

Internship Report On
“Impact of Credit Programs of Sammilon Foundation”

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LETTER OF TRANSMITTAL

July 25, 2018

Dr. Salehuddin Ahmed

Professor

BRAC Business School

Subject: Submission of Internship Report on “Impact of credit programs of Sammilon Foundation”

Dear Sir

With this letter, I hereby submit my Internship Report titled “Impact of credit programs of Sammilon Foundation”.

I have completed my 12 weeks internship attachment in Sammilon Foundation. I have given my full concentration into the work with the hope to prepare a report from the arena I have experienced and from your kind direction. Besides getting practical working experience, the internship project on credit programs of Sammilon Foundation was a great experience for me.

Thank you and best regards.

Sincerely yours,

Mohammed Omar

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ACKNOWLEDGEMENT

For any successful completion of any task, there is someone very special who acts as steady lighthouse to show guideline, provide support, inspiration and courage. For this case, this very special person is Honorable Internship Supervisor Dr. Salehuddin Ahmed, Professor, BRAC Business School. Without His guidance, support and inspiration, it would be impossible for me to complete this study. In every stage of work, he has given valuable guideline and knowledge based information.

I am grateful to Mohammed Samiuzzaman, Executive Director, Sammilon Foundation, for providing great support and inspiration to carry out this study. The number of senior brother & sister really worked hard there and spent their valuable time to provide me plenty of information .I am thankful to them for showing their highest degree of temperament. Finally, I should also express my whole heartedly appreciation to all people who given excellent support and attention in completing my internship report successfully.

EXECUTIVE SUMMARY

In order to provide a student with job exposure and an opportunity of the transition of theoretical knowledge into real life experience, an internship is a must. A better balance between theory & practice can be gained through this program. The report is a combination of three months internship program with Sammilon Foundation.

This term paper gives a brief overview of the historical background of Sammilon foundation along with its organizational structure, financial and non-financial products and its loan disbursement procedures. To prepare this report both primary and secondary sources of data have been used. Apart from this a questionnaire has been made and did a survey on 30 regular clients. Growth and overall performance of Sammilon Foundation is also measured by using some of the financial tools. It also includes lending criteria and lending principles of this foundation. It also describes in details about the procedure of sanctioning credit, loan recover policy, and execution, stamping witness and other legal formalities. In the end, overall suggestions are given on the organization as a whole.

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1.0 ORGANIZATIONAL OVERVIEW

1.1 INTRODUCTION

Smmilon Foundation provides credit to the people without any collateral. At Samillon Foundation, credit is a cost effective weapon to fight poverty and it serves as a catalyst in the overall development of socio-economic conditions of the poor who have been kept outside the banking orbit on the ground that they are poor and hence not bankable. MD.Mostafizur Rahman , the founder of "Samillon Foundation", reasoned that if financial resources can be made available to the poor people on terms and conditions that are appropriate and reasonable, "these millions of small people with their millions of small pursuits can add up to create the biggest development wonder."

1.2 HISTORY OF SAMMILON FOUNDATION

Sammilon Foundation is a non-government development organization was established in 2005 with the goal of improving the socio-economic condition of the people and setting up justice and peace in the society. In light of integrated development from the beginning, Sammilon Foundation has been implementing diversified innovative and development-friendly programs in the working area to alleviate poverty and ensure sustainable development. The areas covered by the ICDA are sadar babuganj and muladi upazilas of Barisal district.

1.3 VISION

Establishing social justice and peace through socio-economic improvement of rural and urban people.

1.4 MISSION

Planning and implementing pragmatic programmes in developing human resources; ensuring participatory sustainable development through designing and implementing effective programmes and organizing backward men and women, adolescents and children.

1.5 BOARD OF DIRECTORS

Md. Mostafizur Rahman, Chairman

Md.Enamul Haque, Vice Chairman

Mohammed Samiuzzaman, Executive Director

Ahmed Mehfuz Moin, Finance Director

Md. Yousuf Ali, Director

Afroza Sultana, Director

Nazma Akter, Director

1.6 PRODUCT OFFERINGS

The offered products of Sammilon Foundation are mainly categorized in 2 disciplines and they are:

- Credit Activities
- Savings activities

1.6.1 CREDIT ACTIVITIES

Sammilon Foundation has started to implement credit program since 2005. The targeted people are getting the opportunity to have various credit-facilities on easy terms at a yearly interest rate of 25 % maximum. They are upgrading their income and savings by investing the credit in different income generating sectors. These people are now included within the range of health, nutrition and education services. They have defeated poverty and are heading towards development.

1.6.2 Savings Activities

Group members of Sammilon Foundation deposit savings with the groups regularly in both compulsory components and optional components. The rate of savings varies from Tk. 30 to Tk.100 depending on the types of credit programs. The fund is used to face bad times and unwanted future risk along with building asset for the members. On the other hand, members are making indirect contribution in the socio-economic development of the country with the fund.

2.0 INTRODUCTION

The success of microfinance in Bangladesh is now well-appreciated in home and abroad. Bangladesh is considered to be an "Ideal Model" of microfinance. Microcredit has changed the lives of target people. Now poor people have no complication in receiving credits. An active participation of women in credit activities has increased their economic solvency. Financial self-reliance of women has largely contributed to man-woman equality and woman-empowerment. In course of time, it has brought variety to the program according to the demand of clients and reality.

2.1 ORIGIN OF THE REPORT

This report is prepared as a part of completion of internship program of BRAC Business School. The supervisor of this course was Dr. Salehuddin Ahmed, BRAC Business School.

2.2 OBJECTIVES

2.2.1 BROAD OBJECTIVE

To Measure the Credit Program of Sammilon Foundation

2.2.2 SPECIFIC OBJECTIVES

- ❖ To analyze the organization target people
- ❖ To analyze resources and financial potentialities of the target people.
- ❖ Making them savings oriented for the sake of increasing their capabilities and assets.
- ❖ Providing financial support

2.3 SCOPE OF THE STUDY

The presentation of the organizational structure, policy and investigation of the strategic applied by provides the scope of the report. An infrastructure of the organization has been detailed. The scope of this report is limited to the overall description of the company, its services, operations, organizational setup, function, and performance.

2.4 LIMITATIONS

In analyzing the available data to prepare this term paper, the report is mainly based on publicly available data. Time is one of the main limitation as well as company secrecy.

Lack of Records: Sufficient books, publications, facts and figures are not available. These constraints narrowed the scope of accurate analysis. If these limitations were not been there, the report would have been more useful and attractive.

3.0 LITERATURE STUDY

This section highlights the major insights that have been captured regarding this NGO. It then Proceeds to examine this NGO in general, their contribution to social change and development And their criticism.

Credit management has been a major component of competitive strategy to enhance organizational productivity and profitability. In recent years, organizational performance measurement and metrics have received much attention from researchers and practitioners. The role of these measures and metrics in the success of an organization cannot be overstated because they affect strategic, tactical and operational planning and control.

4.0 METHODOLOGY

To analyze the credit programs of Sammilon Foundation, two types of data are used- Primary and secondary data.

4.1 SECONDARY STUDY

Secondary data was collected from the Relevant papers and publications, Different Loan strategies, Projects appraisal report, Organizational Charts, Through Internet browsing.

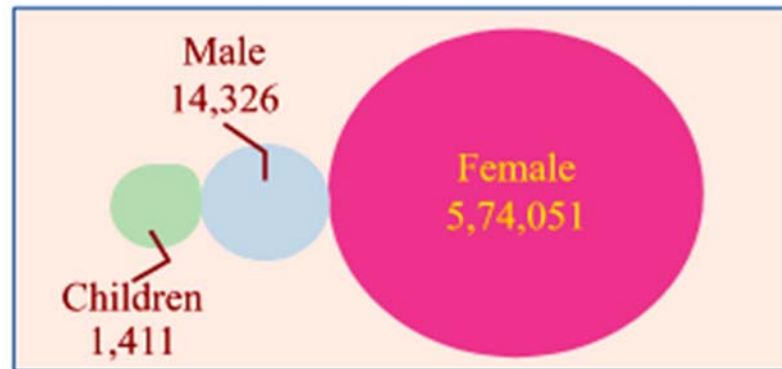
4.2 PRIMARY STUDY

Primary data were collected from Expert opinion, Official records, Practical work experience, and Different files and documents study.

5.0 SAMMILON FOUNDATION WORKING AREA

- Making people aware of their problems, solutions thereof and organize themselves.
- Encouraging organized poor people towards economic development
- Making people aware of health, providing healthcare services and eradicating malnutrition
- Providing sanitation services for improving rural health; installing tube-well for safe drinking water
- Enhancing status of women, encouraging and organizing them to fight against all kinds of oppressions including violence against women, dowry and irrational divorce
- Encouraging women to defend polygamy, child marriage and all other unsocial activities.
- Developing skills irrespective of men and women for creating new employment opportunities.
- Arranging relief and rehabilitation during natural disaster.
- Arranging rehabilitation for orphan children, old people and persons with disability.
- Implementing various welfare activities to prevent juvenile delinquencies.
- Operating credit programs for the target groups to create employment opportunities and undertake IGAs.
- Making schools child-friendly to bring disinterested children to schools and establishing child rights.

5.1 TARGET PEOPLE



Vulnerable, deprived and excluded men and women, adolescents and children are the target people of the organization.

As on June 2017, number of beneficiary stands at 589788 and of them 1411 is children, 14326 male and 574051 female.

About 40 lac people are financially benefited in direct and indirect way.

5.2 SOURCES OF FUND AND DONOR ORGANIZATIONS

- Internal Sources of the Organization
- Different Government and Non-government organizations of the country
- Different Financial Organizations of the country; such as State owned and Private Banks and Insurance Companies
- International Donor and Supporting Organizations

6.0 CREDIT PROGRAM

The success of microfinance in Bangladesh is now well-appreciated in home and abroad. Bangladesh is considered to be an "Ideal Model" of microfinance. Microcredit has changed the lives of target people.

Now poor people have no complication in receiving credits. An active participation of women in credit activities has increased their economic solvency. Financial self-reliance of women has largely contributed to man-woman equality and woman-empowerment.

6.1 CREDIT ACTIVITIES

The first step of credit program is group formation. Generally a group is formed with 10 to 40 members. Every client needs to be a member of any group within the working area according to organization rule. Within weeks of membership, the client can get credit under a definite activity of the credit program depending on his/her desire and capability. Clients need to pay installments after 7 days from the day of receiving credits. The amount of credit may vary from taka 5000 to 1500000. They have to repay loans on weekly/monthly basis at a yearly interest rate of zero to 25 % (declining method) maximum.



Group members have to attend the weekly meetings on a fixed date. In the meetings, various ways to improve financial condition, woman rights and empowerment, food and nutrition, health consciousness, education and culture etc. are discussed. At the same time, member enlistment, savings and installment recovery, loan proposal, proposal for meeting security fund claim, policies of microfinance of the organization, modified or new policies and so on are also discussed in these meetings.

6.1.1 JAGARAN MICROCREDIT PROGRAM

Jagaran credit program is one of the main credit activities of Sammilon foundation. It has been implementing the activity with a view to bringing about a change in the socio-economic condition of the poor and working class people in rural and urban economy. The loan size fixes at Tk15,000 to Tk 74,000 maximum. The duration is 1 year with weekly repayment system. The service charge is 25 per cent.

Borrowers of Jagaran credit activity develop their financial condition by investing their credits in different income generating activities. Jagaran Microcredit is the largest sector of sammilon credit activities. This program is expanded and mobilized across entire working area. Expansion of the activities proves its demand, acceptability and success. Almost all members under the activities are women.

Involvement of women in financial activities has made their rural socio-cultural background strong. This program has played a significant role in establishing the rights of women and their empowerment. Presence of women in different socio-cultural activities can highly be noticed after their success in financial activities. The following table depicts five fiscal years' information on Jagaran activities:

Sl No	Component	Fiscal Year				
		2010-2011	2011-2012	2012-2013	2013-2014	2014-2015
01	Total Groups (samities)	13,553	15,729	17,097	17,897	18,912
02	Total Beneficiaries	2,79,503	3,46,525	3,73,723	3,69,805	3,84,106
03	Male Members	6,391	6,054	4,857	3,678	2,560
04	Female Members	2,73,112	3,40,471	3,68,866	3,66,127	3,81,546
05	Savings Outstanding (Tk.)	78,55,49,628	90,45,07,245	107,06,33,149	128,20,57,281	148,12,68,174
06	Loan Disbursement (Tk.)	349,94,12,500	483,50,80,500	561,21,24,500	608,04,21,000	710,50,99,000
07	Loan Outstanding (Tk.)	179,65,01,976	243,10,24,922	291,23,53,448	309,21,42,478	371,69,84,084
08	Recovery Rate	99.44%	99.53%	99.63%	99.68%	99.72%

6.1.2 AGRASAR CREDIT PROGRAM

To alleviate poverty permanently, employment creation has no alternative. Beneficiaries of the organization possess adequate merit and innovation; they also have spirits to do something new. Many of them have enough skill and experience in income generating activities that they inherited over times and also traditionally. With a view to providing financial and technical support to beneficiaries of this class.

Presently, the credit activities are expanded over the entire working area. It is the second largest sector of loan disbursement. In exchange for service charge of 25 per cent annually, loan amount of Tk 75,000 minimum to Tk 15, 00,000 maximum is provided under the program. The duration is one year with weekly or monthly repayment system.

The program has put the sign of widely success and advancement in every Sector including the number of groups and group members, savings outstanding, credit boundary, loan disbursement, loan outstanding etc .Within few years, it has become the second largest sector of loan Disbursement. Through implementation of the project; the self employment of the promising, innovative and spirited entrepreneurs is being created. Unemployment problem of many unemployed people has been solved being involved in the initiative. Information related to the activities of previous five fiscal years are presented below

SI N o	Component of Activities	Fiscal Year				
		2010-2011	2011-2012	2012-2013	2013-2014	2014-2015
01	Total Groups (number)	5,876	6,809	7,684	7,222	10,367
02	Total Members (number)	27,441	37,744	44,717	47,864	61,981
03	Male Members (number)	7,236	8,327	8,059	7,179	6,184
04	Female Members (number)	20,205	29,417	36,658	40,685	55,797
05	Savings (Tk. in crore)	30.76	43.09	55.07	66.24	86.10
06	Credit Disbursement (Tk. in crore)	214.66	309.08	383.27	417.74	523.28
07	Credit Outstanding (Tk. in crore)	112.53	165.36	199.59	220.49	286.70
08	Recovery Rate	99.38%	99.50%	99.60%	99.47%	99.56%

6.1.3 SUFALAN CREDIT PROGRAM

Two types of credits are being provided under Sufalan microcredit: Beef Fattening Credit and Agricultural Sector Credit.

The loan amount fixes at Taka 10,000 to 50,000. But in special circumstances, the amount can be extended to Tk. 5, 00,000 based on the capacity of the borrower. The loan amount can be repaid at a time after selling the cow at a service charge of 25 percent. On the other hand, seasonal agriculture credit is being provided on various seasonal crops. The borrowers can repay the loan at a time after selling the crops at a service charge of 25 percent. Although risk in agriculture owing to natural disaster is very high, the activities have been expanded as expected. The duration of credit is three to six months under one repayment system

Sl No	Component of Activities		Fiscal Years				
			2010-2011	2011-2012	2012-2013	2013-2014	2014-2015
01	Total Groups (number)		48,858	1,02,959	96,974	1,38,655	1,73,030
02	Credit Disbursement (Tk. in crore)	Beef Fattening	28.85	46.79	89.60	71.92	142.05
		Agriculture/cultivation	49.07	86.62	86.14	94.96	94.70
		Total	77.92	133.41	175.74	166.88	236.75
03	Credit Outstanding (Tk. in crore)	Beef Fattening	0.56	0.70	20.17	65.50	66.79
		Agriculture/cultivation	24.24	42.21	32.99	17.47	44.53
		Total	24.80	42.91	53.16	82.97	111.32
04	Recovery Rate		99.51%	99.66%	99.70%	99.65%	99.72

6.1.4 BUNIAD CREDIT ACTIVITIES

In order to develop the destitute and vulnerable people, the organization has been implementing Ultra Poor (UP) Project . On the other hand, it has also been implementing Programmed Initiatives for Monga Eradication (PRIME) or Songjog project since later part of 2007 to develop the poor from Monga-affected areas.

PKSF is funding both the projects. SSS involves the ultra-poor and Monga affected people in the activities by giving training on changing their outlook and increasing the skill of income earning. During the previous years, the projects were implemented separately. Since 2012 both these projects are being implemented in integrated fashion. The loan size fixes 5000 tk to 40000 taka annual service charge is 20%.The duration of credit program is one year with weekly repayment system.

No	Component of Activities	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015
01	Total Groups	1,050	1,656	2,174	2,020	1,936
02	Total Numbers	21,869	33,765	42,737	37,006	32,224
03	Female Members	21,869	33,765	42,737	37,006	32,224
04	Savings outstanding (Tk. in crore)	2.27	4.27	6.26	7.12	7.77
05	Credit Disbursement (Tk. in crore)	12.35	21.71	31.69	30.50	32.54
06	Credit Outstanding (Tk. in crore)	6.15	11.63	16.21	15.18	16.98
07	Recovery Rate	99.11%	99.45%	99.74%	99.70%	99.67%

6.1.5 HOUSING LOAN PROJECT

Sammilon Foundation has been implementing the housing loan program with a view to solving housing problem for the people of low income with financial support from Bangladesh Bank. Homeless members are beneficiaries of the project. The credit is provided on a service charge of 6 per cent only. The activity is confined within Tangail district only. The related information are presented in Table. The borrower families have been able to overcome housing related difficulties owing to the activities. Loan repayment has been easier because of low service charge and easy installments. The credit amount of taka 70000 is provided under the program with 6% annually. The credit can be repaid within 6 years with weekly repayment system.

Sl No	Component of Activities	Fiscal Year				
		2010-2011	2011-2012	2012-2013	2013-2014	2014-2015
01	Loan Recipients	505	550	551	682	705
02	Loan Disbursement (Tk. in lac)	69.30	48.48	24.68	66.15	87.50
03	Loan Outstanding (Tk. in lac)	118.65	129.02	114.29	137.81	174.77
04	Loan Recovery Rate	99.34%	99.42%	99.44%	99.40%	99.45%

6.1.6 SPECIAL LOAN PROGRAM

Many of organized group members live in towns and industrial areas. Members living in these areas cannot take agriculture loan or other second additional credits apart from main loan facility in spite of their willingness. As a result, they cannot make their income diversified for want of capital in spite of having capabilities and willingness. Sammilon Foundation adopted special loan program for this kind of members to increase their business income, facilitate any income generating activity, purchase Household components, buy or lease lands, take advanced treatment, meet Education expenses of children build or repair houses, arrange social Ceremonies and so on. Clients who are the second time borrowers and do not have the opportunity to take agriculture credit, and who have taken loan of one lac taka or less can get the special loan facility. The loan amount fixes at Tk. 10,000 to Tk. 50,000 maximum with annual rate 25%. The duration is six months with monthly repayment system.

6.1.7 SAHAS (DISASTER MANAGEMENT) LOAN

Natural disaster is a continuous factor in our country. Almost every year, natural disasters strike any region in our country. Sammilon Foundation began implementing Sahas credit activities in order to bring the affected people back to normal life, providing them with financial support and taking preparation to cope with the disaster.

Sahas Loan activities were launched in the disaster affected areas with a view to defending the damages of disaster. The affected people from disaster-prone areas are the target people of the project. The amount of credit taka 4000 to taka 6000 and annual service charge is 4%.the credit repayment system is weekly, monthly, or one time.

Borrower number and loan disbursement under the activity get increased in a particular year, but they decrease in another. The main reason behind it is that the demand and disbursement of Sahas credit increase in years more devastatingly affected by natural disasters. Beneficiaries of the organization have been benefitted specially by getting the credit facility during emergency. Under the financial assistance of Sahas, they have been able to protect their financial activities and assets from the unexpected devouring of disasters.

7.0 SAVINGS FUND FORMATION AND SOURCES OF REVOLVING FUND

Group members of this foundation deposit savings with the groups regularly in both Compulsory components and optional components. The rate of savings varies from Tk. 30 to Tk.100 Depending on the types of credit programs. The fund is used to face bad times and unwanted future risk along with building asset for the members. On the other hand, members are making indirect contribution in the socio-economic development of the country with the fund. Savings of the members is providing direct assistance to increase capital, skill, sustainability and self-reliance of the organization.

7.1 CLASSIFICATION OF SAVINGS

The importance of internal sources in credit activities is increasing based on the members' demand. Sammilon Foundation is implementing four types of savings scheme:

Description	Name of Savings	Annual Profit	Minimum Savings
Savings Activities	General Savings (GS)	6%	30%
	Security Savings (SSP)	6%	20%
	Voluntary Savings (VS)	6%	100%
	Fixed Deposit Receipts (FDR)	9-10%	-

7.1.1 GENERAL SAVINGS PROGRAM

General Savings is compulsory for every member in the organization. Presently a group member saves a minimum of Taka 30 to per week according to the type of credit program. The members get interest on their savings balance at the rate of 6 per cent annually. If necessary, members can withdraw their savings following the organization policy.

Target People	Account Holders	Minimum Weekly Savings (Tk.)		Interest Rate	Balance As of June 2015 (Tk.)
Group Members	4,84,325	Jagaran	Agrasar	6%	244,62,71,430
		30.00	50.00		

7.1.2 SECURITY SAVINGS PROGRAM

With the intention of making group members capable of meeting the future uncertainties or risks, funding for investment and financially sustainable, 100 percent of the members are included in this program accordingly within the program range. On weekly basis, a member would deposit a minimum of Tk. 20 for Agrasar credit program and Tk. 20 for Jagaran microcredit program respectively considering the financial ability and nature of the members. However, Security Savings Program (SSP) is mandatory for all the members under Agrasar and Jagaran microcredit programs. A depositor is entitled to receive 6 per cent interest annually on the balance amount of savings. The following table shows the information on till 30 June, 2015:

Target People	Account Holders	Minimum Weekly Savings		Interest Rate	Balance As on June 2015 (Tk.)
		Program	Taka		
Group Members	4,35,892	Agrasar	30	6%	71,78,37,921
		Jagaran	20		

7.1.3 VOLUNTARY SAVINGS PROGRAM

Voluntary savings program has been launched from 1 January 2015 as a potential alternative source. The objectives of the activity are to make the members savings-intended, provide them with the opportunity to withdraw the saved money at the period of crises, increase the internal working capital of the organization and reduce risk. The annual profit rate on the deposited money is 6 per cent; a member would deposit a minimum of taka 100.

Target People	Account Holders	Minimum Weekly Savings (Tk.)	Interest Rate	Balance As on June 2015 (Tk.)
Group Members	7,034	50	6%	11,02,45,941

7.1.4 FIXED DEPOSIT RECEIPTS

Fixed Deposits Receipts (FDR) Program has been launched from July 2011. The target and objectives of the scheme are: reducing dependence on donor organizations, enhancing internal working capital and addressing risks. An account holder, on fulfilling the necessary requirements, can open two types of fixed deposit schemes: one-time profit basis and monthly profit basis. Annual interest rate is 9-10 % per cent depending on the type of account. At present, opening new accounts have been closed in this program for special circumstances.

Target People	Minimum Savings (Tk.)	Yearly Profit		Minimum Savings (Tk)	Terms	Monthly Profit	on June 2015 (Tk.)
		Terms	Taka				
Officers, staff members, common people	10,000	6 months	10%	50,000	1 yr	0.90%	25,06,42,040
		1 yr	11%				
		6.5 yrs	11.50%				

7.1.5 PROGRESS OF SAVING PROGRAM

Sammilon foundation has collected savings of taka 424 crore from its group members. The cumulative savings outstanding stands at taka 577.10 crore.



8.0 QUESTIONNAIRE SURVEY ANALYSIS

Surveying questionnaire is very important for any kinds of project. It helps to give clear idea regarding the status and findings of the project. Here, questions are designed and asked to respondents to extract specific information. For preparing this report I have used a structured questionnaire and it filled up by 30 clients of Sammilon Foundation. From those filled up questionnaire, some of the important analysis and findings are as follows:

Opinion Regarding Service Charge

opinion	No. of Respondents	Percentage
high	12	40.00%
medium	11	36.67%
low	7	23.33%

From the table it is seen that 40% people said that the service charge of Sammilon Foundation is high, 36% said it is medium and 23.33% said it is low. So organization should work on this factor.

The Loan Processing Time is Lengthy

Opinion	No. of Respondents	Percentage
fully agree	14	46.67%
agree	9	30.00%
disagree	7	23.33%
fully disagree	0	0.00%

From the graph it is seen that 46.67% client fully agree with the statement, 30% agree, 8% disagree, and no one is fully disagree with this statement.

The loan packages of Sammilon Foundation are attractive

Opinion	No. of Respondents	Percentage
yes	19	63.33%
no	11	36.67%

From the graph it is seen that 63.33% client agree with the statement, 33.67% disagree with this statement.

9.0 FINDINGS

- Credit is vital to finance the project. An appropriate credit discussion system and monitoring will ultimately lead to organization growth the size of loan and advances are increasing over the years. It shows a positive growth rate.
- The loan which is provided by the organization for business purpose may be used in personal purposes by the client. Here the foundation faces problem of getting installment from client within specific time. The foundation confronts with problems to take installment if the client fails to pay the installment within the specific time.
- The overall working system is in adequate
- Observing employees performance to collect credit has little.
- Due to scattered system information confidently, integrity and availability are not protected.

10.0 RECOMMENDATIONS

- Various facilities should be provided to regular borrowers which will encourage a borrower to be a good borrower. Names of defaulters as well as the good and regular payers may be published in various publications which would help the organization to decrease the number of defaulter as well as the volume of large outstanding loan amount.
- The credit deliver system should be improved.
- In the Classified loan amount the organization should identify which sector has the largest position of loan classification. By analyzing past data this kind of risky sector can be identified. After identifying it, strict monitoring can be done for avoiding classified loans.

- Credit approval authority should be delegated to individual executives rather than Board to ensure accountability. This system will not only ensure accountability of individual executive but also expedite the approval process.
- In Some cases authority is so strict. As a result sometimes debtors are afraid of taking loan.
- The complementary role of Sammilon Foundation and government can take care of the problem.
- Sammilon Foundation should maintain digital preservation of the information rather than document them in stacks of paper.
- The overall system should be organized, systematic one to provide integrity and availability.
- Maintain a precise, standardized database of members and their financial activities.

11.0 REFERENCES

- Annual report of Sammilon Foundation
- Organization profile of Sammilon Foundation
- A report on Microcredit and women's empowerment
- Several Booklet of sammilon foundation
- Journal of Microfinance
- The Micro banking Bulletin

APPENDIX

QUESTIONNAIRE:

BRAC BUSINESS SCHOOL

(These data will be used for academic purpose only, please select the most suitable option according to your own judgment or experience)

1. Opinion Regarding Service Charge

- A. High
- b. Medium
- c. Low

2. The Loan Processing Time is Lengthy

- A. fully agree
- B. agree
- C. disagree
- D. fully disagree

3. The loan packages are attractive

- A. YES
- B. NO