

# Final Project Report

(SME Financing & Development Project of GTZ)

Contract No.  
SME\_30\_08\_PS

Project No.  
04.21446.001.00

(Period from September, 25<sup>th</sup> 2008 To March, 25<sup>th</sup> 2009)



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Submitted to  
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Submitted by  
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## Salient Features of PSMS Special value added Activities under GTZ SME Financing & Development Project

1. Microfinance (Saving, Credit & Insurance) facility has been extended to 171 individual women households.
2. The credit to the tune of Rs. 26.62 Lacs has been provided to the women.
3. Individual credit limit has increased from an average of Rs. 5000/- to Rs. 40,000/- and Maximum up to Rs. 90000/- of the women borrowers included under this project
4. 11 seminars, workshops and workers meetings were organized and Market linkages have been also forged through individual contacts, arranging buyer & sellers meets.
5. 23 Training programs in Account Keeping, Financial Literacy and Small Business Unit Development & Management, Leadership Development and Garment Manufacturing (Drafting, Cutting, Stitching & Designing) etc.
6. Most of the programs are being organized at central place to ensure maximum involvement of the participants.
7. 13 market linkages have been made with local readymade units which provide Equipments, Raw Materials, Accessories & Purchase the Finished Product and also provide different kinds of jobs to the members.
8. The income levels of the individuals have increased from Rs. 1500 per month to 3000 per month or we can say more then 50% income has been increased by adopting Credit and Other linkages.
9. The employment opportunities have enhanced, 85 women have started readymade garment activities which may be called as new entrepreneurs.
10. The technological improvement has also taken place the women are using improved tools & machine since there skills and knowledge has upgraded.
11. 18 SHGs of SME women workers have been formed, which are being provided all inputs for there efficient management.

12. The individual members have utilized about 40-60% of loan amount in making purchases new machine & tools. This has created a positive impact of GTZ project.
13. The first time 10-15% of the women have been started the Accessory Supplying and Machine Repairing Service Units.

<b>Name of the Consultant</b>	: Priyasakhi Mahila Sangh, Indore (M.P)
<b>Contract No.</b>	: SME_30_08_PS
<b>Project</b>	: SME Financing and Development Project
<b>Project No.</b>	: 04.21446.001.00
<b>Period</b>	: Final Report (25 <sup>th</sup> September, 2008 to 25 <sup>th</sup> March, 2009)

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## Project Outline

To provide Financial Services (credit) to unorganized women SME workers of SHGs (Readymade Garments) along with additional Institutional and Business Development Services of multifarious nature in Indore urban – Banganga slum area cluster (M.P.).

### Priyasakhi Mahila Sangh, Indore (M.P.)

Priyasakhi Mahila Sangh, was established in the year 1999. It was the first urban federation of 14 women Self-Help-Groups. Within a period of 10 years, as on date, the strength of individual ordinary women members has attained 4200 with the group of 200 women SHGs. The mission is to enhance and propagate the self-management of SHGs for the socio-economic development of the unprivileged classes of the society. It was to help the family members of SHGs for rendering better services to backward society.



The PSMS, provides need-based and result-oriented Institutional and Business Development Services. Besides PSMS provide training for up-gradation of Skills and Capacity Building. The PSMS has its own limitation to cover wide range of services in all slums of Banganga (Indore) area,

where there is huge demand of Financial and Business Development Services in SME's sectors.

### Objective of the Project

- A. To provide adequate credit facility to readymade garments women workers in Banganga slums of Indore city.
- B. To impart training for skill up-gradation and creating awareness among women workers by adopting systems approach to training and education.
- C. To identify and establish a proper form of backward and forward supply chain for procuring raw materials and finished out puts.
- D. To institutionalize SME women workers into Self-Help-Groups and their Apex Institutions.



### Scope of Activity

Priyasakhi Mahila Sangh, Indore In order to identify micro units of women and to assess the possibility of Microfinance and Business Development Services. GTZ has engaged the services of Priyasakhi Mahila Sangh, Indore for achieving the above objective of the project.



## Project Methodology

For the successful implementation of the project, following methodology were followed –

**A.** Contacting some of the readymade garment manufactures of Indore, with a view to assess their man power requirements for stitching different varieties of clothes, and to understand the mode of wage payment for stitching and the latest fashion and technology used in this sphere.

**B.** To conduct the survey of the prospective women trainees involved in readymade garment stitching. The universe was the members of the SHGs affiliated with PSMS.

**C.** To identify the institutions, agencies and departments, which might be



collaborate and provide technical support to the training program

**D.** Identifying the experienced women members operating in this profession, who are intended to work as mechanics, raw material suppliers and prospective trainers.

**E.** To liaison with the readymade garments manufactures and trained women workers in order to get employment and support the cause of both.

**F.** To provide business guidance and micro finance as demanded by the trained women and ensure their continuous progress in all areas.



## Outcome of the Project

PSMS during the period of 6 Months (Contract Period) has performed as under;



Expected Outcome	Outcome
150 individual women house holds with credit amount of Rs. 15.00 lakh	171 individual women house holds with credit amount of Rs. 26.62 Lacs (Annexure No. - I)
To establish 10 market linkages for supply of Raw Materials. To identify 2 units for providing machinery & maintenance services	13 market linkages have been developed, established and Identify 4 suppliers of machinery (Annexure No. - II)
To identify 15 institutionalized women workers SHGs.	Identify 18 institutionalized Women Worker (Annexure No. - III)
Enhancement of additional income by 15% to 20% through Credit and Other linkages	More then 50% income has been increased by adopting Credit and Other linkages.
PSMS (federation) has to employ One Project Manager, One Programme Executive and Two Field Executives to attained the objectives of the project	PSMS has fulfilled all the posts of Human Resources (Annexure No. - IV)
PSMS will apprise loan applications and will disburse loans to approved applicants	200 loan applications have been appraised out of which 171 applicants have been selected and loans granted to them to the extent of Rs. 26.62 Lacs (Annexure No. VII)
PSMS to impart training of one week to the identified individuals	23 programmes of training were conducted for identify individual workers (Annexure No. V)
To conduct seminars and workers meeting at least once in a month	11 seminars and workers meetings were organized. (Please See Annexure No. – VIII)
To coordinate 3 meetings with input and output agencies	12 meetings conducted for input and output the agencies (Annexure No. - VI)

PSMS has very successfully implemented the entire programme under the contract and has achieved the required outcome in full. PSMS has given special attention to Micro Small and under developed class of society while identifying

and selecting individual household workers. By PSMS efforts, the workers not only gained skilled training but also increased their strength in the field of Management, Accountancy and Financial Aspects of Business.

Earlier PSMS was only restricting their activities to the Microfinance level i.e. meager amount. But on receiving GTZ Financial Support and Technical guidance, PSMS has achieved the most crucial and important aspect of increasing their Livelihood. This has increased their level of living standard and thus raising their social status.

In addition to our other activities PSMS has undertaken to impart training to family members of the CSWT-BSF, Indore.



PSMS at the initiative of GTZ, had a meeting with MR. RAMESH SINGH – DIG-BSF, Indore for conducting a training programme for Basic Dress Making (Readymade Garments) for the women family members of BSF, Indore.

PSMS organized a training programme in the BSF campus, Indore from 1<sup>st</sup> January to 25<sup>th</sup> February, 2009. (The detailed report is enclosed)

Since PSMS had no adequate financial resources to fulfill their objectives, most of the activities could not be fulfilled. But now with the help of GTZ, PSMS has helped and up-graded the workers.

If GTZ will provide financial assistance and technical Know-how in future then PSMS is willing to up-grade the Livelihood of backward and under privileged class of the society.

At the end, PSMS is extremely thankful to all the officials of GTZ for providing us an opportunity for working Micro and Small SMEs under their Financial and Development Project.

We earnestly solicit a good amount of financial help from GTZ in near future to fulfill the need of remaining workers and other areas of business.