



**Mohsin & Fauzia Jaffer
FOUNDATION**
UPLIFTING HUMANITY
WESTON, FLORIDA USA



WF-AID
ECONOMIC EMPOWERMENT & DISASTER RELIEF



REPORT FOR
MOHSIN AND FAUZIA JAFFER FOUNDATION

Uplifting Humanity Microfinance Scheme - Lucknow, India

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LUCKNOW

Lucknow, a large city in northern India, is the capital of the state of Uttar Pradesh. The population of Lucknow is approximately 3 million people and of this there are about 300,000 Shia Muslims.

TANZEEMUL MAKATIB

Tanzeemul Makatib was established in 1968 with the aim of 'upliftment & development of the depressed class within society, focusing on the Indian Shia Muslim community by propagating education, guidance, awareness and training. Since its establishment, Tanzeemul Makatib has been continuously dedicated towards providing education, raising social awareness, offering social counselling, training, publishing and distributing text books and other teaching aids to the community. Tanzeemul Makatib owns and manages well over 1000 madrasahs across India and undertakes numerous initiatives for the upliftment and betterment of the poor in India.

Tanzeemul Makatib, in addition to being registered with the relevant authorities in India also has the endorsement of ijazas from no less than 8 Ayatollahs.

FACTS & FIGURES

Covid-19 has had a severe effect on the economy of India, many thousands of people lost their permanent jobs and those in the unorganised sector were particularly hard hit.

The term unorganised sector when used in India consists of "all unincorporated private enterprises owned by individuals or households engaged in the sale or production of goods and services operated on a proprietary or partnership basis and with less than ten total workers."^[1]

Amongst the characteristic features of this sector are ease of entry, smaller scale of operation, local ownership, uncertain legal status, labour intensive and operating using lower technology based methods, flexible pricing, less sophisticated packing, absence of a brand name, unavailability of good storage facilities and an effective distribution network, inadequate access to government schemes, finance and government aid, lower entry barriers for employees, a higher proportion of migrants with a lower rate of compensation.^[2] Employees of enterprises belonging to the unorganised sector have lower job security and poorer chances of growth, and no leave or paid holidays, they have lower protection against employers indulging in unfair or illegal practices.^[3]

A NCEUS report estimates that in 2005 out of the 458 million persons employed in India, 95 percent or 435 million worked in the unorganised sector,^[4] generating 50.6 percent of the country's Gross Domestic Product^[5].

[1] Report On Conditions Of Work And Promotion Of Livelihoods In The Unorganised Sector. Academic Foundation.

1 January 2008. p. 1774. ISBN 978-81-7188-678-4.

[2] Rapaka Satya Raju (1989). Urban Unorganised Sector in India. Mittal Publications. pp. 11-17. GGKEY:J0UK90X1FYN.

[3] Kulwant Rai Gupta (1 January 2009). Economics of Development and taPlanning. Atlantic Publishers & Dist. p. 746. ISBN 978-81-269-1011-3.

[4] Ruddar Datt (1 January 2008). Growth, Poverty, and Equity: Story of India's Economic Development. Deep & Deep. p. 134. ISBN 978-81-8450-088-2.

[5] Rehman Sobhan (4 October 2010). Challenging the Injustice of Poverty: Agendas for Inclusive Development in South Asia. SAGE Publications. p. 131. ISBN 978-81-321-0468-1.

THE NEED

The need is immense as many permanent workers exhausted their meagre savings in order to survive lockdown and quickly became poverty ridden. Those from the unorganised sector were even more hard hit as due to the nature of their work they were already surviving on small amounts and very much in a hand to mouth manner so they did not even have savings. Both workers from the permanent and unorganised sectors required immediate help which Tanzeemul Makatib provided including groceries, school fees and medical fees. Even though lockdown has been lifted many of these people can not earn their livelihood in the usual way as the economy has continued to decline. There is a need to empower and enable these people to earn a living in a respectable and self sufficient manner.

UPLIFTING HUMANITY ASSISTANCE SCHEME

The scheme runs as follows:

- Tanzeemul Makatib have outlined many small businesses that can be started afresh.
- Businesses which have inherent high profit and low monetary requirements have been selected and listed by their research team.
- People are encouraged to start such businesses.
- They have calculated the monetary and commodity requirements; profit percentage and daily recovery etc.
- A person who needs a loan has to submit an application form along with a list of items required, its approximate budget, copy of his and guarantor's ID proof.
- If the budget is greater than Rs 10,000 then a stamp paper is also taken as a security measure which also acts as a filter to ease out fraudulent people.
- Upon receiving the application form, a code number is allotted to the form for further reference.
- Beneficiary mentions the loan repayment amount and period of repayment in the application form.
- Tanzeemul Makatib have prepared their own estimates from different shops in Lucknow city. A list of shops with their preference has been prepared and they try to promote businesses which are based on day to day items and goods that are purchased by daily users.
- Upon receiving an application, they check with a person familiar with the locality for business feasibility. This person is already known to them as they have contacts all over India wherever our community is present.
- If ambiguity is found then an alternate business is suggested as per this person's understanding of the locality.
- This person can also suggest a suitable place for business if he is adamant on continuing business of his choice.
- The potential beneficiary verifies and gives a report for approval.
- They then compare the budget provided by the applicant with their estimates.
- If the beneficiary's estimate is lower than ours then we choose his shop otherwise we prefer our chosen one.
- When the budget, business and its location has been decided, then the file is forwarded to the secretary for approval.
- Based upon the reports of the local person and office clerk, the Secretary can increase or decrease the budget as per his understanding. He can also discuss with the applicant if he finds any foul play.
- Upon approval, a designated person from Tanzeemul Makatib takes the applicant to the shop of their choice and disburses the goods.
- The bill is given to the beneficiary for his record and its copies are saved in the office files.
- They only make cash payments in extreme circumstances.
- They give 4 days for initiation of work. After the set period, they start the loan repayment as agreed previously by the beneficiary.
- They have a team of recovery agents to whom beneficiaries are allotted according to their predetermined areas (localities) of repayment.
- They reach the beneficiaries and hand out a receipt of which one copy is given to the beneficiary whereas others are submitted in the office for future use.
- Recovery agents are paid according to the number of beneficiaries reached for repayment.
- An inspector from Tanzeemul Makatib regularly makes random inspections of shops and checks the quality of material being sold, behaviour with people, cleanliness etc.
- In case of non-payment, Tanzeemul Makatib recover the items wherever possible.

THANK YOU

Your generous donation of \$25,000 has been used to give **300** small loans, further details below, enabling the beneficiaries to lift themselves out of absolute poverty and earn a reasonable living for their and their family's survival. We, at WF-Aid, Tanzeemul Makatib and the beneficiaries thank you for your contribution and may Allah (swt) bless you abundantly.

SUMMARY

This is a summary of the top 20 loans given, a great variety of loans have been given in total according to need, request and location.

Type of business	Number of loans given
Mini General Store	165
Pan masala	27
Garments	23
Vegetables	19
Cosmetics	11
E-Rickshaw Battery	11
Kids items-Foodstuff	8
Footwear	7
Canteen	7
Mini General Store	6
Fruits cart	6
Stitching work	6
Sewing machine	6
Stitching in-house	6
Tea shop	6
Artificial Jewellery	5
Readymade garments	5
Agarbattis and Candles	5
Chaat stall	5
Electricals	5

CASE STUDIES

THESE ARE JUST SOME OF THE PEOPLE YOUR DONATION HAS HELPED
NAMES HAVE BEEN CHANGED TO PROTECT BENEFICIARY DIGNITY

Ali was working on contract in an aari dardozi business for past few years. During lockdown, this business contracted and he was unemployed for 5 months straight. He was helped through "Rozgar Assistance Scheme" by being given material for opening a tea shop. He is now earning enough to support his family of 5 people. Goods worth Rs 4000 were provided to him and he repays Rs 30-50 daily. He has already paid Rs 1360 whilst continuing to support his family as mentioned above.

Zahra completed a computer course after her graduation. Unfortunately, this coincided with complete lockdown. She was very upset with this as job opportunities completely dried up. with help from this scheme she started selling ready made garments. Tanzeemul Makatib provided garments worth Rs 9120 of which she has repaid Rs 5980 and now requires a further loan. She has a family of 4 and now she can support them to an extent.

Anwar was working in the construction sector. All his work stopped during lockdown for 5 months which pushed him into extreme problems. He opened a tea shop from his savings however he could not cover his expenses. He was helped by providing Rs 5000 for increasing items in his shop and he is now earning well enough to feed his family of 4 from this shop. He has already repaid Rs 1780 in just three months.

PICTURES





**Imam Ja'far Sadiq (a.s.) says:
“An act of charity given openly
prevents seventy types of
mishaps, and a secretly given
charity cools the anger of our
Lord Allah (S.w.T.)”**

Bihar ul Anwar v93, p130r