



MLINDA CHARITABLE TRUST

# ANNUAL REPORT

2022-2023

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## Contents

### 1. The Mlinda Theory of Change:

People have the right to improve their lives and livelihoods through economic development and growth. This process is already happening at great speed. Without a significant change from current behaviours, this rapid growth will do irreversible damage to the global environment. For development to be environmentally sustainable, it requires a shift from carbon intensive energy production to green energy. The shift to sustainable modes of production and consumption is a systemic challenge. Our solutions must also be systemic, offering solutions to the core flaws of the existing system. This requires a response that ranges from the local (access to finance, markets, and skills) to the national and international (funding for capital intensive energy projects). This shift requires a response that is also catalytic, triggering and precipitating a change beyond its immediate and direct reach. This means a response that can be replicated at scale by a wide range of actors. Sustainable economic growth in developing countries can only happen at scale globally if vast numbers of small, nimble, local private companies step in to play a role. The problem is too big and too urgent for governments, NGO's, or multinationals to address alone.

Mlinda's model is to mobilise small local mini-grid operators to provide clean energy as a platform to spur economic growth in rural areas of developing countries. The mini-grid operators work with businesses to grow the local economy, ensuring improvement to people's lives while at the same time growing the local market for the clean energy they sell. This virtuous circle provides a powerful incentive for commercial mini-grid operators to step in to drive sustainable economic growth.

For a robust local economy to experience healthy growth without the ongoing need for outside support, it must have the following attributes:

- Diversity - a range of economic activities that complement each other and that provide opportunities for the whole population
- Resilience - diversity of activities, adequate savings, and access to finance to enable people and businesses to survive economic shocks.
- Inclusiveness - active participation by the whole population, regardless of gender or social category
- Sustainability - economic activities that do not damage, but ideally support and enhance the natural environment The effort to build these attributes cuts across all of our economic development activities. They serve as criteria for selection of the businesses and individuals we will support and the way we support them.

### 2. Board of Trustees

Mlinda Charitable Trust was established by a Trust Deed under Indian Trusts Act in West Bengal in March 2012. It's Trustees are Mr. Damodar Pandharinath Vaidya and Mrs. Tanya Dubash.

### 3.Partnerships in 2022-23

Mlinda Charitable Trust believes that sustainable growth is best achieved through working in close collaboration with others. This includes both understanding the needs and aspirations of the people in the villages we work in and developing strong strategic partnerships with other organisations, recognising that our contribution is just part of the solution to achieving our vision.

The Trust built partnerships with PRADAN and Jharkhand State Livelihood Promotion Society (JSLPS) to facilitate value chain development of mustard. It resulted in the successful operationalization and marketing of mustard oil processing unit by two Farmer Producer Organisations and one Cluster Level Federation of women. Support received from Ngo-Udyogini, Ram Krishna Mission, Ranchi and Poultry Farm, Hata as resource agencies helped to develop the model for poultry end to end business. Finally, the partnership with Mlinda Sustainable Environment (Private) Ltd, who build and operate the solar minigrids in Gumla district has ensured the availability of clean and reliable electricity for running the micro enterprises.

We are grateful to our donors

- Mlinda Foundation, UK 2013-ongoing
- Oak Foundation 2018-2022
- TARA 2019 – 2024 A Philips Foundation project to provide street lighting in 30 villages.

and many others who have directly supported the Trust's work and we welcome enquiries from potential funders, partners and organisations interested in applying our work elsewhere.

### 4.Powering clean energy-based livelihoods



**a. Value chain development of selected commodities -mustard, ragi, turmeric , karanj and groundnut is being implemented. The activities include the following**

- a.1.Mobilising partner organisations and their community institutions
- a.2.Cultivation for production of raw material
- a.3. Setting up infrastructure and machinery
- a.4. Procurement
- a.5.Orientation and training
- a.6.Processing raw materials using clean energy
- a.7.Licensing, branding and packaging
- a.8.Marketing and sales

## Value chain Initiatives –

### A. Evidence Generation

1.Market Study-The study was conducted with the support of a market expert to understand the market potential for various commodities for which raw material is available in the project villages. The findings revealed that mustard oil is the most common cooking oil consumed by every household. While the product is mainly sold in packaged form in urban markets it is sold both packaged and loose in rural market. Quality is the main concern in premium market. Brand preference is based on income group.

2.Collection of evidence base -In house information was collected on crops being cultivated, area under production, number and type of micro enterprises and price trends of mustard. Since the higher-level impacts sought to be achieved under the new Theory of Change included diversity, resilience, inclusion and diversity, data was also collected on number and types of women collectives-SHG, Village Organizations, Producer Groups, Farmer Producer Organisation (FPO), Cluster Level Federations (CLF). The data revealed the women collectives were yet to mature from producers to entrepreneurs

### B. Identification of Value Chain

The following Value Chains were identified based on local resources –

Mustard, Ground Nut, Turmeric, Black Gram under crop & spices; Karanj and Sal Leaf under NTFP, Poultry Birds under livestock. Except Black Gram, initiatives for development and establish of value chain has been started for all the products in FY 2022-23.

### C. Partnership Building with organisations working on community institution building



Identification and meeting with Partner organisations who were nurturing FPOS and CLFs for improving livelihoods was done to present the business case for Income Potential from running a micro enterprise on identified products. Partner organization then took up the business case with their FPO/CLF etc

In order to spell out the roles and responsibilities clearly a formal agreement was signed between MCT and FPO/CLF. Also, role of the partner organization in facilitating the FPO/CLF was outlined. Till date agreement had been signed with Ghaghra Women Farmer

Producer Company, Gumla Mahila Kisan Swawlamban Trust, Gunia Mahila Vikash Mandal, Sisai Aajeevika Mahila Cluster Sangathan Swawlambi Sahkari Samiti Limited and Murgu Ajiwika Mahila Sankul Stariya PR. Swawlambi Sahkari Samiti LTD.

#### **D. Training and Building Business Skills**



In the next step training was provided to the leaders of FPO/CLF and staff of partner organization on SOP for selection of Machine Operator, running of machine, raw material procurement and quality parameters of finished products.

The skill and efficiency of the machine operator in running the machines was crucial for the business. Therefore, Hands on Technical training and regular technical support was provided to the machine operators which had equipped them with technical skills to

handle the machines and do minor repairs.

#### **E. Cultivation Planning and backward linkages**

In case of “End to End” approach partner organizations and FPO/CLF were made aware regarding the promotion of cultivation of those crops like mustard, groundnut, turmeric etc. for which value addition was planned. For NTFPs community organizations were encouraged to collect the produces and aggregate them. The FPO/CLF leaders could also plan to do contract farming where they would collectively purchase seeds and buy back the produce.

The partner organization reached out to FPO/CLFs in other villages, blocks and districts. Thus, hundreds of small and marginal producers who were mostly women cultivated the crop, and got assured price and market to sell their produce to the women led micro enterprises.

MCT supported the FPO/CLFs leaders in providing market information on availability of raw material, price and farmer and vendor list

#### **F. Market Linkage - Forward for both inputs and outputs**



Support was provided for selection of suitable packaging material, information on its availability and price in the nearest market. Once the product was packaged and ready for sale, the Partner organization and the leaders of the FPO/CLFs identified and coordinated with women leaders responsible for operating the collection and selling points at the village level

Marketing was designed to penetrate the local market by building on the strength of the large membership base of the FPO/CLFs who were actually selling the products to their community. For

bringing in wealth into the villages the linkage with the external market was also established. The product quality was the strongest selling USP as customers had trust in the women's group.

### **G. Embedding Business skills and confidence in the women collectives**

In the entire process care was taken to regularly guide, inform, instill business skills and confidence to run the micro enterprise as a business entity. Guidance was provided on checking the quality of raw materials, comparing prices from vendors while procuring raw materials, record keeping, stock register, production planning, monitoring and supervising the machine operator etc.

### **H. Licensing, branding and packaging**

MCT helped the CLF/FPO to obtain the FSSAI license for edible products like Mustard, Turmeric Powder etc. For Branding and packaging MCT provided the required information like design of container, cover, contents of level etc. to the groups running the enterprise.



## **Progress of different value chains in FY 2022-23**

### **Mustard Value Chain:**



During the FY 2022-23 two more Mustard oil expeller unit was handed over to Gumla Mahila Kisan Swawlamban Trust and one unit was handed over to Sisai Cluster. As on 31<sup>st</sup> March 2023, out of 11 oil expeller unit three were running by Gumla Mahila Kisan Swawlamban Trust, two were running by Ghaghra Women Farmers Producer Company Limited, One each was running by Gunia Mahila Vikas Mandal and Murgu Ajiwika Mahila Sankul Stariya PR. Swawlambi Sahkari Samiti LTD. One oil expeller unit was running by one female entrepreneur Shrimati Parwati Kumari. MCT also arranged credit linkage for Gunia Mahila Vikas Mandal to procure Raw material.

### **Karanj Value Chain:**

One oil extraction unit in Bhandaria was handed over to Sisai Aajeevika Mahila Cluster Sangathan Swawlambi Sahkari Samiti Limited for extraction of Karanj Oil. During the time of Deepawali they could able to sell 1550 liters of Karanj Oil worth Rs. 217000/-. They also earned additionally Rs.52000/- by selling the karanj cake (By product of Karanj oil).



### Turmeric Value Chain:



In Bhandaria one turmeric processing unit was established on 28/09/2023 with the association of Sisai Aajeevika Mahila Cluster Sangathan Swawlambi Sahkari Samiti Limited. In the FY 2022-23, 240 kgs of turmeric powder was produced and 172 kgs was sold at a price of Rs.34400. **(Put photo of the women with the haldi)**

### Ground Nut Deshelling:

In Jargatoli one groundnut deshelling unit was established with the collaboration of Customized Energy Solutions (CES) ,Pune and Ghaghra Women Farmers Producer Company Limited. In FY 2022-23 total 12.05 quintal deshelled nuts and 13 liters groundnut oil were produced. From the sale of 10.2 quintals of deshelled nut and the entire groundnut oil Rs.125620/- was earned by the FPO.



### Millet Value Addition:



15 women farmers were trained in Birsa Agriculture University for the preparation of Laddu, Nimki, Mixture, Dhuska, Biscuits etc. It was planned that in next financial year those women would be motivated and supported by MCT to start their own Snack unit.**(What about the training from IHM).include photos of the women group with their products)**

### NABARD LEDP Programme

In association with NABARD, currently MCT is implementing two processing unit; one in Chundri for manufacturing of Turmeric Powder and one in Brinda for making od Sal leaf Pates. Women SHGs will be running these processing units. Training for turmeric processing was conducted during February-March 2023. The total project cost is Rs.913500/-.



## **b. Micro enterprise development**

b.1 Identification of potential entrepreneurs

b.2. Selection of enterprise.

b.3. Technology adoption

b.4. Orientation, training, exposure visits.

b.5. Production

b.6. Licensing, branding and packaging

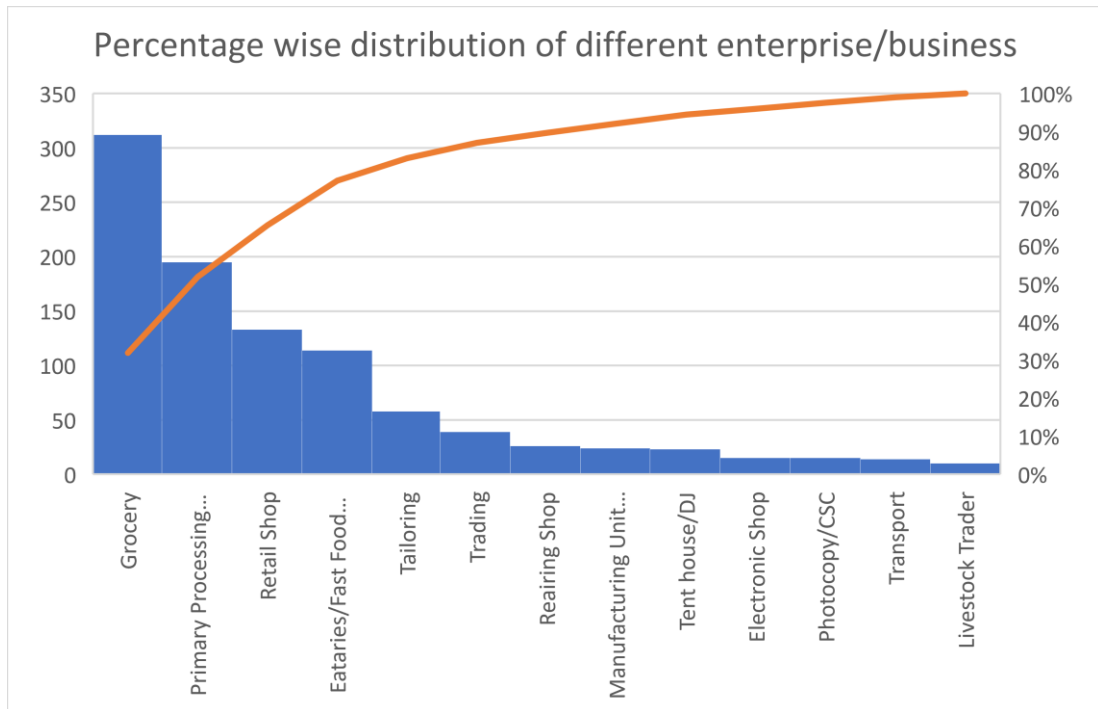
b.7. Marketing and sales

Mlinda believes that the access to the clean energy creates an eco-system that can enhance the aspiration of the community and encourage them to take up entrepreneurial activities.

Staffs from MCT regularly visit the project area and take part in SHG/VO meeting to discuss the need of diversified livelihood. As most of the community members are mainly farmers and dependent on agriculture therefore adverse climatic condition often expose their vulnerability. To mitigate the vulnerability MCT encourage the farmers to create additional livelihood through small businesses or micro enterprises. After identification of potential candidate MCT helps them regarding various aspects of business/micro enterprise like raw material, machinery, credit linkage, quality control, branding, packaging and marketing.

From the setup of the 1<sup>st</sup> grid in the Gumla district, now Mlinda is catering around 11200 households with clean energy and among them 978 households are involved in various kind of micro enterprises/small businesses. The chart is depicting the status of percentage distribution of different micro enterprises/small businesses





### Case Studies



**Bhimsen Sahu** lives in the village Samsera of Gumla Block. He had small land holding and the agriculture produces from this land was mainly for consumption purpose and not enough to provide year long food security. He also involved in transportation of goods through his tractor for additional income. When Mlinda established its Solar Mini Grid in the Samsera village he realized the advantage of electricity. He also came into the contact of local field officer, Mr. Sukanta Biswas of Mlinda and discussed with him for establishing suitable micro enterprise. That time there was substantial

demand of bricks in the villages as people were involved in house construction as local govt. was providing monetary support for construction of dwelling unit. Bhimsen thought of starting a cement brick unit but he has no proper knowledge about it. That time Mr. Sukanta Biswas advised him to get a three-phase cement brick unit and also helped him regarding procurement of the same. As Bhimsen had limited capital therefore, he took a loan Rs. 300000/- from the village organization and Rs. 200000/- from the bank. He started his enterprise of cement brick in November 2020.

Now his business is well established and he has provided wage employment to another 7-8 people who are paid around Rs.300/- per day. In last three years he has able to earn a profit of Rs.60000/- per year from his cement brick unit. He has able to provide good education to his son, who is studying in a residential school in Dhanbad (Industrial city of Jharkhand).

As his business has flourished therefore, he has taken a land adjacent to the main road and he is in a process of shifting his production unit from interior of the village to the main village road so that he can cater a greater number of customers.

**Bajrang Choudhury** was small trader involved in the trading of different agricultural produces. This was seasonal business with a very limited margin as Bajrang used to procure them from the local farmers and supplied the same to the medium size traders in the nearby towns. In October 2018, Mlinda established its Solar mini grid in the Murkunda village of Gumla district. He was one of the early beneficiaries of solar grid and used the electricity for domestic demand. That time he realized that the electricity can also be used to start small enterprises and tried to explore different kind of enterprises. Due to Govt. initiative of providing cash benefits to the villagers for construction of their own houses there was a demand of Grills for doors and windows in the villages. That demands provided Bajrang an opportunity to start his welding business.



From his little savings from the trading business, he started his welding unit with machineries costing Rs.30000/- in the month of August 2020. Earlier he used to run small machines with limited capacity. As his business has grown over the years, now he has commissioned machines with larger capacity. Due to increase in demand, he has recruited three persons for full time to run the various machines and he has to spent about Rs.40000/- per month as salary to the employees. His average income per month from the welding unit is around Rs.35000-Rs.40000/- after deducting all the expenditures. He has also bought a piece of land by investing Rs.400000/- to expand his business.

The assurance of uninterrupted power supply with three phase connection from the solar mini grid helped him to enhanced his business in short duration of time.



**Ranjit Oraon** was a mid-size land holder with land holding of 5 acre and his main occupation was cultivation. In the year October 2019, Mlinda established its Solar Mini Grid in the village Khora of Gumla Block. That time he first realized the facility of continuous energy supply in the household as he was having a domestic connection. As he was looking for the avenues to enhance his income as the selling of primary agriculture produces would not able to fetch good money. He came into the contact of the field officer of Mlinda who stayed at their village 24\*7 for the maintenance of the solar grid. As per his suggestions he took up the activity of installing de-husking facility of paddy in his house. He was short of fund as he was able to collect only Rs.8000/- by selling the paddy. But the cost of the machine was Rs.45000/-. To enable him to start his micro enterprise, Mlinda provided EMI facility to Ranjit so that he could start his small de-husking unit.

He had to pay Rs.1500/- per month as EMI and he completed the repayment on time. From the profit of the Rice Huller Machine, he was able to expand his business and in February 2022, he purchased a 5 HP Pulverizer machine worth Rs.60000/-. For this machine he provided Rs.15000/- as down payment and rest was provided to him by Mlinda in Loan. He has also completed that loan by paying Rs.9000/- per month in EMI.

With the help of Mlinda now he has become a successful entrepreneur. He is taking good care of his family. Among the four kids he has having, two of them go to private school for education and rest two are two young to join school.

### **c. Sustainable Agriculture**

- c.1. Selection and promotion of climate resilient crops-mustard, ragi, groundnut and pulses
- c.2. Improve access to clean energy for irrigation
- c.3. Information dissemination about package of practices and quality seeds.
- c.4. Market linkage

### **FGD with Farmers:**



To understand the present status of the farming in the project area specially in the Rabi & Garma Season, Focused Group Discussions were held in 20 villages spread across four blocks of Gumla district.

During FGD the major problems like irrigation, capital, market, knowledge gap, access to energy, lack of crop diversification etc. were identified which were hindering the progress of farming activities in the project area. MCT is focused to work on those issues to bring a positive change in the farming scenario.

**Irrigation Facilities:**

Mlinda has helped around 100 farmers to purchase electric irrigation pumps with interest free loan and easy installment system. This initiative has helped to reduce the usage of diesel run pumps for the irrigation in the significant manner.



During the village meeting and interaction with farmers information regarding quality seeds and availability of them, price, vendor list etc were discussed.

## 7.Photo gallery

## 8.Human resources

| <b>S.No.</b> | <b>Human Resource</b>                        | <b>No.</b> |
|--------------|--|------------|
| 1            | General Manager                              | 1          |
| 2            | Head of Finance and HR                       | 1          |
| 3            | Lead Monitoring and Evaluation               | 1          |
| 4            | Programme Manager                            | 1          |
| 5            | Assistant Programme Manager                  | 1          |
| 6            | Finance and Accounts Officer                 | 1          |
| 7            | Project Officer-Market Linkage               | 1          |
| 8            | Project Officer-Micro enterprise development | 1          |
| 9.           | Programme Associates                         | 2          |
| 10.          | Support staff                                | 1          |

## 9.Audited Financials.