

FUNDRAISING PACK

Ola & Uber Cars Finance Project, India

September 2016



ABOUT THIS PROJECT

The World Federation is committed to economic development in our community, and humanity at large. It's a cornerstone of WF AID's action plan.

The unemployment rate among youth in India is a really worry. Many young professionals and new graduates with degrees struggle to get work, and those who do are paid a mere \$180 to £250 per month - working in areas like call centres or in administration. These salary figures are in decline given the great supply of new professionals and the lack of new opportunities that are readily available. Without such opportunities the financial well-being of our youth and of young families is in decline.

The World Federation in partnership with India Federation are working on advancing the social and economic circumstances of our community's youth. Starting with this pilot project in Mumbai, Ahmedabad, Bhavnagar and Mahuva: 'The OLA and UBER MICROFINANCE PROJECT' where young drivers are paid per trip to drive people from one place to another. OLA and UBER are transport companies where individuals can earn money as independent contractors by giving rides to customers.

The World Federation and India Federation have vetted applicants from deserving families and whose family situations require them to have this start up support. We believe that we need to invest in the deserving to help uplift them and this pilot project is a great example of this.

We are now seeking donors who will help fund the purchase of the cars needed for these individuals to set up the business. The funds will be used as interest free loans to would be car owners at zero percent with a monthly repayment over 2 years. The life-time of these cars is circa 7 to 9 years. Once the loans are repaid, the funds will be allocated to other individuals to grow this and other businesses!

Please donate today. With your help we can help economically develop the deserving and bring great beneficial impact to the community! For further information please see overleaf or email wfaid@world-federation.org



WHERE IS THIS PROJECT HELPING?

The project will benefit community members living in:

- **Mumbai**, the capital city of the Indian state of Maharashtra is the most populated and wealthiest city in India. Mumbai is also the financial, commercial and entertainment capital of India and one of the world's top ten centers of commerce in terms of global financial flow.
- **Ahmedabad** is the largest city and former capital of the Indian state of Gujarat. Over the years, the city has emerged as an important economic and industrial hub in India. It is the second largest producer of cotton in India, and its stock exchange is the country's second oldest. Cricket is a popular sport here.
- **Bhavnagar** is situated in Gujarat state and is home to a large number of diamond cutting and polishing units, salt and marine chemicals, plastics, shipbuilding, and ship-breaking industries. There are 112 medium and large scale industries located in Bhavnagar district.
- **Mahuva** is a small town in the State of Gujarat. It is known for its mild weather and green, lush surroundings. Mahuva has a number of agriculture based industries such as cotton ginning and dehydrated vegetable industry.



WHAT HAS THE WORLD FEDERATION DONE BEFORE?

Since 1970 up until today, The World Federation has been working throughout India in the areas of education, access to housing, poverty relief and economic upliftment.

The Zainabiya Child Sponsorship Scheme (ZCSS) is an initiative of The World Federation started by marhum Mulla Asghar and has been running for over 34 years. This sponsorship scheme supports young students in less advantaged areas of the world in order for them to complete their education. ZCSS supports a range of students from Primary to Further Education. Through this program, we continue to learn that an investment in education within India yields one of the highest returns compared to anywhere else around the world. We currently sponsor students in eight states out of India's 28 states which include Andhra Pradesh, Gujarat, Bihar, Uttar Pradesh, Maharashtra, Tamil Nadu, Karnataka and West Bengal. By working in India, we have been able to take children away from child labour, forced employment, poverty, ill health, and the streets.

In addition, The World Federation has built new homes in the state of Gujarat to house families affected by poverty and natural disasters including the earthquake of 2001. Through this housing program, families are living in peace, dignity and security.

In 2015, The World Federation granted five microfinance loans to businessmen in India. Funds were used to purchase raw materials for manufacturing, expand an auto parts and cake ventures and establish credit to grow an existing business.

Over the last 46 years, we have made significant progress in India. Our goal is to continue this momentum with the hope of helping more families achieve financial independence.



HOW CAN YOU HELP?

FACILITATING OLA AND UBER CAR FINANCE PROJECT IN MUMBAI, AHMEDABAD, BHAVNAGAR AND MAHUVA, INDIA

This project was successfully launched in Mumbai where the local community members sponsored the purchase of 5 vehicles. Given the success of this initiative, there is an upward demand to grow this program to employ more youth. The World Federation in collaboration with India Federation is looking for your support to help 10 youths in India finance the purchase their own vehicles to become OLA and UBER drivers with the overall goal of increasing their earnings. Funding would be provided as follows:

- Mumbai – 5 vehicles
- Ahmedabad – 2 vehicles
- Bhavnagar – 2 vehicles
- Mahuva – 2 vehicles

With your support,

- We can provide interest free loans to individuals to purchase 10 cars;
- Our goal is to recover loan payments from the borrower within 24 months where the funds raised will be used for more projects within the community;

The life of a vehicle is about 7-9 years where the first 2 years will be allocated to loan repayment.



INCOME COMPARISONS

(1) SUMMARY OF PROJECTED INCREASE IN MONTHLY INCOMES (MINI CAR – 11 TRIPS/DAY)

	INCOME BEFORE MICROFINANCE LOAN (MONTHLY/USD)	INCOME WITH MICROFINANCE LOAN (MONTHLY/USD)	PROJECTED INCREASE
FIRST 2 YEARS	\$210	\$368	\$158
YEARS 3-7	\$210	\$620	\$410

(2) PROJECTED INCREASE IN MONTHLY INCOMES

		MINI CAR 11 TRIPS/DAY (FIRST 2 YEARS)	MINI CAR 11 TRIPS/DAY (YEARS 3-7)
REVENUES		\$1,280	\$1,280
LESS:	COMMISSIONS/TAXES/TDS	\$283	\$283
	FUEL/MAINTENANCE	\$377	\$377
	OTHER DRIVER COSTS	-	-
	LOAN REPAYMENT (OVER 24 MONTHS)	\$252	\$0
	TOTAL EXPENSES (INCLUDING REPAYMENT)	\$912	\$660
NET INCOME		\$368	\$620

BUDGET

Below is a budget to fund the purchase of 10 cars for the pilot phase of this initiative. Our goal is to increase the number of vehicles for purchase to grow this microfinance opportunity to benefit more youth.

PROJECT BUDGET

LOCATION	NO VEHICLES	UNIT COST	TOTAL COST
Mumbai	5	\$6,207	\$31,035
Ahmedabad	2	\$6,207	\$12,414
Bhavnagar	2	\$6,207	\$12,414
Mahuva	1	\$6,207	\$6,207
TOTAL	10		\$62,070

Terms & Conditions

- Community members must drive for at least 1 shift per day (minimum of 10 trips per day – conservative estimate);
- Vehicle to be in the name of person registered with OLA or UBER;
- Driver should have valid driver's license for minimum 2 years (with Transport License)
- Borrower to provide fixed property as collateral security to the India Federation against amount funded;
- Original RC and key kept with India Federation until loan is repaid;
- Borrower will pay back the loan over 24 months (funds will then be used to finance more similar projects).

WHY IS *THIS* CAUSE IMPORTANT?

The World Federation's humanitarian arm, WF-AID aims to provide feasible solutions for the many challenges faced by men, women and children around the world who lack basic provisions in regions of deprivation, conflict and natural disasters. The World Federation's microfinance program provides meaningful support to families with the overall goal of helping them to attain financial independence and an improved quality of life.

CONCLUSION

"He who fulfils one need of his believing brother, God will fulfil one hundred thousand needs of his on the Day of Resurrection." (Imam al-Sadiq, as)

We may not be able to change the circumstances of all individuals who struggle in different ways; however, with the support of caring and compassionate friends like you, we can work together to improve the lives of as many people as we can.