogue with the state’s planning board.
4.48 D.) SEWA Delhi

SEWA Delhi is a union with 15,771 members of which 4323 are street vendors, 10,066 home-based workers, 643 manual laborers and 739 producers. SEWA Delhi worked towards strengthening the union through several different activities including constant contact with members, enrolling new members in the union, linking members with several SEWA activities and the government’s programmes. This was done through house-to-house contact with members, area meetings, street plays, short films and pamphlets with information for Sewa’s members.

4.49 SEWA Afghanistan

In 2006, the Government of India invited SEWA to establish a vocational training centre in Afghanistan. This was set up formally as the Bagh-e-Zenana Centre. About 570 women have participated in training organized by this centre. This includes 150 women who took electrician's training, 334 who participated in food processing training and 85 women who took training in sewing and embroidery.

The women are now engaged in different livelihood activities either individually or as a group. Working in livelihood groups is still new in Afghanistan and much hand-holding is required. It is also a new experience for the Afghan banks to open bank accounts in the name of a women’s group. The women Sewa have trained are all poor and do not have the money required to start up an account individually. SEWA had to negotiate with the banks to open accounts with a lowered initial deposit. Currently 14 women’s groups are active and have prepared their own business plans and have started production. With the help the South Asia Area Regional
Council (SAARC), a marketing network called Sabah has been set up. Sabah is helping the women market their products. The Afghani women visited SEWA and initially felt that they could not set up production and marketing the way sewa’s members have. However, now they are selling their products at the Bagh-e-Zenana centre and at exhibitions. Some of the women trained by SEWA have found jobs as trainers elsewhere. Some have found work in the few factories in the country. They are earning a steady income from this. They have also made greenhouses, net houses and playhouses to grow fruit, vegetables and flowers. Some of the women have started their own shops. 22% of the women who have been trained by SEWA are widows. 67% of them trainees is illiterate and 76% of them are very poor. Some of these women participated in an international trade fair in Delhi where they sold Rs 5 lakhs worth of goods. The Afghan government is appreciative of this collaborative work with SEWA. They would like to expand it to other parts of the country. The Indian government officials also said that they learned much from this programme which has developed much goodwill between the peoples of sewa’s two countries.
CHAPTER 4
PART -IV
TRIBHUVANDAS FOUNDATION (TF)

4.50 Background of Tribhuvandas Foundation

Tribhuvandas foundation integrated rural health and development program is a unique and outstanding example of the co-operative moment. T.F. promotes and gives primary health care and health education in the rural areas through and with the help of AMUL and the Dairy Co-Operative Societies of the villages. This is the core of T.F. work. Doctor V. Kurien set up the Tribhuvandas Foundation. The aim was to provide primary health care and education to villagers.

A farewell gift was collected and presented to the Founder Chairman, late Tribhuvandas Patel and he gave it over for the health of the families of the milk producers. This gave the impetus to Tribhuvandas Foundation to begin work in 1980. AMUL had developed a network of veterinary services for milk and other animals of the milk producers which proved very effective and popular. Tribhuvandas Foundation has begun to provide health care to the families of the milk producers. Tribhuvandas Foundation has been assisting woman for economic betterment, nursery care and environmental sanitation and similar activities.

T.F. has extended its work to more than 600 villages, through T.F. Anand, Kapadwanj, Balasinor, Kheda and Tarapur sub centres. T.F. provide primary health care to members and families of the milk societies, for an annual fees of Rs. 25/- & 5622847 families benefit from these services. The village health workers, with the help of the milk societies, provide this primary health care. These village health workers are given regular guidance
and training by the sub centers doctors and field workers. The female health workers of the villages are chosen by the Dairy Co-operatives society of the villages. After initial training she receives refreshers and further training once a month and is the person to provide the primary health care and health education.

4.51 Boards of Trustees

Table no. 4.10 Board of Trustees of TF

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
<th>Role</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tribhuvandas Patel</td>
<td>Founder &amp; past Chairman</td>
<td>Trustee</td>
</tr>
<tr>
<td>Dr. Verghese Kurien</td>
<td>Founder</td>
<td>trustee</td>
</tr>
<tr>
<td>Shri RamSinh Parmar</td>
<td>Chairman T.F., Anand</td>
<td>Trustee</td>
</tr>
<tr>
<td>Shri Rahulkumar Shrivastav</td>
<td>Managing Director</td>
<td>Trustee</td>
</tr>
<tr>
<td>Shri Shivaram Parmar</td>
<td>Director Amul, Anand</td>
<td>Trustee</td>
</tr>
<tr>
<td>Dr. Amrita Patel</td>
<td>Chairman, NDDB, Anand</td>
<td>Chairman</td>
</tr>
<tr>
<td>Prof. L.K. Vasvani</td>
<td>I/C Manager, Inst. of Rural Mgt.</td>
<td>Manager</td>
</tr>
<tr>
<td>Shrimati, Nayana Patel</td>
<td>Chairman, Dist. Kheda</td>
<td>Chairman</td>
</tr>
<tr>
<td>Shrimati, Ratan K. Jadav</td>
<td>Chairman, Dist. Kheda</td>
<td>Chairman</td>
</tr>
</tbody>
</table>

(Source: Annual Report TF)

4.52 Achievements

- Tribhuvandas Foundation Start in 1975 and UNICEF adopt it for 7 Consecutive up years 1975 to 1982.
• 1975 there were 180 villages Covered for social Floweriness from MCH (Maternity and Child health care)
• UNICEF provide primary care Medicine Baby Food and Other equipments to poor and villagers
• T.F. start in 1980, village health worker who get first training and then take charge of particular village and daily checked the villagers who need it.
• T.F. also start in 1980 nutrition rehabilitation centre for child diseases
• Regular checking of blood test, H.B (health satisfied them primary need.
• T.F. also arrange for film Show in village for awareness for health care and safety.
• T.F. arrange family planning programme and for men they provided condom and for women Copper – T etc. and arranging operation of miss carriage facility to villagers. And also provide healthy food and medicine to patients.
• T.F. starts to provide services of T.B. and cancer, awareness camp and operation, which are major step to be taken for social welfare.
• Balwadi, patch work and environmental sanitation provide to villagers arrange employment program for the villagers.
• In 1999-2000 Tribhuvandas Foundation got award from NASA Institute of Ahmadabad for their best services to society.
• In 1992 Tribhuvandas Foundation got National Award.
• The five sub centers of the Foundation covered a population of 16, 22,847 of 562 villages. The past years showed 14 new villages joining
the T.F. Programmes, while 8 villages for one or another reason withdrew.

### 4.53 Maternal and Family Welfare Program

T.F. provide various facility maternal and family welfare programmes such as Urine Pregnancy Tests done in villages, New pregnancies registered, Pregnancies registered in first trimester –50%, No. of visits to regd. pregnant women, Referrals for High-risk pregnancies, Total deliveries registered, Deliveries in hospital, Deliveries in Chiranjeevee Yojna, Lactating mothers provided counselling, Family planning services provided in field, Disposable Delivery Kit Unit. All this activities is represented through following table.

#### Table No. 4.11 Maternal and Family Welfare Program

<table>
<thead>
<tr>
<th>Particulars</th>
<th>06-07</th>
<th>07-08</th>
<th>08-09</th>
<th>09-10</th>
<th>10-11</th>
</tr>
</thead>
<tbody>
<tr>
<td>Urine Pregnancy Tests done in villages</td>
<td>6589</td>
<td>7658</td>
<td>11325</td>
<td>16925</td>
<td>14025</td>
</tr>
<tr>
<td>New pregnancies registered</td>
<td>36578</td>
<td>37452</td>
<td>28963</td>
<td>40785</td>
<td>41912</td>
</tr>
<tr>
<td>Pregnancies registered in first trimester –50%</td>
<td>16935</td>
<td>18524</td>
<td>13245</td>
<td>18562</td>
<td>21577</td>
</tr>
<tr>
<td>No. of visits to regd. pregnant women</td>
<td>96354</td>
<td>86547</td>
<td>123597</td>
<td>118354</td>
<td>124177</td>
</tr>
<tr>
<td>Referrals for High-risk pregnancies</td>
<td>1745</td>
<td>2354</td>
<td>1965</td>
<td>2457</td>
<td>2636</td>
</tr>
<tr>
<td>Total deliveries registered</td>
<td>26987</td>
<td>37541</td>
<td>39521</td>
<td>36524</td>
<td>39396</td>
</tr>
<tr>
<td>Deliveries in hospital –</td>
<td>96%</td>
<td>83%</td>
<td>65%</td>
<td>84%</td>
<td>87%</td>
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<tr>
<td>Deliveries in Chiranjeevee Yojna</td>
<td>6524</td>
<td>3874</td>
<td>4586</td>
<td>5214</td>
<td>5536</td>
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<tr>
<td>Lactating mothers provided counseling</td>
<td>36587</td>
<td>22458</td>
<td>35964</td>
<td>38754</td>
<td>40376</td>
</tr>
<tr>
<td>Family planning services provided in field</td>
<td>28456</td>
<td>26589</td>
<td>23458</td>
<td>22453</td>
<td>25476</td>
</tr>
<tr>
<td>Disposable Delivery Kit Unit</td>
<td>2300</td>
<td>2635</td>
<td>1897</td>
<td>3621</td>
<td>2000</td>
</tr>
</tbody>
</table>

(Source: Annual Report Tribhuvandas Foundation)
4.54 Child Healthcare Programme and Care of New Born

A new born is defined as birth to 28 days age. It would be difficult to describe the feelings of the mother whose child has died after she has given through a 9 month pregnancy, and delivery. On the contrary a healthy new born child in the mother’s lap will give her much pleasure and happiness. This will encourage family planning also. The foundation works through the village health workers and the Village Dai, teaching the proper care at birth and for the period thereafter. T.F. also makes sterilized Safe delivery kits for use at home deliveries. The new born, infant, and maternal mortality rate have come down in these areas to below the state average. Following is given table which represent the work done by T.F. for child helth care its includes activities such as Total Registered Births, Low Birth Weight < 2.5 Kg babies noted Colostrum Feeding in 1 hour of birth, Newborn put on KMC Bath to newborn after 7 days, NMR, Complementary Feeding at the end of 6 months, Gr III–IV undernourished children < 1 yr, Participation of TF in Mamta Divas, Average ANC/session, Children/session
Table No. 4.12. Child Healthcare Programme and Care of New Born

<table>
<thead>
<tr>
<th>Particulars</th>
<th>06-07</th>
<th>07-08</th>
<th>08-09</th>
<th>09-10</th>
<th>10-11</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Registered Births</td>
<td>26547</td>
<td>32154</td>
<td>44210</td>
<td>39521</td>
<td>35736</td>
</tr>
<tr>
<td>Low Birth Weight &lt; 2.5 Kg babies noted</td>
<td>7%</td>
<td>11%</td>
<td>8%</td>
<td>10%</td>
<td>9%</td>
</tr>
<tr>
<td>Colostrum Feeding in 1 hour of birth</td>
<td>85%</td>
<td>92%</td>
<td>86%</td>
<td>83%</td>
<td>84%</td>
</tr>
<tr>
<td>Newborn put on KMC</td>
<td>785</td>
<td>564</td>
<td>965</td>
<td>1024</td>
<td>1222</td>
</tr>
<tr>
<td>Bath to newborn after 7 days</td>
<td>14%</td>
<td>23%</td>
<td>36%</td>
<td>18%</td>
<td>26%</td>
</tr>
<tr>
<td>NMR</td>
<td>12</td>
<td>23</td>
<td>17</td>
<td>26</td>
<td>25</td>
</tr>
<tr>
<td>Complementary Feeding at the end of 6 months</td>
<td>89%</td>
<td>91%</td>
<td>87%</td>
<td>92%</td>
<td>86%</td>
</tr>
<tr>
<td>Gr III–IV undernourished children &lt; 1 yr</td>
<td>2%</td>
<td>1%</td>
<td>2.5%</td>
<td>5%</td>
<td>3%</td>
</tr>
<tr>
<td>Participation of TF in Mamta Divas</td>
<td>9635</td>
<td>8452</td>
<td>10245</td>
<td>11752</td>
<td>13634</td>
</tr>
<tr>
<td>Average ANC/session</td>
<td>5</td>
<td>6</td>
<td>12</td>
<td>3</td>
<td>7</td>
</tr>
<tr>
<td>Children/session</td>
<td>5</td>
<td>7</td>
<td>15</td>
<td>12</td>
<td>13</td>
</tr>
</tbody>
</table>

(Source: Annual Report Tribhuvandas Foundation)

4.55 Cancer Awareness Programme

Shri Krishna Hospital (SKH) and T.F Co-operate and are active in raising awareness about cancer in villages, teaching about ill effects of the use of tobacco and about the early signs of the oral cancer, breast cancer and cancer of the cervix. All persons suspected to have the disease are urged to go to Shri Krishna Hospital, Karamsad who hold a special day OPD for such cases. Following is given table, which represent activities done by T.F. Such as Households visited for survey, Persons contacted, Population found addicted Persons motivated for de-addiction, High risk for cancer persons referred to hospital, Confirmed new cancer patients, Cancer patients followed in field Patients completed treatment, Cancer Awareness Meetings held, Cancer diagnosis camps attended by patients
Table no. 4.13 Cancer Awareness Programme

<table>
<thead>
<tr>
<th>Particulars</th>
<th>2006-07</th>
<th>2007-08</th>
<th>2008-09</th>
<th>2009-10</th>
<th>2010-11</th>
</tr>
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<tbody>
<tr>
<td>Households visited for survey</td>
<td>86523</td>
<td>102356</td>
<td>123587</td>
<td>155421</td>
<td>194425</td>
</tr>
<tr>
<td>Persons contacted</td>
<td>756231</td>
<td>789654</td>
<td>856324</td>
<td>897563</td>
<td>902673</td>
</tr>
<tr>
<td>Population found addicted</td>
<td>56%</td>
<td>25%</td>
<td>36%</td>
<td>27%</td>
<td>40%</td>
</tr>
<tr>
<td>Persons motivated for de-addiction</td>
<td>2545</td>
<td>3654</td>
<td>3287</td>
<td>4521</td>
<td>3678</td>
</tr>
<tr>
<td>High risk for cancer persons referred to hospital</td>
<td>3214</td>
<td>2587</td>
<td>2648</td>
<td>3625</td>
<td>2641</td>
</tr>
<tr>
<td>Confirmed new cancer patients</td>
<td>524</td>
<td>245</td>
<td>687</td>
<td>324</td>
<td>442</td>
</tr>
<tr>
<td>Cancer patients followed in field</td>
<td>2415</td>
<td>2354</td>
<td>1258</td>
<td>2965</td>
<td>2824</td>
</tr>
<tr>
<td>Patients completed treatment</td>
<td>98</td>
<td>63</td>
<td>78</td>
<td>135</td>
<td>100</td>
</tr>
<tr>
<td>Cancer Awareness Meetings held</td>
<td>6354</td>
<td>7524</td>
<td>8542</td>
<td>9110</td>
<td>9606</td>
</tr>
<tr>
<td>Cancer diagnosis camps attended by patients</td>
<td>657</td>
<td>589</td>
<td>957</td>
<td>751</td>
<td>850</td>
</tr>
</tbody>
</table>

(Source: Annual Report Tribhuvandas Foundation)

4.56 Clinics, Health Centres, Immunization and family welfare programme

TF has worked and served through various programme such as Clinics, ANC/Sonography Clinics, OPD patients, Sonography Tests, Health Camps organized in villages, Immunization, Anti-rabies vaccine doses provided, Anti-Hepatitis B Vaccine doses, BCG, Polio Family Planning operations, Employees provided health check up services, Distribution of Nirodh, Copper-T inserted, and Distribution of contraceptive tablets. Witch is presented in following tables.
### Table No. 4.14 Clinics, Health Centers, Immunization and family welfare programme

<table>
<thead>
<tr>
<th>Particulars</th>
<th>06-07</th>
<th>07-08</th>
<th>08-09</th>
<th>09-10</th>
<th>10-11</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clinics</td>
<td>02</td>
<td>10</td>
<td>10</td>
<td>13</td>
<td>15</td>
</tr>
<tr>
<td>ANC/ Sonography Clinics</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>OPD patients –</td>
<td>2034</td>
<td>3587</td>
<td>10245</td>
<td>24587</td>
<td>37146</td>
</tr>
<tr>
<td>Sonography Tests –</td>
<td>1245</td>
<td>2457</td>
<td>2568</td>
<td>1987</td>
<td>2158</td>
</tr>
<tr>
<td>Health Camps organized in villages</td>
<td>32</td>
<td>56</td>
<td>47</td>
<td>48</td>
<td>55</td>
</tr>
<tr>
<td>Immunization</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Anti-rabies vaccine doses provided</td>
<td>1875</td>
<td>1698</td>
<td>1987</td>
<td>1687</td>
<td>2026</td>
</tr>
<tr>
<td>Anti-Hepatitis B Vaccine doses</td>
<td>15742</td>
<td>149874</td>
<td>18957</td>
<td>13574</td>
<td>27400</td>
</tr>
<tr>
<td>BCG</td>
<td>1245</td>
<td>1235</td>
<td>1357</td>
<td>1574</td>
<td>1542</td>
</tr>
<tr>
<td>Polio</td>
<td>2345</td>
<td>26547</td>
<td>2987</td>
<td>2300</td>
<td>2687</td>
</tr>
<tr>
<td>Family Planning operations</td>
<td>56</td>
<td>128</td>
<td>164</td>
<td>354</td>
<td>537</td>
</tr>
<tr>
<td>Employees provided health check up services</td>
<td>1578</td>
<td>1658</td>
<td>1754</td>
<td>1821</td>
<td>1867</td>
</tr>
<tr>
<td>Distribution of Nirodh</td>
<td>19635</td>
<td>18574</td>
<td>17542</td>
<td>16325</td>
<td>17859</td>
</tr>
<tr>
<td>Copper-T inserted</td>
<td>27</td>
<td>142</td>
<td>154</td>
<td>204</td>
<td>254</td>
</tr>
<tr>
<td>Distribution of contraceptive tabs</td>
<td>6547</td>
<td>5234</td>
<td>5487</td>
<td>7541</td>
<td>7532</td>
</tr>
</tbody>
</table>

(Source: Annual Report Tribhuvandas Foundation)

### 4.57 Balwadi of TF

The Anganwadis operated by the Government becoming more active and spread out in rural areas. Hence, T.F. Balwadis are decreasing in number. Whereas T.F. had more than 100 Balwadis in villages, T.F. has now 56 villages with Balwadi Program, where 2358 children were offered pre-school play and learning activities. Children’s of 3 to 5 years age are admitted and through toys and games gain knowledge. Festivals are celebrated and nutritious food is given. The children are seen by T.F.
Medical Officer and the Balwadi workers are given refresher training are given every month.

**Table no. 4.15 Balwadi of TF**

<table>
<thead>
<tr>
<th>Particulars</th>
<th>2006-07</th>
<th>2007-08</th>
<th>2008-09</th>
<th>2009-10</th>
<th>2010-11</th>
</tr>
</thead>
<tbody>
<tr>
<td>Villages covered</td>
<td>41</td>
<td>35</td>
<td>30</td>
<td>16</td>
<td>56</td>
</tr>
<tr>
<td>Beneficial Children</td>
<td>1490</td>
<td>1334</td>
<td>1069</td>
<td>545</td>
<td>2358</td>
</tr>
</tbody>
</table>

(Source: Annual Report Tribhuvandas Foundation)

**4.58 TF Training**

The Village Health Workers are chosen with the help of the Dairy Cooperatives Societies of the village, from the same village. The Medical Office, the Group Leader and Field Workers of the Sub-centers call those under their supervisions, to one of the 13 training centres of Kheda and Anand Districts. Such training enables the village Health workers to carry out health education and primary health care from door to door, in groups, and at the dairy co-operatives societies centers, with confidence. Training was given on the following subjects.

1. Primary Health Care.  
2. Water Born Diseases  
3. Know your body.  
4. Pregnancy and the Delivery period  
5. New Born care and care of the weak child.  
7. Common disease of childhood  
8. Malaria, Tuberculosis  
9. Methods of health education  
10. Training also given on other topics as the need arises

**4.59 TF Handicrafts**

This department keeping in mind the customers in need, arrange to make bed sheets, pillow covers, cushions covers, file folders and aprons and other items through women in villages. This offer the activity and income generated. These items are sold at T.F. handicraft centers at Anand. 65 women have worked at or through T.F. handicraft Centers.