

# Community Swaraj

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## Our Mission

*“Building People and Sustainable Institutions with Value Driven, Ethics and Democratic process to enable the poor for Poverty Eradication, Water & nutrition secured; Inclusive and Ecologically Balanced Development”.*

## ANNUAL REPORT 2023

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# 1. INTRODUCTION

A perfect storm: a particularly violent storm arising from a rare combination of adverse meteorological factors; in general, a severe crisis driven by several concurrent sub-crises.

The world is at present undergoing a perfect storm. Unprecedented heat waves across Europe, the Americas and Asia take a heavy toll in lives, as global warming proceeds unabated. COVID-19 continues to evolve, mutate, and cause morbidity and for some, mortality. Inflation reaches new heights not seen in decades. Hunger is rampant, as the Russia-Ukraine war halts grain supplies. And as is often the case, it is the vulnerable, the poor, the low-income groups who suffer most. This is unacceptable. It cannot, and must not, continue.

As the world seeks creative solutions to this unabated perfect storm, it is highly desirable to employ a common management tool - global benchmarking, the global search for best practice to deal with challenges, wherever it is found. What better place to find best practice than DHAN Development of Humane Action, a Foundation, whose story, methods, and impressive results in alleviating poverty are detailed in this book.

DHAN's achievements contrast sharply with the dismal global failure to deal with the 'perfect storm' crises. DHAN has enlisted over 24 million people in its efforts, comprising 71,000 primary groups in 14 states of India. Enormous sums of savings have been mobilized and loaned on favorable terms.

Hence, the rule is - adapt, don't adopt.

Adapt DHAN and other success stories, to suit the culture. Embrace elements that are congruent with Western values, modify those that are not.

We face a global emergency, undeclared but real and imminent, in poverty and inequality. The data show it has been becoming aggravated for decades and in some measures, is unprecedented today in its severity. Like the climate crisis, it can no longer be ignored.

As a warning shot across the bows of the rich and extremely rich -- you are not privileged to ignore it. One way or another, the poor will find ways to better themselves and their families; it will either be by consensus, or by some degrees of violence.

Development of Humane Action [DHAN] has quietly shown the world that alleviating poverty effectively is indeed possible, at scale. The DHAN story deserves to be studied widely, worldwide. And where suitable, applied. There is no time to waste.

From the book of Experiments in combating poverty- learnings and insights from an Asian development model - The case of DHAN Foundation, India.

By, Prof. D.V.R. Seshadri & Prof. Shlomo Maital

DHAN (Development of Humane Action) Foundation's legacy in enabling community has more than two decades of experience. As a national-level professional development organization, over the years, DHAN has proven development impact in the themes of Water, Women empowerment, community banking and building civil society organizations has proven its community-driven, self-sustainable models across India. DHAN played an important role in facilitating more than 5 lakh member families to come out of poverty and declare themselves as Moved out of poverty through its various interventions.

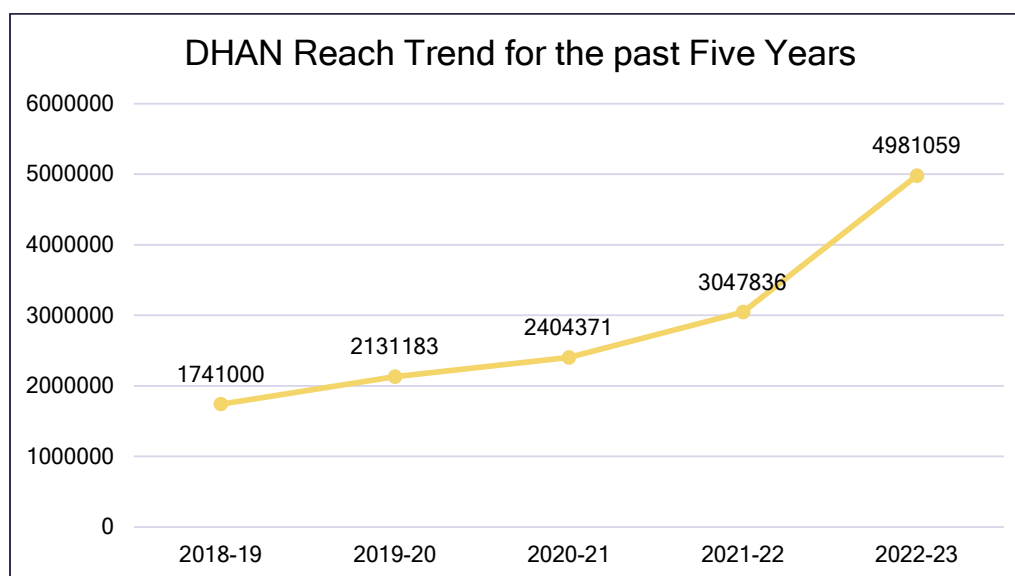
DHAN believes **“Community Swaraj”** is the key to sustainable development. DHAN's understanding of community swaraj is centred on the promotion and mentoring of democratic, self-governed people institutions operating on universal ethics and values towards enhancing the quality of life and freedom of choices for the deprived.

DHAN's other belief is in placing high-quality human resources at the grassroots to work with the community not just as an instrument but also as a value, it is an expression of **“Giving Back to Society”** by these professionals. Our experience has shown that the concept of giving back to society expanded to an extent that, the community also started giving back to the society by way of community resource sharing and contributions.

## 2. INSTITUTIONAL INTEGRATION

### a. Reach of Families – Dashboard as of March 2023

S No	Name of the Programmes	Total Families Reach
1	Kalanjiam Community Banking Programme	1,83,942
2	Centre for Financial Literacy	16,54,282
3	Vayalagam Tank fed Agriculture Development Programme	18,042
4	Small Millets development programme	1,227
5	Panchayat Development Programme	42,644
6	Coastal Conservation and Livelihoods Programme	1,719
7	Rainfed Agriculture Development Programme	1,073
8	Information Communication Technology for Poor	26,374
9	Climate Change Adaptation	3,920
<b>Total Reach during 2022-23</b>		<b>19,33,223</b>
<b>Overall Cumulative Reach</b>		<b>49,81,059</b>

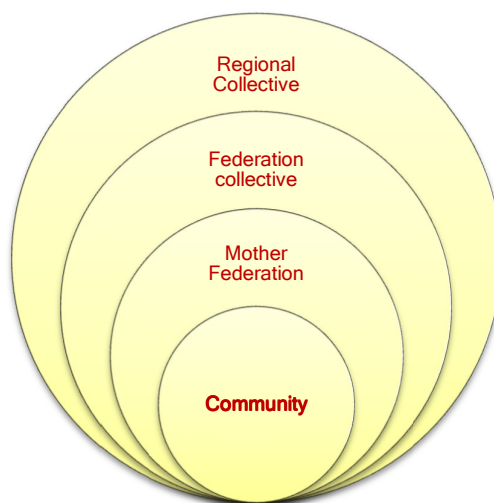


## b. Federation Collective

In the 2022-23, exclusive focus is given for promotion of federation collective. DHAN has 374 block level federations. These federations are primarily Kalanjiam based or Vayalagam based people institutions. To provide multiple services to members, these mother federations are promoting subsidiary institutions on health, Mutual insurance services, and Livelihood enhancement. Both mother federation and its subsidiaries are jointly called as Federation collective.

## c. Regional Collective

DHAN has 62 district level regions mainly to mentor and coordinate federations in those area. As part of advancing the nested structure and community ownership DHAN has focused on promotion of regional collective, in which community leaders from the federations are taking part in the regional level coordination. This regional level leadership forum is called as 'Regional council" and this forum will work with line-departments for access services and also ensure the self-growth of federations at large.



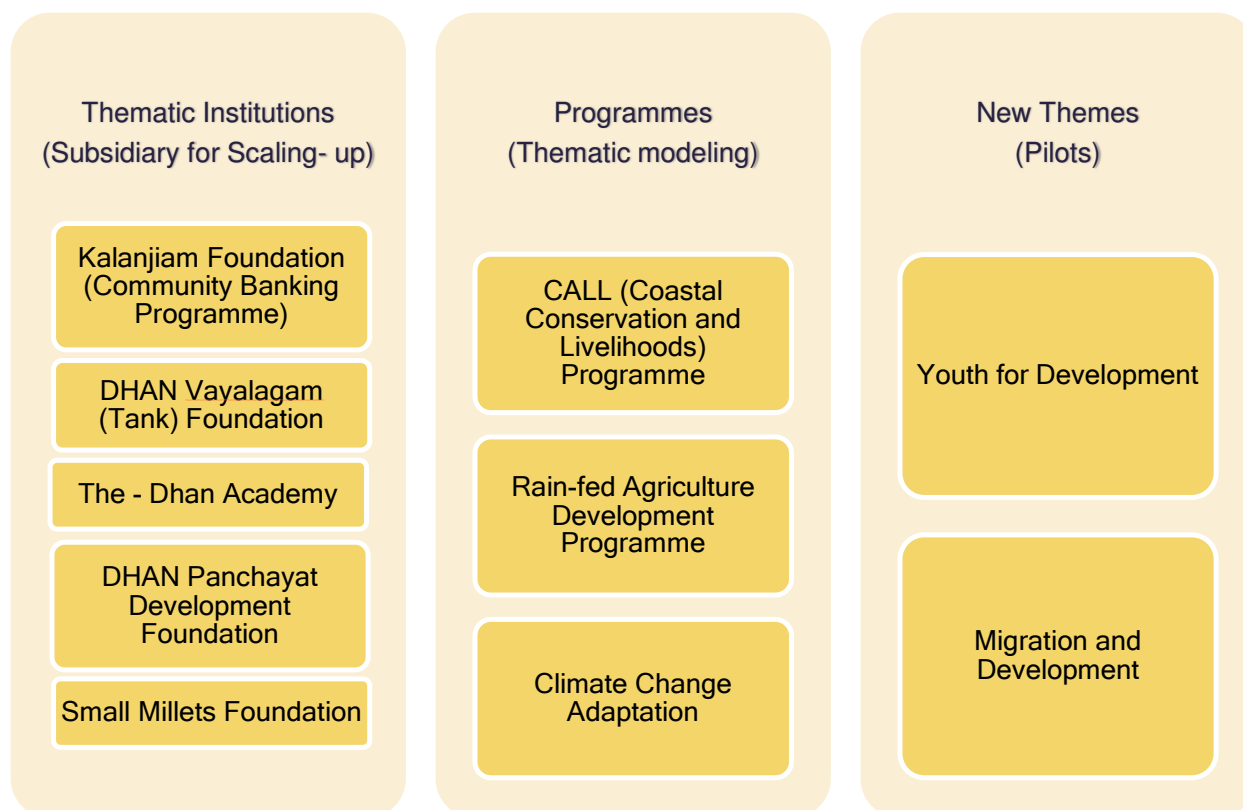
#### d. Performance Enabling Program (PEP):

DHAN is a Human Resource development organization. The HR systems are developed in a robust manner over years. As the human resource for coordinating people institutions needs specialized skills and attitude. So, DHAN conducts annual Performance Enabling Program for its staff. It goes beyond appraising a staff. It builds collectiveness and creation of enabling environment for every individual to perform better and learn from the field experiences.

The PEP process is conducted for all the DHAN staff, People Functionaries of the DHAN Collective system. Based on the PEP, DHAN has facilitated graduations of roles and responsibilities for eligible staff.

#### e. Programme Integration

DHAN has multiple programmes based on the thematic approaches.



All these programmes are acting both as stand-alone and cross cutting themes. The learning from each programme is applied in other programmes. To facilitate the process, DHAN established a mechanism for programme integration process, in which every month the programme integration meetings are conducted mainly to share the best practices across places and to ensure the programme standards in various contexts.

#### f. SPICE integration

Specialized People Institutions for Community Empowerment (SPICE) are verticals on various development themes to provide multiple services to member families. These verticals are playing key role in accelerating member families to come out of poverty. As of now DHAN is having eight verticals are SPICE institutions to provide services to member families.

Development Finance	•KDFS (Kalanjiam Development Financial Services) for providing credit services to SHGs/AFGs
Social Security	•People Mutuals (Insurance, & Pension services) for risk mitigation
Healthcare	•SUHAM (Nutrition, Sanitation, Community Health, Primary and Secondary care services)
Livelihoods	•Jeevidam (Livelihood finance, Skill-building, value addition, forward and backward linkages, FPOs)
Housing	•DHAN HOPE: Housing finance, Tech support and collective inputs supply
Publication	•Reflection trust (Bring knowledge-building products - magazines and development books)
Education	•HELP (Holistic Education with lifelong Learning Process) provides services related to School education
Technology	•Information Communication Technology for Poverty eradication thru community radios, village information centres and e-services

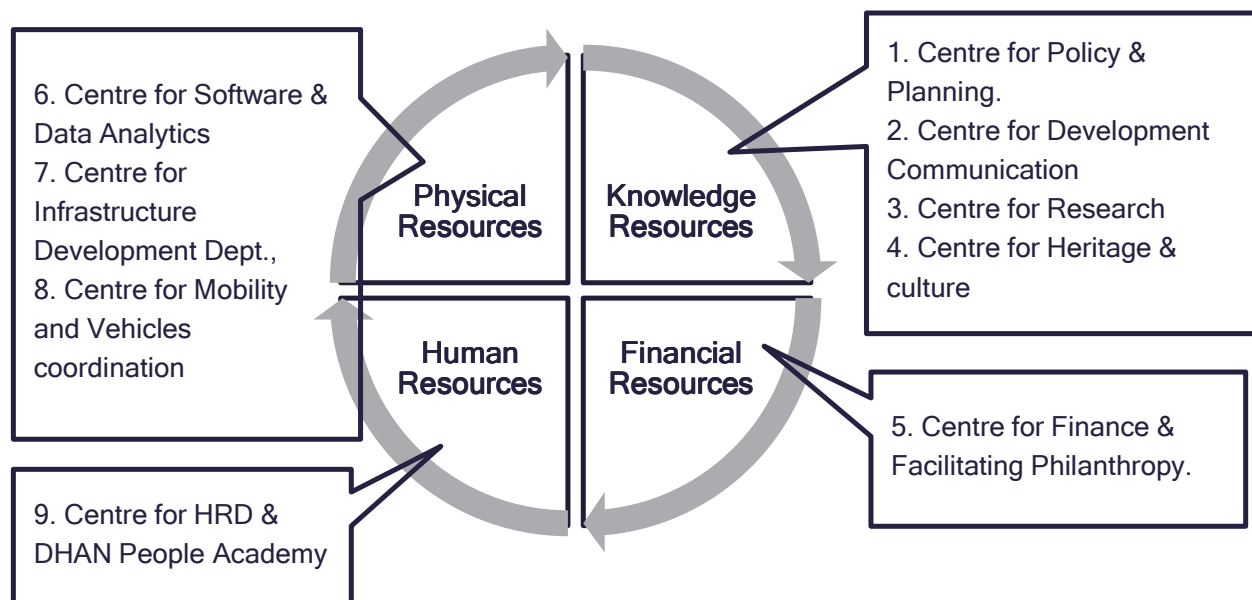


The reach of member families thru multiple services of SPICE as follows:

S No	Name of the service	As of March 2022	During 2022-23	As of March 2023
1	Mutual/Insurance Services	1,00,04,532	63,39,151	1,63,43,683
2	Healthcare Services	7,55,677	2,31,268	9,86,945
3	Livelihood Services	54,962	12,253	67,215
4	Bank linkage Services	4,25,600	10,047	4,35,647
5	Housing Services	931	60	991
6	Publication services	5,56,750	44,000	6,00,750
<b>Total</b>		<b>1,17,98,452</b>	<b>66,36,779</b>	<b>1,84,35,231</b>

### g. Centres integration

Centres are part of central office of DHAN Foundation, that are providing back-end services to institution, programmes, community and to the sectors. These services are largely mapped in to four major categories namely, human resource services, financial services, knowledge services and physical services. During the year 2022-23 these centres were redefined, and some additional centres are added. As of now DHAN has nine centres.



### h. Collaboration with mainstream

- Mainstream collaboration helps in leveraging services to member families with line departments. DHAN's niche is its presence at the grassroots. The last mile reach makes most of the government schemes get realised to the needy people.
- Also, such collaboration helps in improving the supply system efficiency. The collaboration with Panchayats on MGNREGS has been significant in the last year.

Similarly, our collaboration with ICDS and the Agriculture Department has given more rewards to our community.

- The collaboration with Banks and insurance companies is serving as a lifeline to our community institutions. DHAN has made a MoU with various banks at the zonal/regional level for large-scale linkages to our groups.
- Academic collaboration with IARI, IIMR, TNAU and other institutions has given space for taking up development research to TDA and DHAN.

#### i. **Network contribution**

Networks of development stakeholders help DHAN in two ways. 1. It provides a platform for sharing our grassroots experiences and learning with others. 2. It helps DHAN to know and learn from other development stakeholders. DHAN is active in various national and international networks. DHAN's involvement in ICMIF and ISEA are well recognized. At the national level, DHAN's active role in the Equitable Healthcare Access Consortium is noteworthy to mention. Similarly, DHAN has a good scope to contribute to UN ECOSOC in the coming days. In the other networks namely, INAFI (International Network for Alternative Financial Institutions), ABC Network (Agriculture Bio-Diversity Council Network), World Water Council (WWC), and Global Water Partnership (GWP) DHAN continues its touch time-to-time.

#### j. **DHAN International**

DHAN registered a legal entity, DHAN International in The Netherlands mainly to scale up DHAN's work across various countries. There are a few leads that emerged last year to start DHAN's work in other countries. With respect to Insurance, DHAN International started implementing a project with the support of The InsuResilience Solutions Fund (ISF) and working with GIZ to initiate small-millet based project in African countries.

#### k. **Core values at work**

DHAN is rooted in values, such as Grassroots action, Collaboration, Enabling, Innovation, Excellence, and Self-Regulation. DHAN believes that these values are the core strength needed to realise its Vision and Mission. These are not just values to cherish but also be expressed by integrating with DHAN's day-to-day work.

- **Grassroots action** is expressed in terms of DHAN's reach to poor and vulnerable sections and also providing multiple services to members to help support them to come out of poverty.
- **Enabling** is an inseparable component of DHAN's work. DHAN is an enabling organization, it enables the community, sector and professionals for effective development work. The CHRD, DHAN People Academy and The DHAN Academy are serving as key nodes for accelerating the enabling process in the DHAN system.

- **Collaboration** brings more resources and visibility to our community action. Also, the development process is not a single-man show. It's a collective effort. DHAN's collaboration with Banks, Insurance agencies, line departments, CSR institutions, and Academic institutes is significant in maximizing the development outcomes.
- **Innovation:** Development Innovation is not a choice, but it becomes mandatory to be relevant in the changing context. DHAN continues its innovation both in Institution building processes, and development services. The idea of self-growth and federation collective, domain-specific leadership roles in the People Institutions, context-based financial services, approach to financial literacy are some of the innovations that made a tangible impact at the community level.
- **Self-regulation** DHAN believes that individual transformation is the seed for social transformation. The idea of self-regulation is not only valuable but also it helps in enhancing productivity and cost-effectiveness. It is not only for individuals but also for the institutions to follow. The Self-Regulatory organizations are regulating themselves with accepted norms and procedures, which enhances the ownership among the members.
- **Excellence** is not an input. But it's an outcome. By way of thoughtful processes, DHAN has emerged as a knowledge of excellence in the areas of community banking, water conservation, healthcare, mutual insurance, development education and livelihoods.

## I. Key paradigms from the practices of DHAN:

- **Moving out of poverty by member's funds:** The general assumption is poor need external support to come out of poverty. However DHAN has been able to demonstrate that the poor can be moved out of poverty by their own funds. Our role is to enable them and to integrate them with the supply system. Moreover, poor people are mutually helping other poor to come out of poverty and this shows the immense potential among the poor families to take care of their life and livelihood on their own.
- **Grassroots-level, Direct Democracy:** People institutions are the base for all development interventions. The people's institutions practice direct democracy, in which all the members discuss and make a decision on consensus not on the majority, which ensures the desirable results. From the group to national level movement people representation is made mandatory, because of this democratic leadership space, domain specialist leaders are emerging.
- **Reaching the unreached:** DHAN's approach is to reach the poor, vulnerable and disadvantaged communities. This targeted approach is helping our institutions to use the fragile resources of the needy people and also it helps in intensifying our work towards better development.
- **Integrated work:** in recent years, DHAN has focused on integrated work at the member level. DHAN follows a family approach, where multiple service to each family is ensured so that the rate of positive change becomes faster and more effective. Also, it makes it easy for other themes to work together as the social capital is already built.

### 3. RESOURCE MOBILIZATION

Financials of DHAN Collectives for FY 2022-23 ( in Rs. )		
Themes	Income	Expenditure
DHAN Foundation	48,70,03,607	45,45,78,163
<b>SUBSIDIARY INSTITUTIONS</b>		
Kalanjiam Foundation	3,84,81,317	3,77,06,477
DHAN Vayalagam Tank Foundation	8,58,76,885	8,79,53,479
DHAN Panchayat Development Foundation	25,97,276	33,00,425
The DHAN Academy	1,57,86,544	1,40,78,432
Small Millets Foundation	5,00,000	5,00,000
<b>SPECIALIZED VERTICES (SPICE)</b>		
People Mutuals	28,14,076	27,80,192
JEEVIDAM	3,92,01,666	3,88,08,529
KDFS	4,63,25,000	4,50,78,000
DHAN HOPE	30,48,000	29,66,000
SUHAM Trust	4,90,91,647	4,37,75,719
Reflection Publication Trust	1,12,42,268	1,11,55,164
<b>MUTUAL MOVEMENTS</b>		
Kalanjiam Mutual Movement	7,31,561	6,07,995
Vayalagam Mutual Movement	61,111	55,529
Neidhal Mutual Movement	38,52,635	38,65,917
<b>Grand Total</b>	<b>78,66,13,592</b>	<b>74,72,10,021</b>

## 4. THEMATIC ADVANCEMENT

### a. Community banking with Women Empowerment (SCRIPT)

All Kalanjiam SHGs undertake Savings, Credit, Insurance, Remittance, Pension and Digital Transactions (SCRIPT) activities in collaboration with the banks under financial inclusion. They also do financial literacy for the women members and their families through family and financial counselling and awareness programmes. Wherever the Centre for Literacy (CFL) centres are there, the financial literacy programmes are organised for the public including the Kalanjiam women members. There are presently 178 CFLs functioning in Tamil Nadu, Odisha, Karnataka, Kerala, Goa, Pondicherry and Lakshadweep covering 534 blocks. The financial literacy initiatives help the community in linking with the banks not only for credit but also accessing the entitlement services such as social security and government schemes.

**Savings:** During the reporting period, the groups have mobilized savings amount of Rs 187.34 crore against the plan of Rs 140 crore. As on March 2023, the cumulative savings mobilized by the groups was Rs 994.06 crore

#### Savings: Context Wise Plan Vs Actual for the period from Apr.22 to Mar.23

Amt in Rs. Crore

Context	No. of Locations	Savings Mobilised during the period			Total Savings as on March 2023
		Plan	Actuals	Achieved %	
Rural	161	90.12	140.10	155	694.22
Urban	36	44.62	43.36	97	244.58
Tribal	35	6.02	3.89	65	55.24
<b>Total</b>	<b>232</b>	<b>140.76</b>	<b>187.34</b>	<b>133</b>	<b>994.05</b>

The KF team has provided policy guidelines by revisiting them during the last year to increase the savings amount among the women. It is targeted to make them reaching minimum Rs one lakh per member with minimum annual target of Rs 6000 and encourage them to do special savings and bullet savings which is withdrawable as and when needed. It was found that there are 132 women members in the Kalanjiam have maintained their savings above Rs one lakh which ranges from Rs one lakh to Rs 1.76 lakhs. They are representing all four categories of poverty survival level to out of poverty level. The interesting point observed is that about 40% of the women (52) belong to S1 category maintains the savings of 41 % of the total savings amount of 132 members (99 members and 33 leaders), which is Rs 1.45 cr. These members belong to 42 Kalanjiam groups. There are five groups from Thiruvallangadu federation, Gangai federation, Thenmadurai federation and Walajabad in which, all the members maintain more than Rs one lakh savings. Many of the members maintain more than Rs 50,000 savings in their names in the groups which earns good amount of interest 6%-9% as incentive every year.

Savings is seen as asset in the name of women which will serve as pension during their old ages. Withdrawal of savings is also encouraged in the form of interest on savings to pay for the insurance premium, repay the loan, creation of productive and valuable assets. In case of death and withdrawal of membership, the savings is being paid back.

The older groups have accumulated more than Rs 10 lakhs savings which serve as their own equity for raising the bank loans. About 320 groups belong to 31 federations show that they maintain the savings amount of more than Rs 10 lakhs upto Rs 20 lakhs, of which about only 65 groups have bank loan and only five groups have one lakh cash at bank. These groups are effectively using their savings for internal lending. Detailed study on savings will be taken up this year to find out its contribution in institutional sustainability in addition to bringing economic benefits to the women and their families.

**Kalanjiam-Bank linkages:** Under financial inclusion and poverty lending, SHG-bank linkage plays a vital role in creating affordable credit access for the poor women. The strategic plan aims to facilitate mobilisation of Rs 5000 cr by end of 2027 through 100% linkage of groups. The strategies followed are (i) executing MOU with the corporate or local head offices of the banks, (ii) financial literacy and awareness through CFLs for effective use of credit, (iii) sustaining the banking partnership by advancing the linkage concept (Term loan to CC loan, single branch linkage) through steering committee meetings and policy workshops.

During the reporting period, MOUs have been renewed with Canara Bank and Indian Bank. MoUs have been shared with regional heads and the respective banks for intensifying the linkages at the branch level of SBI, BOI, Union Bank of India, Canara Bank, Indian Bank and Gramin banks. Totally, 15,968 groups have got linked with banks and KDFS, which could mobilise Rs 638.15 cr against the plan of Rs 700 cr which includes CC loan with draw, which accounts an average loan of Rs 4.4 lakhs per group. During the year, the repayment to bank by the groups including the CC credit was Rs 594.65 cr.

The top three banks in linking the groups during the year are Canara Bank - Rs 181 cr; Indian Bank - Rs 124 cr; Bank of India - 103 cr; The top 10 banks contribute more than 94% of the loan funds. Except Bank of India and SBI, in all other banks Cash Credit loan is in practice to ensure flow and timeliness of the credit to the group members. Most of the credit is being utilized for improving the livelihood activities. MoU has been processed for Bank of India, Bank of Baroda and Union Bank of India. New MOUs are signed with Maharashtra Gramina Bank and Indian Overseas Bank for intensifying the linkages in respective states.

As on March 2023, the bank loan outstanding of Rs 709.42 cr is maintained by 27,417 groups. A detailed study will be undertaken to find out the contribution of groups bank loan to the total portfolio of the branches, performance of single branch concept, benefits realized by both groups and banks due to availing of ROC credit and its impact on asset creation for women. It is also planned to link the groups for the credit of Rs 1000 cr during the year 2023-24.

Development finance (credit to members): The major sources of granting loans to the Kalanjiam members are their own savings, borrowings from the banks and their own common fund raised through banking in the groups. The cost of funds ranges from 6% to 15% whereas the lending rate to the members is 18% - 24%. The groups are able to make the margin of 6-8% which provides financial sustainability of the entire social capital system. The members borrow loans for various consumption, productive and asset creation purposes including clearing high interest debts with outside lenders.

During the reporting period, the Kalanjiam groups have given 3,92,170 loans to their members to the tune of Rs 1,094.26 cr for meeting various financial needs. The major loan amount has been utilized by the members is about 27% for business, agriculture and asset creation and 22% for housing which includes housing amenities such as tap water connection and toilet construction. As on March 2023, the member level loan outstanding is Rs 1558 cr. The average loan size per loan is Rs 28,000. The member's eligibility to avail the loan is enhanced to Rs 2.25 lakhs (for business and housing together) and many of the older groups member level CC is introduced to arrest the outside borrowings and facilitate more credit absorption.

**Livelihoods Finance:** During the reporting period, 36,292 livelihoods loans have been issued by the groups with the loan amount of Rs 123.78 cr majorly for Agriculture, business and Livestock activities.

**Health finance:** During the reporting period, the groups have given 16,405 loans for health expenditure with the loan amount of Rs 34.43 cr. SUHAM Trust uses this data for advancing their healthcare services.

**Education finance:** During the reporting period, the groups have issued Rs 74.24 cr loan amount to 30,444 loanees for paying hostel fees, education fees to schools, colleges etc. There is need for analysis on credit utilized for higher education and for girls' children.

**Housing and amenities loan:** 51339 loans have been given by the groups to the total loan amount of Rs 237.83 cr, of which includes basic amenities, toilet construction and tap water connection.

**Social security, insurance and pension products:** It was planned to ensure enrolment of all eligible women members and their spouses into three kinds of insurance and social security benefits such as Other Group Insurance (OGI), Prime Minister's social security schemes and community-run Mutual products including pension. In addition to that health insurance including state health insurance schemes, crop insurance including state run Fazal Bima Yojana and Livestock mutual insurance for cows and goats.

During the reporting period, with the support of People Mutuals, a specialised people institution on Insurance, women and their spouses have been encouraged to enrol in the abovesaid insurance schemes by giving them awareness and insurance literacy. Series of Governancemeetings were held with the Vice Presidents of the Kalanjiam federations and Federation Mutuals to reach the set goal. Retaining them in the social security schemes, renewal of the policies during the particular months had due attention. As on March 2023,



1,10,16,310 policies have been availed by the Kalanjiam members and their spouses. The details are as follows

Schemes	Total	Life	Health	Livestock	Crop	Pension
PMJJBY	13,47,258	13,47,258	-	-	-	-
PMSBY	17,80,673	17,80,673	-	-	-	-
OGI/LIC/TATA AIA	13,54,126	13,54,126	-	-	-	-
MUTUAL	11,11,221	6,35,051	4,41,173	34,997	-	-
PM / CM Schemes	51,89,262	-	38,87,215	-	13,02,047	-
APY / Micro Pension	2,33,770	-	-	-	-	2,33,770
<b>Total</b>	<b>1,10,16,310</b>	<b>51,17,108</b>	<b>43,28,388</b>	<b>34,997</b>	<b>13,02,047</b>	<b>2,33,770</b>

## b. Water and development through CAUSE

*Water theme of DHAN Foundation works in the framework of “CAUSE”, Conservation, Agriculture development, Usufruct rights, Social enterprises and Eviction of encroachment.*

### Focus of the year 2022 - 23 on Water conservation

Focus-I Sustainability	Focus-II Expansion	Focus-III Integration	Focus-IV Digitization
<ul style="list-style-type: none"> <li>Institutional sustainability</li> <li>Social sustainability</li> <li>Economic sustainability</li> <li>Environmental sustainability</li> </ul>	<ul style="list-style-type: none"> <li>Partnership expansion</li> <li>Resource expansion</li> <li>Geographical expansion</li> <li>Benefits expansion</li> </ul>	<ul style="list-style-type: none"> <li>Thematic integration</li> <li>Technology integration</li> <li>Network integration</li> <li>Market integration</li> </ul>	<ul style="list-style-type: none"> <li>Hydrology</li> <li>Membership</li> <li>Finance</li> <li>Quality control</li> </ul>

### Institutional sustainability: Key moves in the year 2022 - 23

- Compared to March 2022, the institutional sustainability has been doubled as on March 2023 from 8 federations to 15 federations
- Development expenses has been increased from Rs.1.4 Crores to Rs.3.2 Crores
- The bank linkage was achieved twice the amount against the plan. The KDFS linkage has been doubled against the status of March 2022
- AFGs (Agriculture Finance Groups) are encouraged and enabled to avail bank linkage once they attain eligibility

### ii. Social sustainability: Key moves in the year 2022 – 23

- 351 Vayalagams were promoted covering a membership of 18,042. Similarly, 43 Tank cascade associations were promoted



- b) Basin level association in Pambar and Vaipar were promoted and three sub-basin level associations have been strengthened by constituting the Executive Committee and defining their roles and responsibilities
- c) Older Vayalagam associations, as roots of DVTF, is on continued attention in its revival and activation to reach the excluded communities
- d) Around 250 trainings were conducted across the federations/locations in strengthening the social capital and also grassroots leadership.

### **iii. Economic sustainability: Key moves in the year 2022 – 23**

- a) An amount of Rs.35.36 Crores of entitlements have been channelized towards Vayalagam families towards various entitlements
- b) Reasonable response from the agriculture and veterinary departments was received in helping the farmers to avail the entitlements related to inputs and agriculture services.
- c) It was listened that 4072 members have self-declared to be came out of poverty during the year 2023 - 24. The current membership spread is MOP - 21%, S1 - 20%, S2 - 43 %, and S3 - 16%.
- d) The MGNREGA has benefitted the members in availing the wage employment. In total, 953833 man days has been generated; of which the landless members have availed the benefit to the tune of Rs.5.78 Crores.

### **iv. Environmental sustainability: Key moves in the year 2022 – 23**

- a) An amount of Rs.15.27 Crores of conservation works have been undertaken across 546 water bodies spread across 10 river basins.
- b) An amount of Rs.2.84 Crore was mobilized as community contribution; of which, around 10% of amount was proved to be the conservation works with 100% community financing
- c) In total 8,54,500 seedlings were planted across the Tank Vayalagams. This has served in greening the tank eco system to a greater extent. The Kottampatty Vayalaga federation has bagged Green Champion Award for the year 2022
- d) Special Yatra has been initiated wherein the Vayalagam leaders along with fellow members as well as the team travelled around the water eco system for further advancement
- e) The Greening and tree planation works in common land are significantly focusing on retrieving water commons to a greater extent
- f) Conservation of water commons have been taken as one of the core agenda during the Grama Sabha meetings. The literacy material has been prepared in six languages and circulated
- g) As part of Vayalagam Mutual Movement, World environment day was celebrated across all the locations on June 5, 2022 wherein tree planation was undertaken widely
- h) World river day was celebrated on September 25, 2022 wherein workshops were happened across the regions. Shramdhan took place all along the water bodies
- i) Policy seminars were happened with district administration. For example, Hyderabad region did a policy seminar with Sangareddy district on Integrated water resource management
- j) Rejuanation of three water commons in Madurai Corporation have happened through CURE which facilitated the local community to work on it intensively.

## **v. Expansion: Key moves in the year 2022 - 23**

- a) With the intention on benefit expansion, 10 CSR partners and Government institutions have continued their partnership with assured resource support
- b) Pambar region has moved into its third phase with DHANA project supported by Axis Bank Foundation. The phase III envisages saturation of water commons across the Pambar basin
- c) New partners like Kotak Mahindra Bank Limited, Karnataka Watershed Development Agency,
- d) Rotary Club Chennai have joined hands with us
- e) ITC and DVTF team has joined hands with District Administration in Munger District, Bihar to broad base the MGNREGA works across the villages
- f) DVTF and HCL Foundation has stepped into next orbit of collaboration with Madurai district administration by taking up a noble assignment of digitizing the water bodies in the district

## **vi. Integration: Key moves in the year 2022 - 23**

- a) Attempts were made to promote federation collective at ground level. Presently the VF has 36 mother federations, of which 31 are with mutual federations.
- b) SUHAM has been initiated in two federations in order to make other locations to aware about the services and promote the same
- c) The programme is running with 54 Jeevidam locations wherein, 9 FPOs have got established in the year. The total turnover of the entire FPOs was around Rs.13 Crores.
- d) Usufructs agreements have been executed with 17 panchayats and the activities are in progress. The MGNREGs works are also reorganized based on the collective interest
- e) The India Water Week as well as Tamil Nadu water week has strengthened our network integration. The Agreement with DRDA, Madurai is a milestone in it.

## **vii. Digitization: Key moves in the year 2022 - 23**

- a) The member baseline is getting digitized across the entire locations to bring uniformity in the systems. Around 10% of the members were digitised as on March 2023.
- b) GPS based cascade finalization is introduced to enable the field team to attain saturation across the working areas
- c) Special orientation as well as demonstrations have been conducted to the field team to induct them on the digitization
- d) Digitization of financial transactions as well as accounting formalities are also in progress

### viii. Investment Vs Impact during the year 2022 – 23: Investment mobilized

CSR partners	- Rs.12.43 Crores
MGNREGA	- Rs.28.45 Crores
Entitlements	- Rs.35.36 Crores
Linkages	- Rs. 52.72 Crores
Local resources	- Rs.00.72 Crores
Input and Marketing	- Rs.13.08 Crores
Primary savings	- Rs. 11.11 Crores
Community contributions	- Rs.02.84 Crores
<b>Total</b>	<b>- Rs.156.71 Crores</b>

### Outcome realized

- Around 1,255 billion litres of water is secured
- Nearly 350 acres of land were protected from encroachment
- Man days of 953,833 were generated
- An additional land of 9,800 acres is brought under cultivation

### ix. Key highlights in conservation and development of water commons

- The Pambar region has moved into its third phase with DHANA project supported by Axis Bank Foundation. The phase 3 envisages saturation of the Pambar basin with conservation and development of water commons across the basin
- During this period, community were encouraged to undertake the farm pond works through credit. This has been materialized in Telengana and Andhra Pradesh. Indeed, the farm ponds have a crucial role in sustaining the farming activity. These structures help to store the rainwater and use it judiciously at time of need. Irrigation during the flowering and grain formation stage is very critical for the crop yield. The farm ponds support farmers during the critical stage of growth.
- Twenty Oorani works undertaken in Ramanathapuram region has supported the local community to get drinking water at their door step.

The range of soil and water conservation works undertaken in the watershed format across the regions has helped the farmers to establish insitu moisture conservation measures like field bund, land levelling, etc.

## Other significant initiatives during the year 2022-23

- Graduating newly promoted subsidiaries namely, The DHAN Academy, Small Millets Foundation and DHAN Panchayat Development Foundation to the institutional framework.
- Graduating Rain-fed agriculture development programme, Climate change adaptation and coastal conservation and livelihoods programme with institutional identity
- Advancing SPICE institutions for holistic development to serve community better.
- Redefining Integrating centres of central office for better programme coordination and contribute to the people institutions and to the sector.

## Integration mechanisms

- DHAN has established various forums and events mainly to integrate all the staff to focus on DHAN's overarching goals and larger purpose.
- Annual Retreat, in which all the DHANites join together for 4 days and deliberate about their way of work, get and share inspiration to each others.
- The Consultative Forum, which has the membership of all the programme leaders meet once in six months to update and advice on various programmes of DHAN Foundation.
- The Institution Collective Forum, a high level strategic forum with a membership of senior leaders meets once in a month and discuss about institutional areas for setting the direction.
- CEO forum comprises of CEOs of DHAN subsidiaries and SPICE institutions. They meet once in a month for update and integrate their work among themselves.
- Foundation day on Oct, 2 is development festival, where all the DHANites and community come together and celebrate the development outcomes. Also this helps to acknowledge our partners and launch new programmes.
- Walkathon: Its annual public event, where sensitization of any one development theme will be taken up. Awareness creation and Resource mobilization for the cause gets focus.
- MIDAIM (Monthly Institutional Development And Integration Meeting): Every month with all the Regional coordinators the meeting is conducted to reinforce focus areas, review and update on the programme implementation at the field level.

## 5. THEME OF THE YEAR: “MOTHERING COMMUNITY SWARAJ: DHAN WAY...”

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*“I hail from a very poor family. Though I passed class 10, after I got married at 22, I had to take up coolie work wherever I could including in the construction industry. My husband too did similar work as a casual labourer. We worked hard but could barely make ends meet and often go hungry. During hunger pangs, my husband and I would hug each other and cry. But all that changed after 1999 when I joined the Kalanjiam. We have a house of our own on 3 cents of land in Madurai. I am the treasurer of our federation,” said Poomalai, in her mid-50s, speaking at the Madurai Symposium.*

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There are thousands of members, all like Poomalai. They all rose from extreme poverty and faced tremendous hardships and exploitation but today they exude tremendous self-confidence for they have come out of poverty and do not have to starve any more. Most importantly, their children are doing well, some studying including in Nursing courses. Poomalai's son has found a job in a pharmacy.

"Community Swaraj" is a concept that draws from the principles of "Swaraj" and applies them to community-level governance and decision-making. The term "Swaraj" itself has its roots in Indian philosophy and political thought, particularly associated with Mahatma Gandhi. It broadly translates to "self-rule" or "self-governance." However, when applied to community governance, it takes on a specific meaning.

Community Swaraj essentially has six overlapping and intersecting aspects:

- i. Community Institutions with embedded thematic programmes with purpose focus
- ii. Community partnerships with mainstream institutions
- iii. Community and pandemic/disaster management
- iv. Influencing policy and practice by the community.
- v. Community Governance
- vi. Community financing and sustainability.

Expressions of Community Swaraj in DHAN Collective:

**Decentralized Governance:** Community Swaraj emphasizes decentralized governance, where local communities have a significant degree of autonomy in making decisions that affect their lives. This means that communities have the power to shape their own destinies, rather than being dictated to by a distant central authority.

All the DHAN's 374 block-level programmes and 62 regions are following the decentralized governance at their level. In fact, DHAN is unique in the practice of decentralized centralization, where the overarching philosophy and principles emerge from the centre and the practices are decentralized.

**Direct Democracy:** A key aspect of Community Swaraj is the promotion of direct democracy. It encourages the active participation of community members in decision-making processes. This can include discussions, deliberations, and consensus-building within the community.

Direct Democracy is the soul of our people institutions. All the primary people institutions are following the principle for direct democracy and all the member's voices are taken in to consideration for making decision.

**Social, Economic & Environmental Self-Sufficiency:** Community Swaraj often advocates for self-sufficiency at the local level, both socially and economically. This might involve initiatives aimed at achieving food security, creating livelihoods, and promoting self-reliance within the community.

Environmental Swaraj is essentially a call to reevaluate our relationship with the natural world and to prioritize the well-being of the planet and its ecosystems.

DHAN seeks to empower individuals and communities to take collective action to self-growth, sustainable people institutions for economic freedom to protect the environment, promote sustainability, and work towards a more harmonious and equitable coexistence with nature. Including Biodiversity Conservation, Ethical Stewardship of natural resources, and Climate Justice.

**Local level Resource Management:** Efficient and sustainable management of local resources is a central concern. This includes the responsible use of natural resources, infrastructure development, and ensuring that benefits from these resources are distributed equitably among community members.

The people resources are more than 2/3<sup>rd</sup> of total DHAN's portfolio. The community are raising and managing financial resources at their level. A tune of more than Rs.2000 Cr. in the form of Savings, credit and common funds were managed at the federations level. Based on the Policy enabling toolkit, which is proposed by DHAN these people institutions are contextualizing it and make their own policies at their level for the local resources management.

**Social Justice and Equity:** Community Swaraj emphasizes the importance of social justice and equity. It seeks to eliminate disparities within the community, ensuring that marginalized groups and individuals have equal access to resources, opportunities, and decision-making processes.

DHAN's services are mainly focused to empower women, Poor and disadvantages. By way of enabling process, these marginalized group gets mainstreamed and have bargain power by way of their strong social capital.

**Cultural Preservation:** It often includes the preservation of local culture and traditions as an essential part of community identity and cohesion.

One of the key elements of sustainable development is to build from the local customs and practices. The development services have to preserve the good practices of our culture and tradition. Also, the native wisdom that was serving as a great repository of knowledge needs to be protected and forwarded to the next generations. DHAN has imbibed cultural practices with its all activities.

**Conflict Resolution through Deliberation:** Community Swaraj encourages the development of mechanisms for resolving conflicts within the community through dialogue and consensus-building, rather than resorting to external authorities.

DHAN has promoted the People Leaders Development Board (PLDB) and People Judicial Development Board (PJDB) in its people institutions. These boards are serving as conflict resolution at the local level on a fair basis. This has given quick and lasting solutions to members and to the people institutions.

**Non-violence and Cooperation:** In the spirit of Gandhi's philosophy, non-violence and cooperation are core principles of Community Swaraj. It encourages communities to resolve conflicts peacefully and work together for common goals.

One of the guiding principles of DHAN's people institutions is non-violence. It believes in constructive programmes rather than fault-finding. By way of DHAN's work, we create an alternative model for development and try to spread positivity in the sector. Cooperation and collaboration with all the stakeholders are valued with high respect only by which the development process becomes more meaningful, and impact-driven.

**Sustainability:** Sustainable development and environmental conservation are integral to the concept. Communities are encouraged to adopt practices that are ecologically responsible and ensure the long-term well-being of the environment.

Self-sustainability of individuals, families, institutions and society is the encompassing goal of DHAN. Towards that DHAN has contributed lakhs of families and thousands of people to institutions that become self-sustainable.

**Local Leadership:** Effective local leadership is vital for the success of Community Swaraj. Leaders are expected to be accountable to the community and serve the interests of the people they represent.

DHAN brings community leadership with a specific agenda. From group to national level movements, domain-specific leaders are groomed to take the development process.

1. President: Looking after Movement, institution-building and civic initiatives
2. Vice - President: Insurance, Pension and Risk mitigation activities
3. Secretary: Healthcare and nutrition development
4. Joint Secretary: Livelihood enhancement
5. Treasurer: Financial services including Bank linkage

Community Swaraj in DHAN is seen as an alternative to top-down, centralized governance systems. It empowers local communities to take charge of their own development and well-being while promoting values of democracy, social justice, and sustainability. This concept has gained prominence in various grassroots movements and community development initiatives worldwide, where communities are striving to reclaim control over their destinies and build more resilient, equitable, and sustainable societies.



## 6. STRATEGIC PLAN 2022 – 27

### Background:

DHAN has a tradition of developing strategic plan once in 5 years to set focus on development agenda. So far five editions (Year 1997-2002; 2002-2007; 2007-2012; 2012-2017; 2017-2022) of Strategic plans were made and helped DHAN collective to synergize its efforts with vision. All these plans are evolved in a participatory process, The DHANites, community and other stakeholders were involved in developing plans. Focus of the each edition of strategic plan as follows:

- 1997: Inception Plan with Mission formulation
- 2002: Initiation of Corporate Plan
- 2007: Strategic plan with the focus of DHAN Subsidiaries
- 2012: Strategic plan with the focus of SPICE promotion
- 2017: Strategic plan with the focus of Integration

During 2022, DHAN initiated its sixth edition of strategic plan process for 2022-2027 by way of Search Conference. Contents of Strategic plan were evolved with the participation of all DHANites in a unique Search Conference process facilitated by external consultant during Retreat 2016. DHANites have reckoned the following while sharing their thoughts and reflections on the strategic plan. Generally new Strategic plan development and finalization will take about 6 to 10 months' time to complete.

DHAN follows people centric, participatory process to evolve such strategic plan. It involves community, DHANites at all levels, Stakeholders (Bankers, Funding agencies, Academia, Line department officials, etc.,) for getting inputs. Over years DHAN has followed three methodologies to evolve such strategic plans. Mostly we use our annual retreat event (where, about 400 - 500 DHANites across various parts of the country will gather and deliberate about development for four full days) to evolve strategic plans.

## **b. Strategic Goals of DHAN Foundation for 2022 - 27:**

- i. Reaching the poorest of the poor, vulnerable and socially excluded communities
- ii. Promote and stabilize Supra - Institutions of community institutions (Panchayat level: Clusters, Block level: Federations, District level: Regional council)
- iii. Enabling institutions for community institutions (Programmes and SPICE)
- iv. Strengthening local management with the Panchayat system
- v. Mainstreaming community banking and women empowerment in all themes
- vi. Mainstreaming water in all themes
- vii. Graduating TDA, SMF, CALL, CCA, RFDP and DHAN International
- viii. Positioning SPICE in thematic institutions
- ix. Contribution for Sectoral advancement (SDGs, ESG, HD and HDI)
- x. Environmental sustainability and conservation of land, water, flora and fauna

## **c. Mechanisms and Way-forward:**

The nature of the Strategic Plan would be kept as a rolling plan, every year it will be reviewed on its milestone achievement and enable space for accommodating new thoughts, in short, it will be flexible, and dynamic and address community aspirations.

Based on the vast experience of grassroots action, DHAN would largely be involved in Policy influencing both at national and international levels to bring a pro-poor perspective to development interventions. DHAN Foundation has to move to the next higher orbit of not only a national but globally recognized institution. It is gratifying for all that it has taken a modest step towards this with the ECONOMIC AND SOCIAL COUNCIL of the UN granting consultative status to DHAN on developmental matters.

It should be earnest endeavour that DHAN needs to keep in view what it has achieved in the past and without resting on laurels, be challenged by SDGs and convert the Strategic Plan into reality to navigate DHAN's developmental journey more memorable and purpose oriented in the next five years.