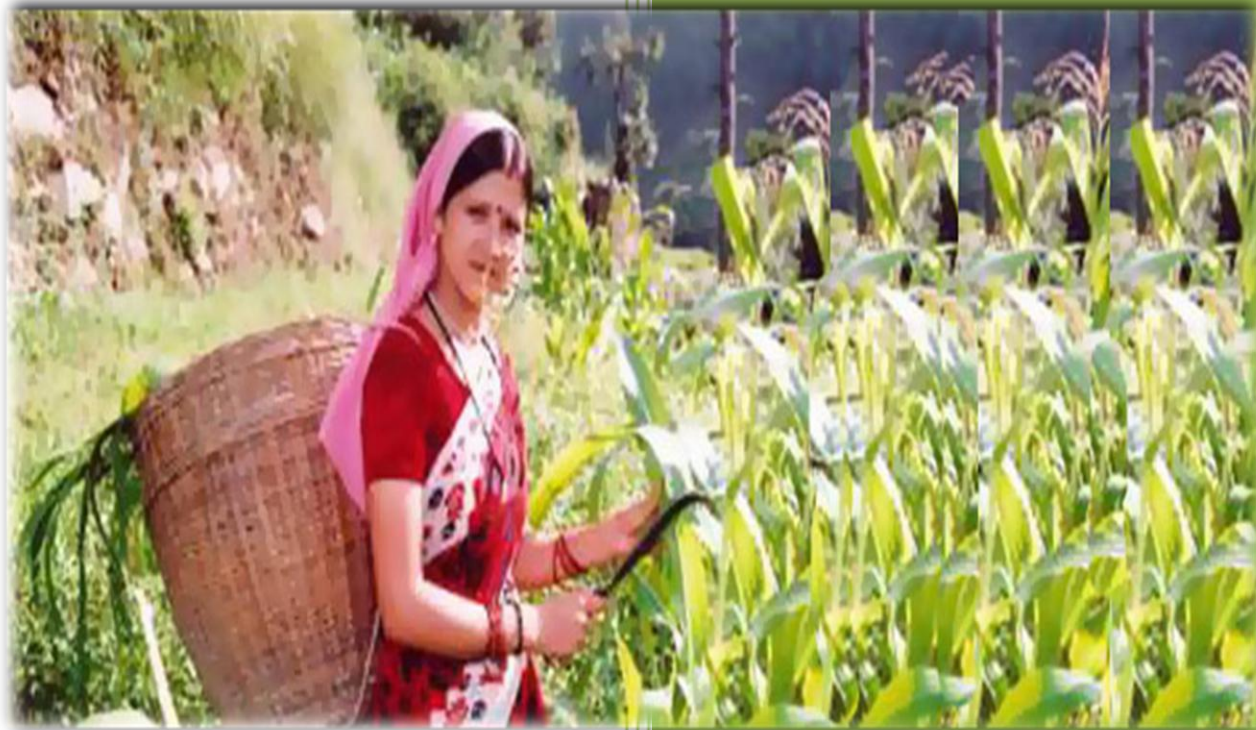


Annual Report 2009-2010

Balajee Sewa Sansthan



Regd. Office:

Railee (Barh), Dist:

Patna (Bihar)

Corporate Office:

Shanti Kunj, Lane-11,

Turner Road, Dehradun

Balajee Sewa Sansthan

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Director's Report

I have great sign of achievement after serving more than eight years to the people of various disadvantaged section of society. During our tenure of service for poor people we identified some of the key issues of core importance to raise the living standard of beneficiaries & implemented various schemes of development with the help of state government & other development agencies.



This year we are taking some major steps by entering into new services of microfinance & entering into new geographies. In our past years of experience, we found that arranging credit for poor section to start their small business is a cumbersome task. Identifying this as an opportunity to serve the base of pyramid on sustainable basis we have decided to add microfinance in our portfolio of services. The insurance service may prove to be the demand of recent times for larger section of rural society. For this, we are planning to offer various insurance schemes ranging from insurance cum saving schemes to health insurance.

Success is easy to achieve when more hands & minds are there towards the same vision. Balajee Sewa Sansthan has identified some of the development institutions working in different regions of north India & trying to make collaboration with them. Apart from development institutions we are in a process to tie up with various financial institutions that will support us in our microfinance endeavor.

We are very sure of achieving new heights with the efforts of our management team & co-operation from the members of society. We hope we will take one more step towards achieving the vision of organization to reach large number of poor families raising the living standard & supporting in their effort towards a healthy & secured life.

(Awadhesh Kumar)

EXECUTIVE DIRECTOR

Balajee Sewa Sansthan

Balajee Sewa Sansthan

About the society

“BALAJEE SEWA SANSTHAN” is a non-political, non-profit & non-religious organization founded by grass root and ground level social activists with the objective of social and economic upliftment of rural poor especially women, scheduled caste, scheduled caste, Minorities and other financially marginalized people. Society is registered under Societies Act 1860 with Registrar of Societies, Patna, Bihar.

Management team

Awadhesh Kumar- The promoter of organization, Awadhesh Kumar, is extensively experienced in livelihood generation, Co-operative promotion and micro-finance operation in NIDAN which is a leading national level NGO as well as MFI in Bihar. Working as a credit manager cum programme head of microfinance in Nidan, he started the microfinance activity & built a healthy portfolio expanding the services in four districts of Bihar. After Nidan, Awadhesh became one of the lead team members of Mr. Manab Chakraborty's initiative in launching of first microfinance organization in Uttarakhand named Mimo Finance as a Director of Finance and account and earned tons of experience in managing the finance of this business. He has earned MBA degree from IMT Ghaziabad and CA (Inter) from ICAI. He has more than 10 years working experience in Microfinance sector and is currently the Executive Director of the Organization.



Ram Kumar- Ram is a dynamic professional with experience in Business Research, Analysis & Risk Management. Working with Mahindra Satyam (a leading IT company of India) as a business analyst Ram was providing assistance in strategy formulation for 22 Full Life Cycle Businesses of corporate services in Real Time Leadership Center. His main functions include analyzing business processes, conducting benchmarking study / trend analysis and using various business tools to assist the critical decision making process. After Mahindra Satyam, Ram worked with a leading microfinance institution in north India as Program cum Risk Manager supporting the implementation of

Balajee Sewa Sansthan

transactional risk tools (credit scoring) to support the development of strategies in the organization for client acquisition, portfolio growth, account maintenance and recoveries. As a program manager he worked on establishing relationship with different stakeholders with more focus on financial institutions & credit rating agencies. Ram is an alumnus of XLRI Jamshedpur with specialized training in Entrepreneurship Management.

Ajay Rajpal- Ajay is a veteran who has more than 12 years of experience in development sector at various positions. The development sector consisted of areas like water & sanitation, health, education & livelihood generation. He worked with Swajal- a World Bank assisted project on the activities of MIS implementation & process automation. Taking another assignment Ajay contributed quite efficiently in the role of monitoring & evaluation with Pragmatix Advisory Services, Gurgaon for Ajeevika in Uttarakhand which is an IFAD funded project for creating livelihood opportunities in the hilly region of Uttarakhand. In the last assignment Ajay was holding the position of Head-Internal Audit in Mimo Finance looking after the process compliance in the area of operation. He in association with external consultancy organizations redesigned the process as well as audit manual of Mimo making it one of the best in microfinance industry. Also, he is well versed with the IT tools & has contributed well in the development of MIS system in different organizations with which he was associated. On the front of education, Ajay holds the Master degree in Economics.



Anup Johar- Anup has more than 15 years of experience in event management nationally as well as globally. He has managed big NGO meets as well as corporate events in Uttarakhand successfully. One of the core activities that Anup has been associated in his long career of event management is liaison with different government agencies as well as corporate.

Balajee Sewa Sansthan

A S Tomar- Ajit Tomar comes to Micro Credit arena with over 40 years of experience in Govt. and a Public Sector Bank. As a seasoned professional who has firsthand knowledge of the needs of the agricultural and horticultural industries and coming from a finance driven background he is well aware of need of retail loans, Micro Finance and also importance of skill development of the staff at all levels of an organization. He has an experience of over 14 years as a top manager with a progressive public sector bank dealing with financial needs of socially and economically deprived classes, retail lending, agriculture and priority lending at Branch and Regional office level. After retiring as Assistant General Manager he was associated with an emerging MFI in Dehradun and an NGO working for the poor and Ultra poor.

Ashutosh Bharadwaj- Ashutosh is associated with Balajee Sewa Sansthan for over 6 years & has played a key role in implementing development activities under the banner of Balajee Sewa Sansthan. Ashutosh initiated & lead the water & sanitation campaign helping number of clients to lead a safe & hygienic life.



Activities undertaken by society during the year:

Literacy Program

Society is running a literacy centre in BARH of Patna District where boys and girls from slum and rural area are coming for studies. Society has received help from local people in its endeavor to educate these students. We have also conducted a three months summer course for Girl students in these areas. Society plans to establish some more Literacy cum education centers in near future to educate adults mainly women in rural areas.



Vocational Training Programme:

During the year we supported 30 women to earn their livelihood by providing training in Tailoring and knitting. Two batches of 15 women each were trained to build their skills of tailoring and knitting. Many of the beneficiaries have started tailoring from their homes and augmenting their family income.

We have identified few more activities like Candle / Agarbatti making, Pickles / Jam and Murabba making as income generating activities for women with the help of Govt. / KVIC people.

Child labour Welfare Programme:

Organized child labour welfare programme at Barh Railway Station of Bihar. In this programme we conducted survey and found child labour at different places like Tea Stall, Railway Station, domestic servants and children polishing the shoes at Railway station and other public places. Our society members



pleaded with parents to take care of their children and send them to school for education. A week's rehabilitation programme was organized for these children and study materials were provided to them. We also informed their parents that office bearers of the society shall come again to their localities to check that the children go to school daily and there is no drop out.

Health Check up Camp:

A free health check up camp was organized at Barh with the help of local people and medical fraternity. In the camp 35 old age women and men benefited. Health check up and medicines were provided by the society to the poor and needy.



HIV/AIDS Control Programme:

Though AIDS is preventable, people still don't exercise due precaution in this direction. Youth is nevertheless a vulnerable segment but no one can remain unaffected if proper awareness and education is not provided especially to the rural people.

One more area in HIV/AIDS spread is stopping its transmission to newborns. Greatest challenge is to mobilize people support, educating young and students and scale up efforts to fight HIV/AIDS.

We organized community walk, seminar, workshop & awareness programme to control AIDS and eradication. People participated in the community walk with great enthusiasm and listened to various measures to be taken to prevent and spread of deadly disease.

Cultural Programme:

For development of Arts and culture among the society we organized cultural programme in the rural areas. In this programme our society members with the help of

Balajee Sewa Sansthan

the local Artists organized music, dance, classical dance, folk dance and awarded people in this field. We organized cultural programmes on the occasion of National festivals like Republic day, Independence Day and Mahatma Gandhi Jayanti at different places of district Patna and Nawada.

Plantation Programme:

For protection of environment Society, with the help of environmental scientist we organized environmental awareness and education programme to educate community to plant all types of trees on road side and vacant land. The society members also advised people to use non-conventional energy and not to pollute water, air and the local water bodies.



Health and Sanitation:

Society organized workshops in villages to make people aware of the health hazards in open defecation and importance of making toilets in home. They were also educated in personal health and hygiene and disease related to unsafe water consumption. Women participants were told to keep their surroundings clean and avoid contaminating sources of water with filth and excreta.



Adult Education:

We run a centre for adult education for women in Railee. 18-40 age group of rural women participants joined & learnt the skills of reading and writing.

Consumer Awareness Camp:

In rural areas problem of adulteration, supplying inferior quality of food items and goods and weighing and measuring less are plenty. To make people aware about these practices and to demand right quality and quantity and also to fight for their cause we organized camps at two places. That consumer has the right to demand proper goods and services for the value paid.

Number of Participant: Men- 32 and Women- 28

Family Counseling Centre:

Poor, uneducated and uninformed women are often victims of a plethora of social, marital and economic problems. They need proper counseling and support from the Society and government agencies. We tried to sort out such problems by mutual consent and also referring to the family courts and other forums.

SHGs formation and Training:

An awareness camp consisting of mainly women from the socially and economically deprived background was held at RAILEE under PATNA district of Bihar. We received overwhelming response from SC, ST, Minorities and OBC participants. They were educated about benefits of forming Self Help Groups to undertake economic activities and promote savings.



To supplement family income by taking economic activities women formed 22 SHGs and started savings. Going forward we provided them financial assistance to undertake the activities they are either trained or have some knowledge. In this regard one day

Balajee Sewa Sansthan

training programme to the SHG members to keep their records and maintain the accounts was also conducted by the society.

During the year we formed 45 groups and trained them to keep their record. Seven one day training programme organized by the society. Members were made aware that to come out of the poverty web they must save and engage in gainful activities to supplement their family income and improve their life standard.

Micro lending as a tool of women empowerment:

While working among the poorer people we realized that main requirement of these people is not awareness alone but also access to institutional funds to start productive activities. People had basic skills to carry on their daily chores but they always remained short of funds. Whatever these people earned as daily wage earners/ vegetable selling and other small activities was spent on consumption needs. Shortage of funds and ever increasing demand for consumption and productive purpose pushed them to the lap of professional money lenders who charge exorbitant interest and it is almost impossible for a poor person to come out of their debt trap. It was basically for this reason that Society started Micro Finance operations among its client in February 2010. Believing that Micro Credit and Social objective don't mix well we decided to separate Micro Finance Operations from the Social services and started financial activities under brand name of Sarthak Microfinance.



Sarthak Microfinance

Sarthak Microfinance' is a brand name under which the NGO Balajee Sewa Sansthan (Registered under Society Registration act.) has started microfinance operation in Uttarakhand & other parts of north India. As of 31 March 2010, we are working with nearly 1,500 microloan clients and 2450 micro insurance



Balajee Sewa Sansthan

clients in northern region of India with particular concentration to certain geographies. Expanding the microfinance in rest part of north India our initial focus has been in the foothill and uphill's areas of Uttarakhand and Himachal Pradesh, given the tremendous potential economic opportunities for the poor and weaker sections of the population. The organization is having corporate office at Dehradun and expanding in four states of North India (Bihar, Uttarakhand, Uttar Pradesh and Himachal Pradesh) in rural & semi-urban areas.

'**Sarthak Microfinance**' is among the few microfinance institution which has a focus on rural & semi-urban areas of Uttarakhand & other north Indian states which are normally deprived of regular financial institutions. Due to extensive geographical challenges & scattered population these areas are not even touched by micro finance institutions. This gives no choice to a large chunk of population than to depend on the exploitive conditions of moneylenders. Identifying this opportunity Sarthak has started operation in three districts of Uttarakhand in Garhwal region naming Tehri Garhwal, Uttarkashi & Dehradun. After completing the six months of operation we will enter to other districts of Garhwal & Kumaun.



Vision- Sarthak envisions reaching one million poor households & becoming one of the most preferred client centric microfinance institutions by 2020.

Mission- To provide need based financial services to economically & socially disadvantaged groups creating opportunities for self employment & economic development.

Objective-

1. Satisfaction of customers
2. Satisfaction of employees
3. Satisfaction of investors

Products offered-

Microcredit Loans- Meeting the working capital requirement of small businesses initiated by poor households. The loan has also been targeted towards customers opting for partly finance to purchase the livestock. Size of loan varies between Rs.6, 000 & Rs.10, 000 in first loan cycle.

Microenterprise loans- To promote entrepreneurship among rural & semi-urban customers by providing loans for purchasing capital assets or working capital in bulk to run business smoothly & incur more profit. Size of loan varies between Rs.15, 000 & Rs.30, 000 depending upon the creditworthiness & expertise in skills possessed by the customers. Credit limit may be increased till Rs. 50, 000 depending upon the growth of business & repayment history of customer.



*Livestock,..One of the
Key assets for which loan is
utilized*

Micro insurance products-

Pure insurance product- The product will provide the insurance cover to customers as well as spouse against the full loan amount sanctioned to make the customer/their family comfortable in paying back the loan amount to organization even if some accident happens & they lose they lose the income earning member in the family. It will act as a compulsory product for every insurance client.

Insurance cum investment product- The product will offer insurance cum investment opportunity to customers. The reach of this micro insurance product is very limited & a large set of clients are still deprived of the insurance cum saving product in spite of their interest suitability towards the product. This product of dual benefits is going of help to customers who otherwise do not have any reachable avenue to manage their small savings.

Micro mutual funds- The product is suitable for a large chunk of micro finance clients who have smaller savings at regular intervals. Through an option of monthly savings, clients purchase units of micro mutual funds which they can redeem at regular intervals giving them an option to get money when needed. In near future it may prove to be a suitable alternate for saving products.

Green Microfinance

Considering the global warming a major issue in ecosystem imbalance, Sarthak Microfinance has come up with an unique idea of creating awareness on plantation at large scale. Every loan client of Sarthak will be provided with the saplings based on the flourishing flora in that particular topographical region & which is easy to maintain also for plantation in their home premises or nearby vicinities during the time of loan disbursement in unit office.

During the loan utilization check process, it would be ensured that the sapling has been planted properly. The growth of plant has been included as one of the deciding criteria to avail financial services from Sarthak in near future.



Balajee Sewa Sansthan

Financial Statements-Balajee Sewa Sansthan

Balajee Sewa Sansthan
Shanti Kunj, Lane No. 11, Turner Road, Clement Town Cantt. Area, Dehradun
Balance Sheet as at 31st March, 2010

Liabilities	Sch. No.	Amount	Assets	Sch. No.	Amount
General Fund			Fixed Assets		
Opening Balance		54,044	Gross Block	3	131,755
Less: Excess of Expenditure over Income		552	Less: Depreciation		21,078
		53,492			110,677
Current Liabilities & Provisions			Current Assets & Loans & Advances		
Loans	1	670,670	Cash & Bank Balance	4	4,741
Provisions	2	74,515	Security Deposit		88,860
			Microfinance Loan with SHG and JLG		594,600
Total in Rs.		798,677	Total in Rs.		798,677

As per our Audit Report of even date annexed

For B. N. Misra & Co.
Chartered Accountants

Ravinder Singh, FCA
Partner

Place: New Delhi
Date: June 02, 2010



For Balajee Sewa Sansthan

FOR BALAJEE SEWA SANSTHAN

Arun Kumar

Ram Kumar

PRESIDENT/ SECRETARY/ TREASURER
President Secretary

Balajee Sewa Sansthan
Shanti Kunj, Lane No. 11, Turner Road, Clement Town Cantt. Area, Dehradun
Income & Expenditure Account for the year ended on 31st March, 2010

Particulars	Sch.No.	Amount	Particulars	Sch.No.	Amount
Administrative Expenses	6	175,983	Operational Income	5	53,240
Finance Charges	7	15,722	Grant & Donation		441,169
Personnel Expenses	8	182,214	Member's Contribution		182,670
Activities Expenses	9	282,634			
Depreciation		21,078			
			Excess of Expenditure Over Income		552
Total in Rs.		677,631	Total in Rs.		677,631

As per our Audit Report of even date annexed

For B. N. Misra & Co.
Chartered Accountants

Ravinder Singh, FCA
Partner

Place: New Delhi
Date: June 02, 2010



For Balajee Sewa Sansthan

FOR BALAJEE SEWA SANSTHAN

Arun Kumar

Ram Kumar

PRESIDENT/ SECRETARY/ TREASURER
President Secretary

Balajee Sewa Sansthan

Balajee Sewa Sansthan
 Shanti Kunj, Lane No. 11, Turner Road, Clement Town Const. Area, Dehradun
 Receipt & Payment Account for the year ended on 31st March, 2010

Receipts	Amount	Payments	Amount
Opening Balance		Administration Expenses	
Cash in Hand	2,435	Electricity & Water Supply	6,520
Cash at Bank	20,889	Office Rent	50,000
		Travelling Exp.	7,115
Donation & Subscription	153,670	News paper & Magazine	1,807
Member's Contribution	182,670	Misc Expenses	4,440
Grant in Aid		Office Cleaning & Maintenance	1,300
Received from P.H.E.D.	287,459	Repair & Maintenance	4,925
Interest received from JLG Loan	27,200	Telephone/Fax/Internet	13,006
Loan Processing and Documentation Fee	13,800	Insurance Premium for JLG Clients	6,294
Insurance Premium received from JLG Clients	12,240	Fooding & Lodging Exp.	7,200
		Printing & Stationery	25,325
Loans		Website Expenses	2,000
Awaschok Kumar	289,560	Legal & Filing Exp.	3,500
Santa Kumar	122,000	Interest on Loan	13,315
Ashutosh Bhargava	51,130	Bank Charges	2,407
Smita Das	177,960	Honorarium to Staff	118,447
Collection Received From SHG & JLG Clients	96,400	Recruitment Expenses	8,650
		Incentive to Operational Staff	6,887
		Staff Welfare	5,130
		Security Deposit	88,000
		Activities Expenses	
		Women Empowering Programme	12,860
		Vocational Training Programme	12,540
		Health Awareness Camp	5,340
		Urban Development Programme	6,544
		Rural Development Programme	2,050
		Water Sanitation Programme	124,345
		Formation & Training of SHGs & JLGs	18,650
		Literacy Programme	14,350
		Child Labour Programme	4,532
		Cultural & ST/SC welfare Programme	6,570
		Agriculture & Horticulture Development Programme	2,450
		Youth Development Programme	3,240
		Environmental Awareness Programme	10,570
		Expenses for Purchase of Toilet Equipment etc	55,790
		Fixed Assets Purchase	
		Computers Hardware	40,636
		Furniture & Fixtures	30,480
		Sewing Machine & Craft Equipment	14,650
		Office Equipments	23,000
		Microfinance Loan with JLGs & SHGs	690,000
		Closing Balance	
		Cash in Hand	2,799
		Cash at Bank	1,655
Total in Rs.	1,474,574	Total in Rs.	1,474,574

As per our Audit Report of even date annexed

For E. N. Mishra & Co.
Chartered Accountants

Ravinder Singh
Ravinder Singh, PCA
Partner

Place: New Delhi
Date: June 03, 2010



For Balajee Sewa Sansthan
FOR BALAJEE SEWA SANSTHAN

Awaschok Kumar *Ram Kumar*
AS President & TREASURER

Sarthak Microfinance

(A Unit of Balajee Sewa Sansthan)

Shanti Kunj, Lane No. 11, Turner Road, Clement Town

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