



**OPPORTUNITY**  
International  
AUSTRALIA

# INDIA IMPACT REPORT

## BREAKING THE POVERTY CYCLE

# THANK YOU

## WHY INVESTING IN A MOTHER MAKES A DIFFERENCE

Your hand up is so much more than a small loan. With every gift through Opportunity International Australia, you are investing in a mother, who uses the income from her small business to **transform her family and community.**

In India, as in many parts of the world, mothers are an incredibly important part of community life. In fact, many people refer to the nation of India as a spiritual mother who holds the country in her strong, loving embrace. When a woman becomes a mother for the first time, she often returns to her own mother to receive extra strength and nourishment for herself and her newborn. When you invest in a mother in India, you are investing in much more than a small loan to start a small business. You are contributing to the health and wellbeing of a mother, her family and the community they live in.

This **ripple effect** is what makes microfinance such a powerful way to break the poverty cycle.

In the coming pages, you can read more about the impact of your giving in India over the last six months.

Your giving is truly transformational. **Thank you.**

## THANKS TO YOUR SUPPORT



**874 COMMUNITIES**

across the country are being reached



**1,704,544 FAMILIES**

have small loans to start small businesses

Delhi

Mumbai



**2,984,872 PEOPLE**

are covered by life insurance



**1,319,579 FAMILIES**

have access to savings accounts

Chennai



**536,043 PEOPLE**

have access to a pension

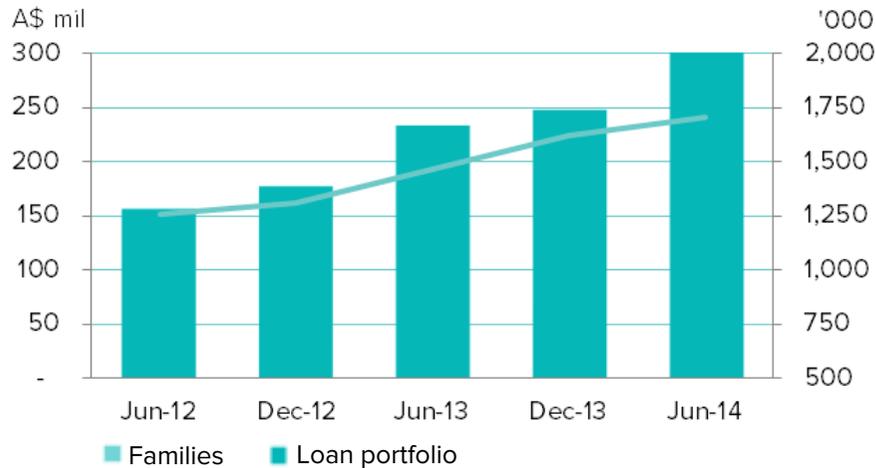


**8,522,720 PEOPLE**

have been empowered with access to basic items like food, shelter, education and improved health services

# HIGHLIGHTS OF YOUR IMPACT

## IMPACT IN INDIA OVER TWO YEARS



## MEET ANITA

Anita lives in Vadgaon Burdruk, a crowded settlement in the city of Pune, near Mumbai. She lives with her husband and three children. For most of her life, Anita has faced extreme financial difficulty, struggling to provide for her son and two daughters on less than Rs.2,000 (A\$36) a month.

Thanks to your support, Anita was given an opportunity to transform her life. She received a small loan through Opportunity's partner Annapurna to turn her small roadside stall into a thriving shop selling daily household items. She now has regular customers and her income has increased dramatically, enabling her family to not only survive but stay healthy and create a better future.

This transformation has enabled Anita to not only transform her life but others' lives too. Today, Anita can afford to send her son to secondary school. She also continues to protect her entire family from unexpected emergencies through life insurance.

Anita also employs two women in her shop so that they too can transform their lives and achieve financial independence.



*"I am happy that I am now independent and I want to employ more women to make a living for themselves. I advise all struggling women to hold each other's hands and help themselves and grow."*

Anita, mother and shop owner from India

# BUILDING OPPORTUNITIES TO MAKE A DIFFERENCE

## IN CONVERSATION WITH

### INDIA REGIONAL MANAGER SAURABH BAROI

In the last six months we've been able to help more families across India by providing funding for **small loans**. A growing number of families now also have access to additional financial tools like **insurance, savings and pensions**.

This is important because it helps them to build a safety net around themselves so that when something goes wrong in their life, they are better prepared and less likely to slip further into poverty.

One trend we're noticing is that there is **growing collaboration** between microfinance organisations that are committed to helping people living in poverty, and the private and public sector.

For example the Government has set financial inclusion targets to bring financial services to more poor people. This has led to the creation of the Business Correspondent model, which sees many of our microfinance partners working with banks to access funding for small loans and to provide savings accounts to people who wouldn't otherwise be able to access them.

## MAKING SAVINGS COUNT

More than 1.3 million mothers currently have access to savings accounts in India through six of Opportunity's partners – Adhikar, Cashpor, C-DOT, Margdarshak, Prayas and Annapurna.

**Opening a savings account** is an important step in helping people living in poverty to securely store any money saved from their businesses so that they can access it readily when they need to.

It is also a way of building their formal identity – many poor people lack any formal documents recognising their existence. This can make tasks like voting or qualifying for government assistance very difficult. A savings account is one way that they can prove their identity.

Opening a savings account is just the first step. It's very important that loan officers continue to work with communities to make sure they deposit money in their accounts at loan group meetings and know how to access their funds at a later date.

For example, in India's north, Opportunity's partner Cashpor has taken a range of steps to help people make the most of their savings accounts. This includes:

- Hosting special information stands in villages to explain the benefits of using savings accounts
- Providing training during loan group meetings on how to withdraw funds. This helped build community trust because people could see that the money was safe and accessible at any time.
- Teaching families that they can view their savings balance through a deposit book or on their mobile phone. This makes it even more accessible and helps them track how much they've saved.

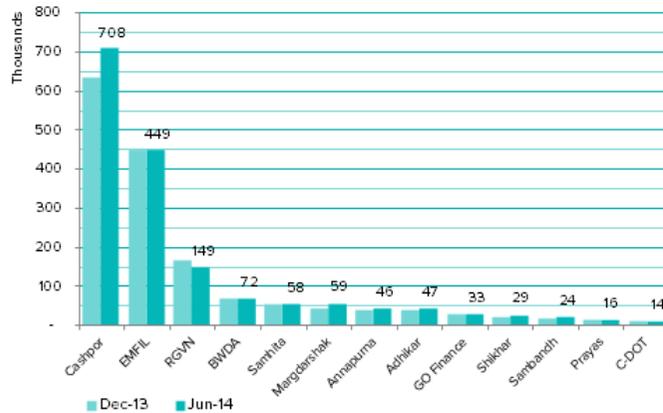


*“I am saving so that we can build a toilet for our home and so that I can send my children to university one day.”*

Rajkumari, mother and seamstress from India

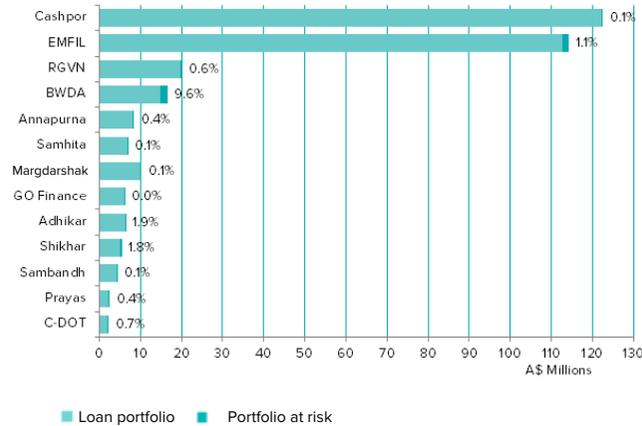
# PERFORMANCE UPDATES

## OUTREACH



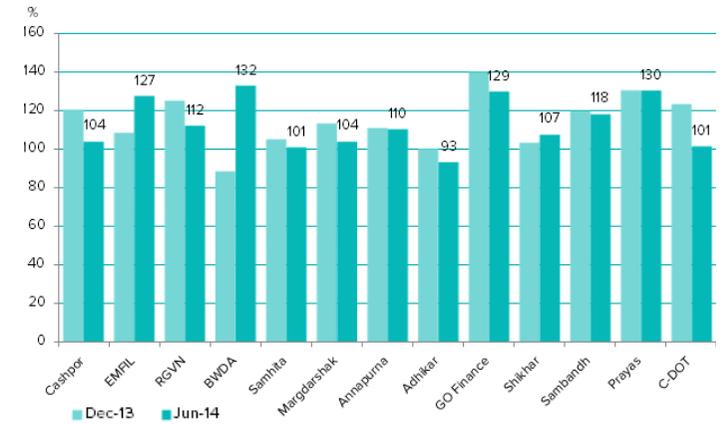
- Your support is helping reach out to 1,704,544 families in India. That's an incredible achievement – Taking into account that families have an average of five people in India, that means your giving has helped reach 8,522,720 people in need of a hand up.
- Overall operational sustainability (OSS) for all 13 India partners is 113%. Operational sustainability is the ability of an organisation to cover the costs of its lending program with the revenue earned from its lending program. An OSS measurement is an indicator of efficient operations – meaning the partners are in a better position to continue serving the needs of those living in poverty.

## LOAN PORTOLIO



- Portfolio at risk (PAR) is a stringent measure of a microfinance institution's loan portfolio quality, calculating the total value of outstanding loan balances for loans with at least one payment being overdue by more than 30 days. Overall PAR for all 13 partners is just 0.9% over 30 days, a measure indicating loan portfolio quality.
- One of Opportunity's partners, BWDA, has a higher PAR at 9.6% – Opportunity is monitoring this and is working closely with BWDA to address the cause of the problem and reduce PAR.

## OPERATIONAL SUSTAINABILITY



- Your ongoing support for all of our partners in India will help them continue to give a hand up to more families living in poverty.
- *Conversion: A\$1:Rs.56*

# AN ONGOING IMPACT

Through your support, you are transforming the lives of families across India. In the future, your giving will help more mothers start businesses and help their families leave poverty behind.

Here's what Shakuntala dreams of for her family's future:

*“Now our situation has improved we have better nutrition. That is because we have enough money for firewood to cook our meals. We can also afford to eat vegetables.*

*My youngest son wants to be a shoe designer. I want to grow our shoe-making business further so that we can employ more people in the community and I can support my son in studying. That way he can run his own shoe business too.”*

In the next six months, this is how your giving will help a family like Shakuntala's:

- **Transforming lives** – your support will continue to reach more mothers like Shakuntala across India, so that they can start small businesses and begin to transform their family's lives. Your support will also enable families to access additional tools to help them progress out of poverty, like savings, insurance and pensions.
- **Understanding the needs of families living in poverty better** – Opportunity's Social Performance Management team will build the capacity of program partners to understand how we can better support the needs of families living in poverty.
- **Building healthier communities** – if an entrepreneur gets sick, that means lost income from their business. In the next six months, your support will help train more community health leaders in India so that families understand basic hygiene and nutrition, helping them to live healthier lives.



## GET IN TOUCH

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## DISCLAIMER

This report provides information about Opportunity International Australia's program activity. Information is provided to us by our implementing partners and we believe it is a true and accurate reflection of program activity at the time of writing. Programs may change in scope or be discontinued where our core operations are no longer fulfilling the intended outcomes. In this case, Opportunity International Australia may redirect funding to a suitable alternative program.

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