

SURVEY REPORT  
**AZADI SARMAYA**

آزادی سرمایہ

May 2017



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## Background

CEO NRSP designed a project for the people who are living below poverty line and needs financial assistance to start/improve income generating activities to come out of poverty. Although, loan as a financial mean was available to this community from formal and informal resources but it carries a mark-up or require collateral which they don't have. Thus the idea was to provide small grants to setup/improve small businesses to generate income of such families.

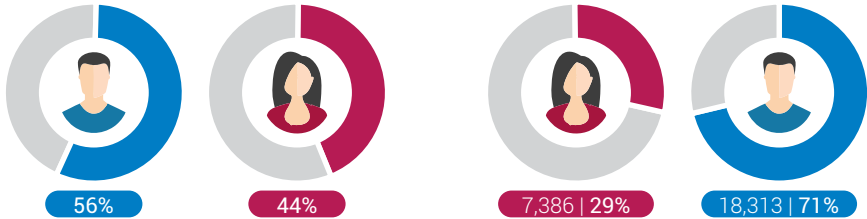
The idea was launched in district Rawalpindi in Tehsil Gujjar Khan. Initially 39 people were granted in 2016 with Rs. 10,000/ household. Later in 2017 total 21 grantees were granted @Rs. 10,000/ household. Total 60 grantees were benefited in Gujjar Khan. In order to implement the idea, first step was to identify the poor families living below poverty line. For this purpose, poverty scorecard was used and families were selected coming in the range of 0-17 as per BISP poverty scorecard. NRSP staff conducted social and technical appraisals of the families 1) to validate the results of BISP PSC as the PSCs were calculated four-five years back; and 2) to assess the business sense for the proposed business by the family. The whole activity was recorded in the form of grant cases. The grant activity was supported by a handholding activity in which NRSP staff continuously kept contact with the grantee families and discussed their problems after starting their businesses and proposed possible solutions. These grant were given to 37 skilled peoples and 18 unskilled people. Some skilled grantees also hired helpers at their shops who are assisting and also learning the profession which created jobs.

Two days survey was conducted on 10 and 11 May 2017 for Azadi Grant. Total 60 beneficiaries were granted out of which 55 were visited. 5 beneficiaries were not available in their villages. Amount was distributed equally among all beneficiaries. Grant was given for productive purposes. All grants are used for the productive purposes. In most cases beneficiaries are working as self-employed worker. In some cases grant recipients are working in the business and also employed helpers to run the business which created jobs.

Total 60 beneficiaries are taking benefit from the grant and more than 407 family members of these households are benefiting of visited households.

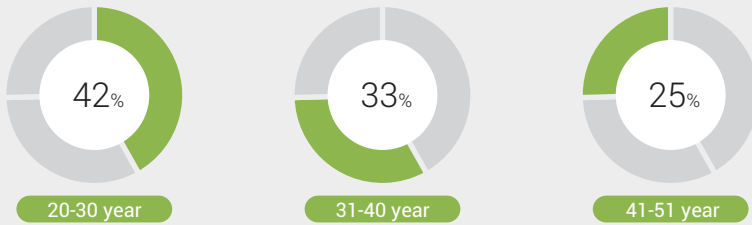
## Highlights of the Survey

### Grantees by gender (%age)

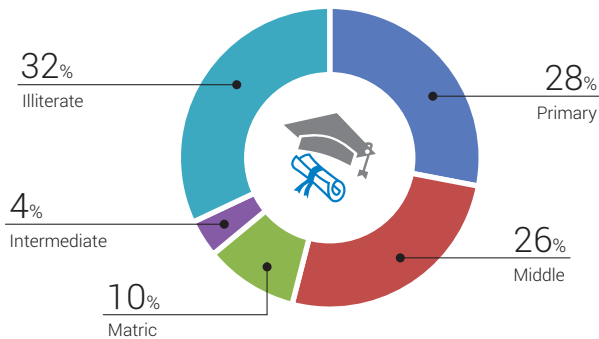


### Average income per month

### Age group of the grantees

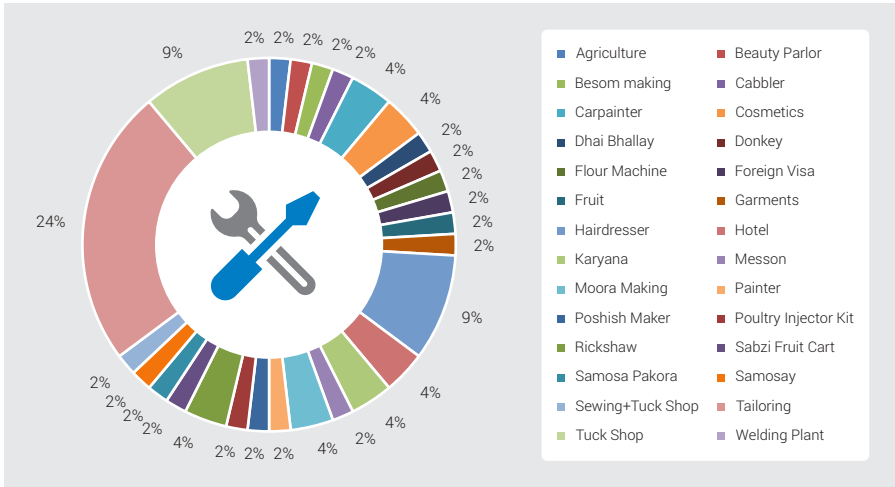


### Education profile of grantees



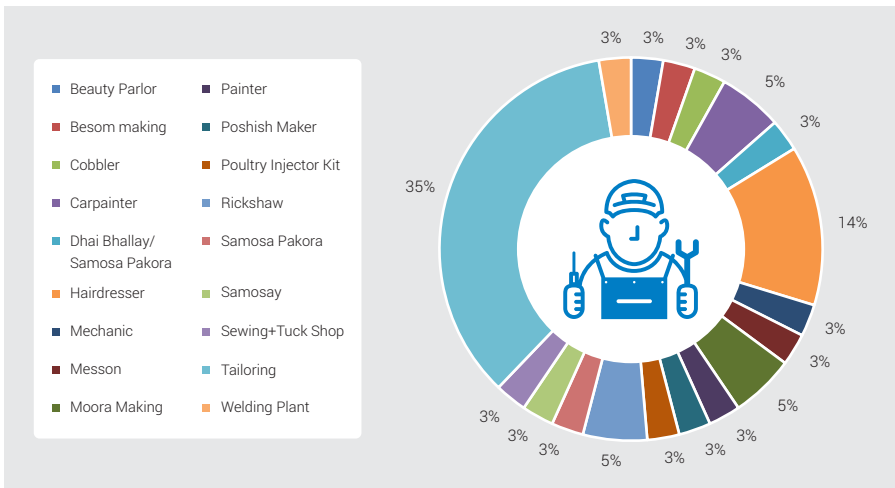
Out of total 16 beneficiaries are non-educated, 14 beneficiaries completed primary schooling, 13 beneficiaries passed middle class and 5 beneficiaries got education up to Matric. Only 2 beneficiaries have college level education which is FA.

### Type of businesses



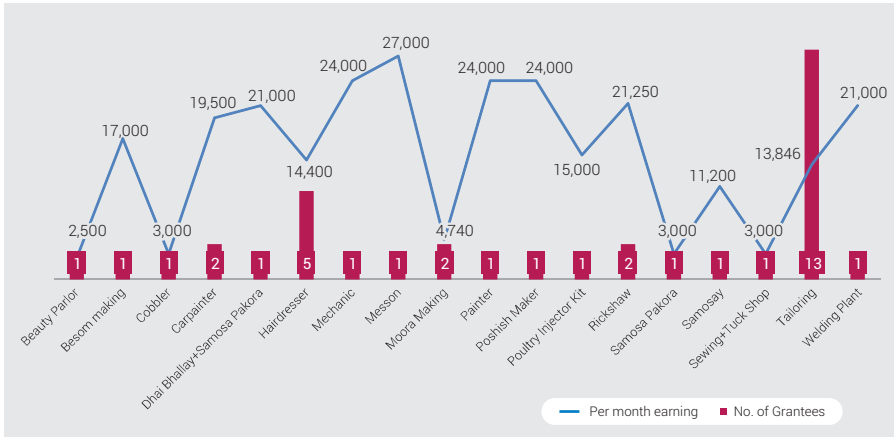
Grant was given for 29 type of businesses. Thirteen grants were given for tailoring, 5 grants were given for hairdresser and tuck shop while other grants were given for rest of all purposes.

### Skilled grantees



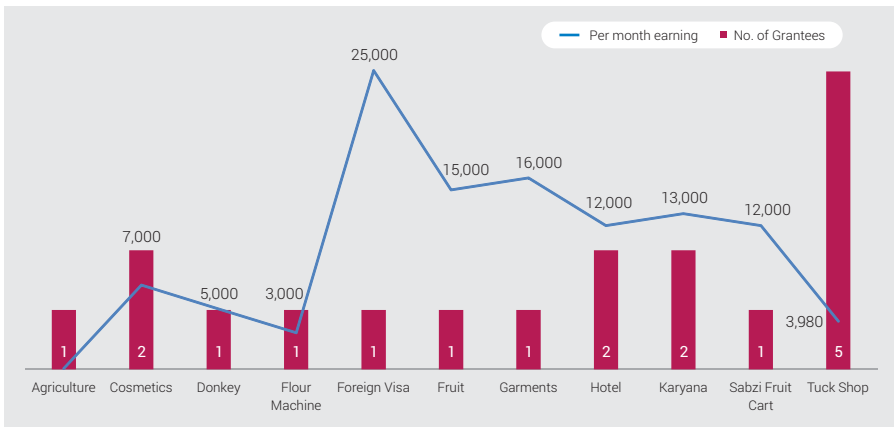
Grant was given for 18 professions. Tailoring is most famous among all profession and 13 people started it. Hairdresser took 2nd number with 5 grantees and rest of all categories have 1 or 2 grantees.

### Estimated average earning by skilled grantees



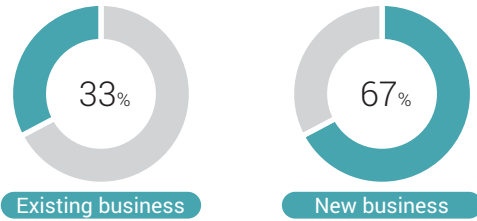
Above graph is showing average per month actual earning reported by skilled peoples in 18 categories. According to cobbler he purchased different shoes and soled all of them on his shop and now he is planning to purchase again.

### Estimated average earning by unskilled grantees



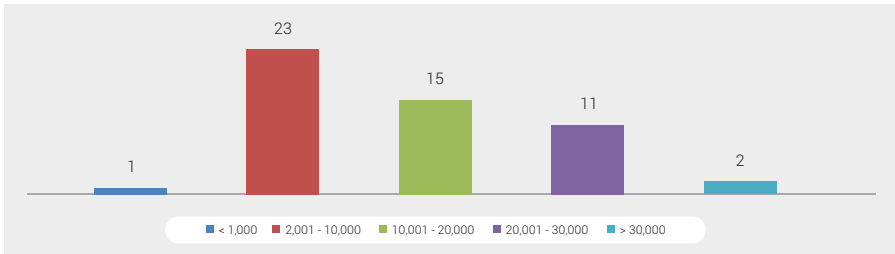
Above graph is showing average actual profit earning reported by unskilled grantees in 10 categories. The female who took grant for vegetable, the vegetables are not ripe enough to be sold in the market.

### Grants provided for new and existing businesses



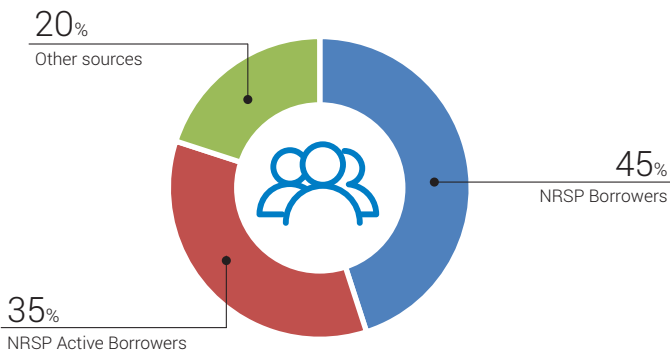
37 grantees started their new businesses with this grant and 18 beneficiaries invested grant amount in their existing businesses.

### No. of Grantees by per month profit



The lady who is earning least profit (<1,000 PKR) was preparing “Mooray” but the profit margin was very low. She stopped making “Mooray” and started a “Karyana Store” from May 2017.

### Conventional Borrowers



Following graph shows the beneficiaries who has a track record of loan from NRSP and/or other formal/informal sources. Out of total, 14 beneficiaries are still active borrowers of NRSP which means they have invested loan amount aside grant in their businesses. 8 grantees who taken grant as well as loans from other sources.

## Lesson learnt

- Skilled grantees are earning more than unskilled grantees because they are selling their skill.
- Male grant recipients are earning more than the female as they have comparatively larger market to serve.
- Interns having years of experience are earning higher incomes as they already know how to run the business and they can better manage the business as compared to those who are new entrants.
- Some businesses are on a decreasing trend as the business place is not suitable and sales are limited. Over this, some funds are utilized in consumption to meet day to day needs as the profit was not sufficient. This partial depletion of fund decreased the business size. However, the grantees are changing the business which is high demanding and expected to translate in success.
- Business selection is very important for those grantees who are unskilled and non-experienced.
- Shop management and expansion is difficult for those who are illiterate and non-experienced.

## Recommendations

- Grant must be given to those who are willing and they have very clear aim to start a business for long time. It means neither a staff nor any other LSO member will force a person to start a business.
- Unskilled, non-experienced or illiterate should be attached to a shop of selected purpose for minimum 30 days for training purpose.
- Preference may be given to the skilled and/or experienced persons for awarding grant as they have better chances of successes and may create jobs.
- One day session can be arranged at field unit to invite all grantees where they can learn from the success stories, best practices and experience sharing.
- New PSC should be calculated at the time of awarding grant as a baseline and this exercise should be repeated after some time to see the impact of the grant.



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