

6/10/12

Sanju Kumar Fellowship

I. Questions Answered

II. What exactly is BC Partnership?

III. Kisan School

IV. Request for Funding: \$3901.024

V. Final Decision

I. Questions answered

- He keeps asking for money, what is meant by business correspondence, can't keep funding him
- new plan of business correspondence does seem good
- has he cut the number of loan officers? Hasn't, because it's hard to get good loan officers
- increase from 25 to 30 villages, 6.8 million rupees disbursed to 10 million rupees disbursed
 - grown in members
 - utilizing the loan officers to a great extent
- we decided not to fund website project, we're not looking at this as this is not even his main project
- we're essentially paying his salary
- will get income by operating as a business correspondence
- IDF guaranteed funder, Syndicate Bank also funding
- NABARD- BC partner

Once IDF funding gets in, will have large enough profile to approach them

-cause of not rising enough funds in the past- rapidly changing landscape of MFIs, challenges with getting funding from banks

-solution: BC partnership, Samradhi acts as intermediary with bank as loan giver

II. What exactly is BC partnership?

-BC is an intermediary engaged by a financial institution to provide financial services to rural and urban population

-does not change Samradhi's model, risk is shared 50:50, now have an assured cash flow

-since Samrudhi gets an income for operation through BC partnership, loan volume will increase dramatically

-any negative aspects of BC partnership?

-not really any negative, just change in financials, probably better since now banks take some of the risk

-going to grow since it now will have a guaranteed cash flow

-now bank knows the bank client so they are held accountable, but shouldn't be a problem since already 100 percent repayment rate

-why is bank willing to give such low interest loans? What's in it for them?

-make money, increasing client base, the interest rates they charge will still be higher

-samrudhi has a history of creating a bankable poor, self group system so can repay their loans

-how much is samrudhi charging over the bank rate?

-not charging any extra than before

III. Kisan school

- connection to agricultural market

-Samrudhi received 10,000 rupees from them

-good connection to have

-act as a single window service provider to farmers in their respective villages, 10,000 youths doing this

- not that relevant to his organization

IV. Request for Funding: \$3901.024

-2011 funding: \$3894, not that much difference in funding request

-fund full amount, partial amount at \$3000, or none at all?

- his concern won't be getting money from banks, so his focus will be more on how program is running and that loans are repaid
- he really needs this money right now
 - something that important, supporting him is essential for BC partnership to occur
- should make it clear this is the last time we'll fund him

V. Final Decision

- majority vote- for full funding (5:3)
 - give him chance to carry out plan but will be firm about not funding in the future