



ANNUAL REPORT 2020–21



TABLE OF CONTENT

Prelude	1
Objectives	2
Context	3
Program Outreach	4
Partners	5-10
Process Flow of Livelihood Financing	11
Types of Loan	12
Progress	12
Organization Structure	13
Board of Directors	14
Financial Overview	15

Prelude by CEO

I am elated to share the Annual Progress Report of ASA Development Services (ASADS) for the year 2020–21. The year has been a stack of setbacks and disruptions due to COVID–19 pandemic. Nevertheless, through our comprehensive approach, we adapted, designed and implemented innovative solutions for the well-being of rural communities, and thrived to overcome the lopsided situation.



In order to establish sustainable livelihoods in communities, we strive to strategize the initiatives like providing moratorium on loans to stressed households, supporting the FPOs in taking bulk procurement under MSP program to provide fair market access to the farmers, initiation of new products and MSME financing in peri-urban areas to help COVID–19 impacted enterprises. Thus, ASA has been working extensively on building resilience for the vulnerable groups, within the product services framework offered by ASADS.

Despite the pandemic, we have provided our services throughout the year, to reach higher scales both in terms of support diversification as well as household coverage. Our program reached out to more than 550 villages, wherein we provided direct support to over 4000 families through on-farm activities, enhanced their non-farm livelihood activities, built social infrastructure like sanitation block, drinking water facility and revived stressed micro-enterprises.

Moving ahead, we also introduced and re-aligned some strategic improvisations in our work functioning with FPOs on loan support program. We have scaled down on this front with increase in direct market opportunity for FPOs, now we act as a facilitator to help them increase in direct market opportunity for FPOs, access monies, as it comes at a cheaper cost on required volume. This provided us with the leverage of more time to work on Household level products having direct impact, to forge new partnership with Rang De and NHFDC Foundation; came out with the new product for COVID–19 stressed micro enterprises, scaling up the water and sanitation financing, special product for people who are especially able. Our aim is to provide support to our target groups to increase the operations along with standing I solidarity with the community amidst on-going pandemic challenges.

I am deeply grateful to all the community members, partners and team members, who dedicatedly worked together in order to achieve the planned objectives of the organization.

Mr. Ashis Mondal
Director

Overview

ASA Developmental Services (ASADS) is an independent body promoted by Action for Social Advancement (ASA) that strives to transform the lives of impoverished families and poor farmers.

Started in 2007 as a non-profit company, the organization was registered under the Section 25 of the Companies Act 1956 (now Section 8, Indian Companies Act 2013) with a basket full of prior experiences in working with rural and tribal communities.

The primary focus of ASADS is to utilize inorganic approaches of partnership, collaboration, pooling of resources, and capacity building to accelerate the pace of development initiatives for rural poor. The self-sustaining ideology of the parent organization is incorporated in ASADS in delivering critical services to the social sector.



A Dugwell constructed with the help of micro-loan provided for the purpose of agriculture

Objectives

- ✧ Replication and up-scaling of Development Models
- ✧ Creation of Knowledge Pool
- ✧ Social Research and Training
- ✧ Financial Support Services to community managed institutions and its members for livelihood development



Community women cherishing their farms successfully after investing the credit loan amount in agricultural production

CONTEXT



The impoverished communities of the country, especially rural areas, face huge scarcity of resources in terms of water and sanitation, financial insecurity, illiteracy, unemployment, health challenges and scarcity of livelihood opportunities. Amid COVID-19, the situation of these communities became unprecedented and since then they have been deprived of basic needs and limitation towards sustainable livelihood options.



Through multi-directional support to the vulnerable groups, ASADS prepares a framework where in the key priorities are planned in a sustained manner. The process to moving people out of poverty is building productive assets and make them part of a cohort that facilitates support. Hence, blending of grant and loan is perhaps the best pragmatic solution for the poor to become self dependent.

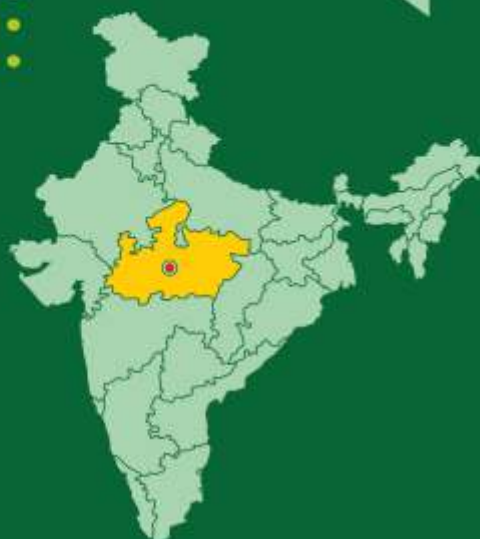


We create productive asset with the small and marginal farmers, its main target group, in the agriculture and allied sector through infusion of affordable credit. This small ticket size credit plays a pivotal role in helping poor to build on the resources already created through grant support by development organizations. For instance, if a dugwell is built through a grant program by a development agency, ASADS helps the family through a credit for purchasing of a motor pump and agriculture inputs (seeds and fertilizer) and provide training on improved agriculture and marketing of produce. Such integrated approach helps the family overcome the poverty trap.



Micro-enterprise initiatives through credit facility provided by ASADS

Program Outreach



1
State



8
Districts



14
Blocks



12,171
Families

Statistical Overview

PARAMETERS	UNIT	PROGRESS FY 2019-20	PROGRESS FY 2020-21	CUMULATIVE PROGRESS
FPOs Supported	No.	16	5	21
District Covered	No.	9	1	10
Village Covered	No.	75	553	628
Loans to FPOs	No. /INR (in Lakhs)	16/195	05/46	21/ 241
Loans for Livelihood	No. /INR (in Lakhs)	1305/234	3782/953.16	5087/1187.16
Loans for Water and Sanitation	INR (in Lakhs)	21/15	469/60.42	490/75.45
Borrowed by ASADS	INR (in Lakhs)	280	168.55	168.55
Total Loan Liability	INR (in Lakhs)	225	168.55	168.55
Total Loan Portfolio	INR (in Lakhs)	207	86.40	86.40



PARTNER

Friends of WWB, India

FWWB is supporting access of finance to marginal women for agriculture, enterprise, water and sanitation, and solar energy promotion. ASADS has been a long-time partner to enhance capacities of women collectives, FPOs and women through credit activities

Access to adequate and timely credit at affordable rates is critical for the communities in rural areas to alleviate high-cost debt and invest in livelihood opportunities. Despite of various Government schemes and other sources, the rural communities are deprived of opportunities to enhance their livelihoods.

UNLOCKING THE POTENTIAL OF WOMEN ENTREPRENEURS

To strengthen the weaves of livelihood, Smt. Pardesiya from Kelmaniya Village of Shahdol district in Madhya Pradesh, required micro-entrepreneur loan to start a grocery store, to improve her poor financial situation. However, coupled with fear and hesitancy of paying high rates of interests, she never initiated the grocery store.

Pardesiya started attending ASADS team meeting and after understanding the concept of ASADS's credit facility and the low rate of interest she instantly took a loan of Rs. 20,000 for the grocery store.

Now, Pardesiya and her husband are expanding their grocery store that provides them with double income. They have become active members of ASADS and assist the ASADS team in helping other community members.



HELPING COMMUNITY THROUGH IRRIGATION FROM DUGWELL



Shri Dhansingh, a small farmer from village Limro of Shadol district in Madhya Pradesh has always been a helpful person to his fellow community members. When he came to know about the ASADS's micro loan scheme, he encouraged his wife who is a member of the SHG to apply for the loan.

Dhansingh's wife Santoshi Bai, was approved of the loan for digging and construction of a dugwell. The couple were happy that through the dugwell they can provide irrigation support to their neighbors for cultivation purposes

Samunnati Financial Intermediation & Services Pvt Ltd

Samunnati is an Agri value chain solutions provider that enables growth in the value chain of the agricultural ecosystem. While empowering farmers and expanding Agri enterprises, Samunnati propels the value chain to greater heights and better yield through financial, non-financial and customised solutions. ASA Development services has availed credit line from Samunnati to promote agribusiness activities of Farmers Producer Organisations and to provide loan support to marginal farmers for agri-asset creation and enterprise promotion

CREATING WOMEN-LED FORCE TO STRENGTHENING AGRICULTURE

In a community where women and their SHGs are underestimated; it is astounding to see women leading the change towards resilience and sustainability.

Setting this example, Smt. Muliya Bai from the village Narendragarh of Mandla district in Madhya Pradesh, is a single working member in her family. She has a two acre land but due to resource scarcity she was not proactive in cultivation. When she came to know about the special business model of ASADS through financial link between the farmers and the lending partners to bridge the poverty and livelihood gap

Muliyabai discussed this process in her SHG, and took a loan of Rs 30,000 to buy vegetable crops for cultivation. In a very short span of time, Muliya Bai repaid the loan and took a second loan to grow vegetables. Now her monthly earning is more than Rs 15,000 that she utilizes in educating her children and growing her business. Muliya Bai has become a successful agri-preneur in her village and motivates other women too.



"As I am the only bread earning member in my family I always collaborate with new program that come to my village. ASADS credit facility has helped in empowering a lot of women like me and expanding our agri-business."

ASADS FOR ENTREPRENEURS THROUGH FINANCIAL INCLUSION

With the renewed focus and approach of fast-tracking development, ASADS provides community with long-term livelihood opportunities, to address poverty issues and building productive entrepreneurs. ASADS promotes financial inclusion to promote agriculture and non-agriculture both activities by reforming credit linkage system.

Smt. Balkumari from Balumada village in Madhya Pradesh, is involved in sewing work for her family's livelihood. During the lockdown, Balkumari faced a huge financial loss and sold her sewing machine and started working as a wage labourer.

When she was informed by her friends about the Livelihood loans provided by ASADS, she could see a ray of hope to purchase a new sewing machine. She immediately applied for a loan of Rs 20,000/ which she was sanctioned on a low interest rate.

"Through ASADS, I was fortunate to work and earn for my family. This profession provides me slow and steady income, but now with ASADS loan facility I can expand my business as well." says Balkumari.





Avanti Finance Limited

Avanti Platform is an open-access digital financial spine, flexible enough for users and partners to create, curate and deploy the financial products they need in a touch less, presence less and cashless interface with users. Avanti partners with organizations having strong community owned livelihood expertise to amplify impact at societal level. ASADS has partnership with Avanti to serve credit needs for Agriculture, Agri-Allied and Micro enterprise activities.

DEFYING THE ODDS THROUGH COLLABORATIVE EMPOWERMENT

Empowering women with financial inclusion, independence, and social status was a matter of concern for the village Shivgarh of Ratlam District in Madhya Pradesh.

Smt. Pushpa with her family members had a struggling life. With very less income and low educational background, livelihood was becoming very difficult for her and her family was living in a debt-ridden life. ASADS helped Pushpa to avail a loan of Rs 30,000 with the purpose of opening a flour mill.

With the loan given to open flour mill, helped her and her family economically.



"In this village we only have three flour mills, opening a fourth one will provide community with easy access and more resources. Moreover, I am earning triple of my previous earning which is Rs. 12,000 a month", says Pushpa.

PROMOTING "ENTREPRENEURSHIP FOR ALL" THROUGH SHGs



To ensure continuous delivery of livelihood resource during the lockdown due to pandemic, ASADS devised a systematic process to provide credit facility to the rural poor.

Loans were provided through SHGs and FPOs in villages for micro-entrepreneurship, agriculture and agri-allied business. This initiative aided rural community in starting small businesses in their villages, so they do not have to migrate for work.

Shri Amit Kachhwaha from district Mandla in Madhya Pradesh, lost everything during COVID-19 and was barely able to manage food for his family. He started attending ASA's FPO meetings and took a loan for vegetable selling business. With a loan of Rs 30,000, Amit now sells every vegetable that is produced in his village. He feels empathetic towards his community as he has diminished the traveling for them to buy vegetables.

Amit earns Rs 15,000 every month and helps his wife in paying the loan back, excluding expenses. He will soon expand his business and assist the farmers of his village.



PARTNER

Nabkisan Finance Private Limited

NKFL is a Non-Banking Finance Company (NBFC) and subsidiary of National Bank for Agriculture and Rural Development (NABARD) with equity participation from NABARD, Govt. of Tamilnadu and public sector banks. The main objective of the company is to provide credit for promotion, expansion and commercialisation of enterprises engaged in agriculture, allied and rural non-farm activities. ASADS has availed credit facility from Nabkisan to further on-lend to FPOs and JLG for agri-business and rural-enterprise promotion.

BUILDING GOAT-PRENEURSHIP THROUGH FINANCIAL GRIP

Smt. Battu Bai from Ledra village in Shahdol district in Madhya Pradesh, is a member of an SHG. Through ASADS's partnership with Avanti Livelihood facility, she took a loan of Rs 20,000 and started a small business of goat rearing at home.

Battu Bai has a dream to see her children receiving good education and a lucrative job. Her monthly income after this credit facility increased to Rs 7,000.

"I want to become financially stable to provide good life to my children. We, women can manage household chores as well as financials. I want other women to be a part of this program runs by the ASADS, because it has provided me with confidence and independence.



CONNECTING MSMEs TO CREATE RURAL EMPLOYMENT



Shri. Santosh Kachhwaha from Mandla district, Madhya Pradesh, is a landless and a single working member in his family. He visited ASADS office in his village and explored the possibilities of availing loan to invest in business. After a careful consideration to his credit score, he and his wife were provided with a loan of Rs 50,000 through which they started a vegetable shop.

"Getting approved for a loan of Rs 50,000 on such a low interest was beyond my dream, but ASADS believed in me. My family's support and hard work helped me setting up my own vegetable shop. My income has increased three times than earlier and now I work with my wife to provide for our children with proper education", says Santosh Kachhwaha.



RangDe

RangDe is a social investing platform working on peer-to-peer lending model. ASA Development Services has worked as a partner and facilitator to provide interest free loan to farming community amid COVID-19, to reduce financial distress.

Financial support to small holder farmers through FPOs

STRIVING TOGETHER IN COLLABORATION WITH RANG DE

Shri. Pradeep Nanda is a young farmer from village Bakchhera Dona of Mandla District in Madhya Pradesh, who lives with his mother and two sisters. He is individually responsible for looking after his family. He has three acres of land which is not fully put to use for cultivation.

Pradeep and his mother work together with their available resources to produce Paddy in Kharif and Wheat and Gram in Rabi season. To maintain their regular cash in- flow, they also cultivate seasonal vegetables as cash crop. Praveen is an active member and shareholder of the Farmers Producers Organization named Mandla Tribal Farmers Producers' Company Limited.

Due to the lockdown during COVID-19, Pradeep and his family faced huge challenges in pre- harvest of Rabi season leading to delay in harvest and sale. His alternative source of vegetable growing could not yield any income due to lockdown. The vegetables like tomatoes perished.



Amidst these challenges, Mandla Tribal Farmers Producers Company Limited came out with credit facility in partnership with RangDe which was an interest free loan. Pradeep applied for a loan of Rs 46,500 against the seed stock, which not only provided money on time but also ensured fair gains by calculating his stock value more than market rate and repayment guarantee was taken by FPO. This credit facility resolved all his issues of liquidity to invest in Kharif planting and taking care of immediate consumption needs during the COVID-19. Pradeep is extremely happy with this newly found option of finance support and decided to be a seed grower for Kharif season by raising paddy nurseries with the seeds purchased from FPO. He finds security with FPO as a structure robust enough to protect them in changing context including COVID-19.



National Handicapped Finance and Development Corporation

NHFDC functions as an Apex institution for channelizing the funds to persons with disabilities through the State Channelizing Agencies (SCAs) nominated by the State Government. NHFDC assists ASADS with loans for people with disability

MAKING TOILETS BARRIER FREE

Shri. Kalicharan is a resident of village Hardua of Mandla district in Madhya Pradesh, who lives with his wife and one child. Since birth, Kalicharan has polio which caused him with inability to move. One of his major concerns was hygiene and sanitation for his family and himself, and the biggest requirement in Kalicharan's life was having a toilet to defecate, as he could not move properly. With the help of the Government, he was provided with a free toilet for his family. However, during the lockdown his toilet's door broke down, which made it difficult for people to use it. Kalicharan is financially dependent on his family, but wanted to renovate the toilet with his money.

One day, Kalicharan attended a meeting held by ASADS field Team, where he was given information about ASADS credit facilities in partnership with NHFDC that is a flagship program for people with disability.

Kalicharan took a loan of Rs 15,000 from ASADS and NHFDC and renovated his toilet with good-quality material which has kept the toilet safe and long-lasting.

After this experience Kalicharan started promoting the work of ASADS, and many community members reached out to ASADS team for credit facilities in order to construct toilets in their houses and practice hygiene and sanitation.

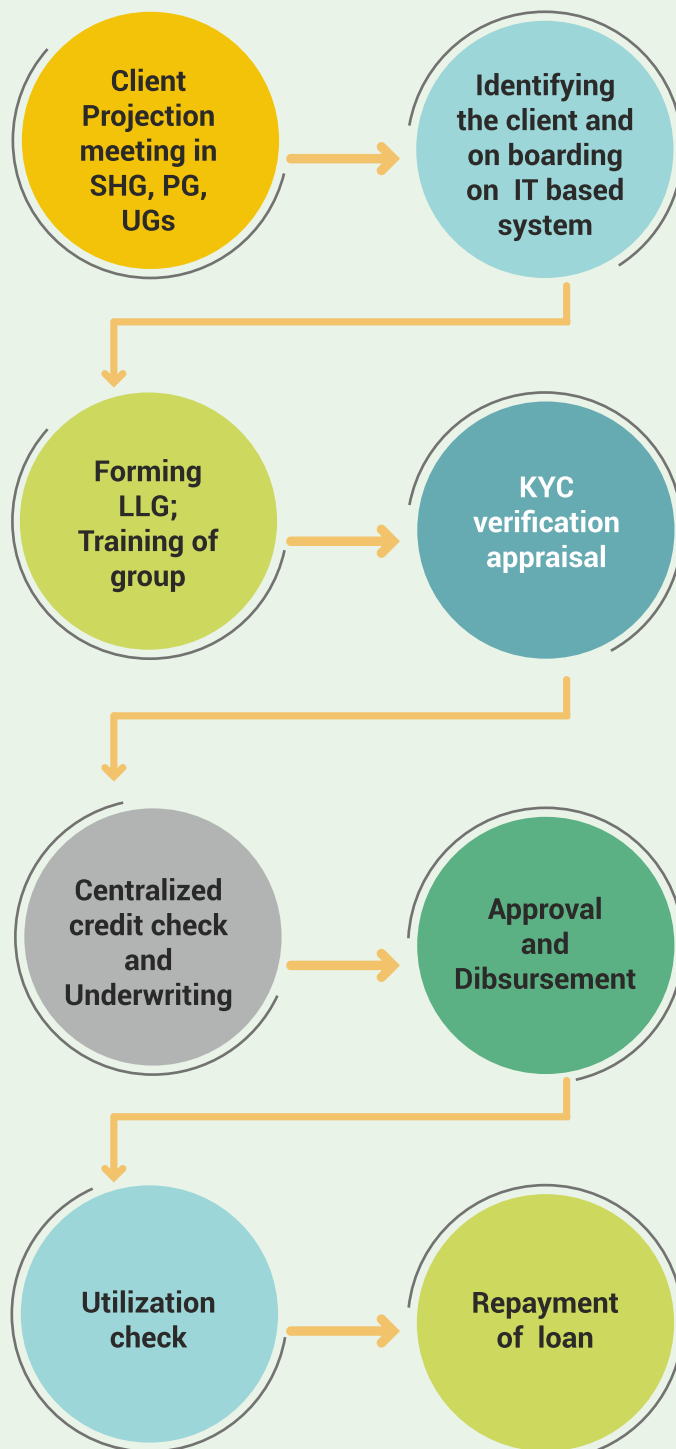


Kalicharan's toilet before ASADS's intervention



Kalicharan's toilet after ASADS's Intervention

Process Flow for Livelihood Financing



Types of Loans



2,309

Livestock Loan



490

Water & Sanitation
Loan



102

Dug well/ Shallow
Borewell Loan



1,186

Women Enterprise
Loan



36

Agri Entrepreneur
Loan



570

Covid- MSME Loan

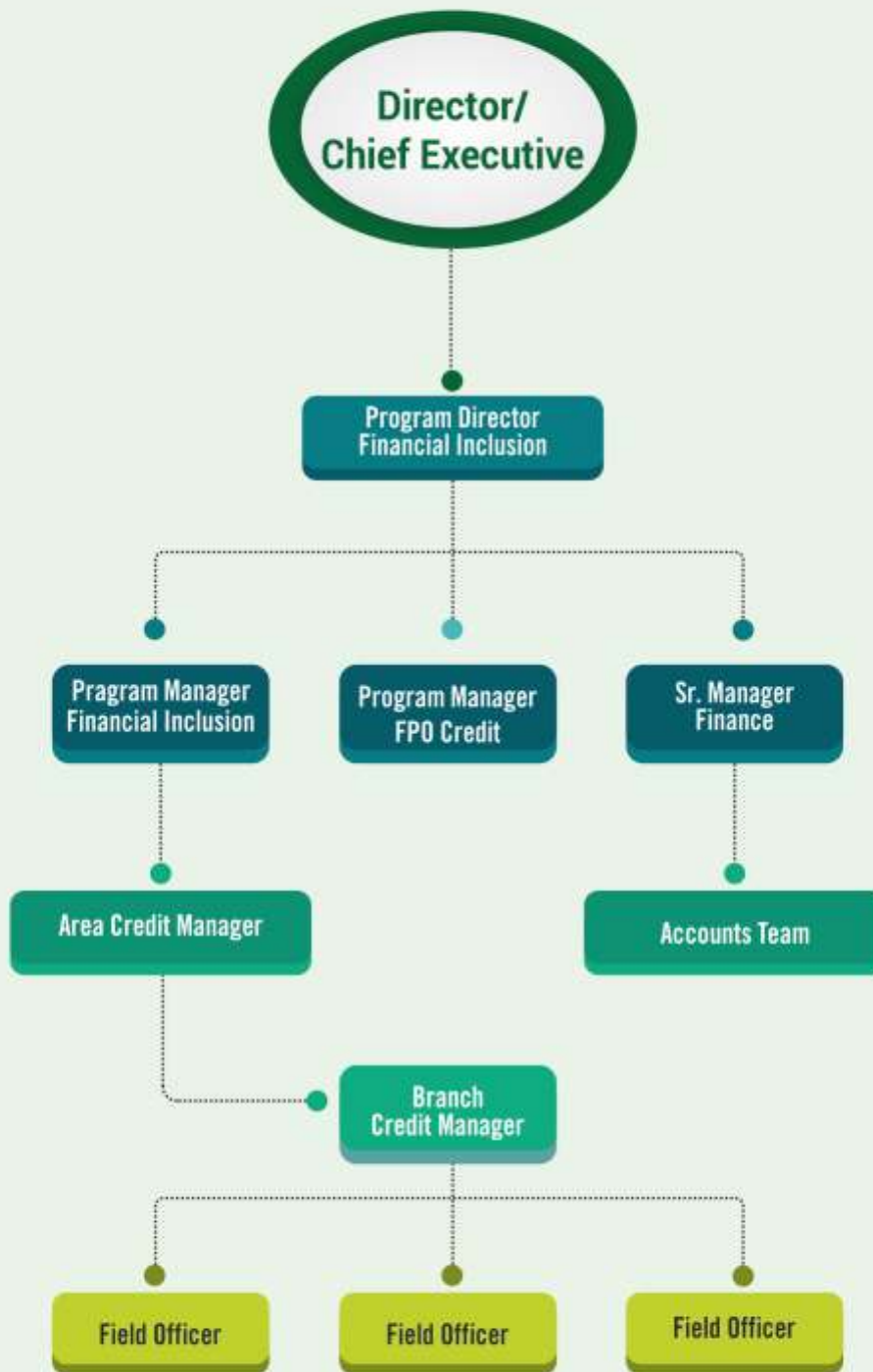


394

Agri-Allied Business

Type of Loan	No. of Loan FY 2019- 20	No. of Loan FY 2020- 21	Cumulative Progress
Livestock Loan	786	1,523	2,309
Water & Sanitation Loan	21	469	490
Dugwell & Shallow bore well Loan	97	5	102
Women Enterprise Loan	401	785	1,186
Agri Entrepreneur Loan	0	36	36
Covid-MSME Loan	0	570	570
Agri-Allied Business Loan	0	394	394
Grand Total	1,305	3,782	5,087

ORGANIZATION STRUCTURE



BOARD OF DIRECTORS



Mr. Ashis Mondal
Director

A post graduate diploma in rural management and an alumni of East Anglia University, U.K. with over 30 years of experience in development management.



Ms. G. Jayanthi
Co-founder and Trustee, ASA and ASADS

An alumni of IIFM with over 27 years of experience in development management with special skills in HR, development documentation and communication.



Mr. Sanjeev Gupta
Director, ASADS

A post graduate diploma in rural management from IRMA, Anand, with over 27 years of experience in Rural Development and Natural Resources Management.



Mr. M. Kalyansundaram
Director, ASADS

Chief Executive, International Network of Alternative Financial Institutions (INAFI), India- A veteran of Canara Bank with more than 37 years of experience in Financial Inclusion and development sector.



Mr. Amitabh Ghosh
Director, ASADS

A Chartered Accountant with nearly 40 years of experience in the corporate sector in area of finance and administration. Mr. Ghosh has worked with large corporate houses including overseas assignments.

FINANCIAL OVERVIEW

S. No.	Particular	31 st March, 2021	31 st March, 2020
	LIABILITIES		
1	Reserve & Surplus	12, 26, 652.14	13, 62, 377.31
2	Loan for Livelihood Finance	1, 68, 55, 968.40	2, 22, 50000.00
3	Short term Borrowing		NIL
4	Other Liabilities	1, 36, 746.00	2, 67, 793.00
5	Loan Loss Provisions	3, 07, 437.47	2, 52, 969.86
	Total	1,85,26,804.01	2,41, 33, 140.17
	ASSETS		
1	Fixed Assets	21, 948.00	28, 320.00
2	Current Investments	30,00000.00	30,00000.00
3	Cash and Bank	61, 35, 812.97	77, 467.83
4	Loans and Advances	86, 39, 855.04	2, 07, 00, 344.34
5	Other Assets	7,29,188	3,27,008.00
	Total	1, 85, 26, 804.01	2, 41, 33, 140.17
	Revenue		
1	Grant in Aid for operation	NIL	3, 00, 000.00
2	Revenue from Livelihood Finance operation	32, 94, 448.00	19, 43, 081.00
3	Grant for Research Study, Financial Literacy, promotion of SHGs	NIL	1,02,160.00
4	Miscellaneous Income	2,63,294.64	1, 24, 069.00
	Total	35,57, 742.64	26, 11, 980.00
	EXPENSES		
1	Financial Cost on Loan for Livelihood Financing	30, 79, 001.40	17,63, 387.00
2	Program Expenses on Research, Awareness Generation	NIL	1,22, 251.00
3	Program Expenses on Financial Literacy and Credit Linkages	NIL	79,866.00
4	Administration Expenses	6, 08, 095.41	3, 05, 715.00
5	Depreciation Cost	6, 372.00	7, 080.00
6	Excess of Income over expenses	(135726.17)	333681.00
	Total	35,57, 742.64	26, 11, 980.00



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