

Annual Report 2008



DHAN Foundation
Madurai

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Abbreviations & Acronyms

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ACEDRR	Advanced Centre for Enabling Disaster Risk Reduction
ADB	Asian Development Bank
ASKMI	Asian Knowledge Centre for Mutual Insurance
CAPART	Council for Advancement of People's Action and Rural Technology
CARC	Coastal Agriculture Resource Centre
CDA	Cluster Development Association
DHAN	Development of Humane Action
ELRP	Enabling Livelihood Restoration Programme
ICT	Information and Communication Technology
INAFI	International Network of Alternative Financial Institutions
INFOS	Indian Network of Federations of Microfinance Self Help Groups
JnNURM	Jawaharlal Nehru National Urban Renewal Mission
JSYS	Jala Samvardhane Yojana Sangha
KDFS	Kalanjiam Development Financial Services
KISC	Kalanjiam Integrated Service Centre
KMS	Kalanjiam Meenavar Sangam
KRCH	Kalanjiam Reproductive and Child Health
KTL	Kalanjiam Thozhilagam Limited
MAVIM	Mahila Arthik Vikas Mahamandal
MDG	Millennium Development Goal
MFG	Microfinance Group
NABARD	National Bank for Agriculture and Rural Development
NREGA	National Rural Employment Guarantee Act
NRM	Natural Resource Management
NSP	National Seed Project
NWDPPRA	National Watershed Development Project for Rainfed Areas
PMG	Primary Marketing Group
PPG	Primary Producer Group
SHG	Self Help Group
SIDBI	Small Industries Development Bank of India
SUHAM	Sustainable Healthcare Advancement
TDA	Thagavalagam Development Association
TFA	Tank Farmers' Association
TNAU	Tamil Nadu Agricultural University
VADC	Vayalagam Agriculture Development Centre
VIC	Village Information Centre
VTADP	Vayalagam Tankfed Agriculture Development Programme

An Introduction



DHAN Foundation

- An Introduction

Development of Humane Action (DHAN) Foundation, a professional development organisation, was started on October 2, 1997. It brings highly motivated, educated young women and men to the development sector. They would make new innovations in rural development to root out poverty from the country. The Foundation works to make significant changes in the livelihoods of the poor through innovative themes and institutions.

The broad purposes for which DHAN stands are:

1. *Mothing of Development Innovations:* The institution intends to promote and nurture new ideas on development themes, such as microfinance, small scale irrigation, dry land agriculture, and working with Panchayats which can impact on poverty in a significant manner.
2. *Promoting Institutions to reach scale:* Exclusive thematic organisations will be promoted to take up development work with a sub-sectoral focus. The primary role will be to promote and ensure that quality benefits reach a large number of poor.
3. *Human Resource Development:* The institution would bring young professionals into the development sector and give them an opportunity to practice and develop relevant knowledge, attitudes and skills needed for long term work.

The principles guiding DHAN are

1. Engaging high quality human resources to work at the grassroots. The focus would be to enable the poor, not deliver services.

2. Valuing collaboration with mainstream institutions and Government to demonstrate new and effective intervention to link them with the people.
3. Promoting people's organisations to ensure entitlements and to build an effective demand system to promote people's interest.
4. Promoting livelihoods to address the issues of poverty directly
5. Enriching the themes and retaining sub-sectoral focus as a strategy for growth

MISSION

"Building people and institutions for development innovations and upscaling to enable the poor communities for poverty reduction and self-reliance"

VISION

DHAN Foundation is always a pioneering development institution to build poverty free, gender balanced, equitable, ecological sensitive, democratic, just and value based inclusive society. It creates freedom of choice to the families, groups and community to determine and develop the meaning of their lives, their identities and their life styles for the well-being of their life.

DHAN Foundation opens new frontiers for better humanity and would build scalable, cost effective and sustainable innovations for self-reliance.

DHAN Foundation will always be acknowledged as a leader in institution building for poverty alleviation. It

would be trendsetter in grassroots development with people governance and management.

It will be occupying its legitimate space in policy making forums to shape the macro environment to the realities of grassroots and serving development community by disseminating good practices. It will shape thousands of development professionals to make millions of poor lives different with dignity and right livelihoods. The DHAN Foundation will foster alternative paradigms with social entrepreneurship and collective leadership.

It will be respected for its role in unleashing the potential of the poor and guiding them through their movements by building new institutions for achieving significance. It will promote networks, alliances on development 'Cause' with relevant stakeholders – Academia, civil society, Government, Business houses, Professional networks, Media, Financial institution and other resource institution – at national, regional and global environment.

VALUES

DHAN has rooted in values, such as Grassroots action, Collaboration, Enabling, Innovation, Excellence, and Self-Regulation. DHAN believes that these values are its core strength needed to realize its Vision and Mission.

DHAN Collective

DHAN Foundation and its institutions form the DHAN Collective. It is to nurture and preserve the culture of collegiality, mutuality and solidarity. Shared purpose, core values and resources (human, financial and physical resources) bind the institutions of DHAN Collective. DHAN Foundation as the mothering institution would guide, support and regulate its family institutions on their mission, policies, strategies and values. Each institution would define its 'own unique' space.

The Kalanjiam Community Banking Programme, one of DHAN Foundation's pioneering initiatives and its first institution, has evolved into an institution, the 'Kalanjiam Foundation', to take up the promotional role. It would promote the theme of Kalanjiam Development Finance and guide the people institutions. Vayalagam Tankfed Agriculture Development Programme has evolved into the Vayalagam Foundation to work on the theme of conservation and development of small scale water bodies and stabilize the livelihoods of the farmers dependent on them. The Tata-Dhan Academy would be promoted within the next three to five years as the next thematic institution. Many such institutions would emerge in course of time – efficient, excellent and with unquestioned integrity – in the DHAN Collective of institutions.



Gender Matters

Perspectives, Principles and Practices in DHAN Collective

Gender in all societies is an important criterion in assigning roles and rights and in shaping women's and men's access to and control over resources. The social construction of gender reflects cultural values and norms which legitimise gender difference and justify unequal relations between women and men. The marginalisation of women from participating effectively in economic, social and political life is one of the most pronounced socio-economic characteristics. Gender has, therefore, become an issue for development intervention because inequalities continue to exist between women and men and are a cost to development.

The advancement of women and the achievement of equality between women and men are matters of human rights and conditions for social justice and should not be seen in isolation as a women's issue. They are the only way to build a sustain-able, just, and developed society. Empowerment of women and gender equality are prerequisites for achieving political, social, economic, cultural, and environmental security among all peoples.

Beijing Platform for Action,
Fourth United Nations World Conference on Women,
Beijing, 1995, ¶ 41

This lead paper defines the commitment of DHAN to promote gender mainstreaming as a means of fostering poverty reduction, development and gender equality. It elaborates the key concepts, approaches,

and DHAN's experiences in evolving perspectives and designing practices to integrate gender into the development process that have taken place in the last two decades.

This note elaborates a set of guiding principles which emphasise, among other things, the need to apply gender analysis to all the programmes and policies of DHAN. It also recognises that the concept of gender implicitly embodies a culture which entails mutuality and interdependence between women and men.

DHAN's perspectives on Gender

DHAN recognises gender as a major development issue and is committed to addressing this issue in all its development interventions. In spite of constituting half of the human population, and significantly contributing to development by playing crucial role in economic activities, women continue to be a deprived section in society. It is a well known fact that women form the core of the average Indian family, particularly in rural India. They shoulder domestic responsibilities, collect food, fuel wood, fodder, water and above all, nurture the children and shape their destiny. However, due to social and economic constraints, their participation in the development process is restricted.

Hence, the situation of women has not changed substantially despite the development taking place around them. Their needs and issues have been neglected since generations and they are deprived of their basic rights and access to wealth, education, health care, inherited assets and social status. They are the worst sufferers due to drudgery, ill-health,

According to United Nations Organisation (1997): "Mainstreaming a gender perspective is the process of assessing the implications for women and men of any planned action, including legislation, policies and programmes, in all areas and at all levels. It is a strategy for making women's as well as men's concerns and experiences an integral dimension of the design, implementation, monitoring and evaluation of policies and programmes in all political, economic and social spheres so that women and men benefit equally and inequality is not perpetuated"

illiteracy and deprivation. Based on its commitment to work with the disadvantaged sections of society, DHAN ensures that approaches towards empowerment of women cut across all its development programmes and thereby strives to create a conducive atmosphere for women's development and well-being. The deprivation and disparities of women are quite telltale: wage disparity, income disparity, consequential asset disparity, and generally widespread acceptance among the women that decision making is men's domain. Despite several development programmes initiated by government and civil societies in past decades gender imbalance has not received adequate attention. What's more, the problem got more accentuated for lack of gender focus and sensitivity.

DHAN's focus on gender started from the beginning of 1990 when it initiated its first thematic program microfinance. In fact, gender focus for DHAN stems from its mission of building people and institutions for addressing poverty from a holistic perspective. This has as much social as economic and consequential political empowerment process evolving on its natural phase and pace. Further our mission finds its moorings in our core values: grassroots action, innovation, enabling, collaboration, excellence and self-regulation.

These core values and objectives are reflected in each of DHAN's initiatives and actions. The outcome of its processes is seen more in access and control and decision-making through democratic processes. The recognition of women's powerlessness and addressing it with the base of low economic status of women is internalised at all levels in the organisation. Basic

issues to be addressed are internalised in the system that women are restricted to low-paid work; lack of access to education, training and credit; a lot of invisible and unpaid work; restricted mobility; lack of any opportunities to express their abilities; and gender discrimination intermixed with cultural issues. With this understanding, Kalanjiam community banking programme for women has moved with clear reflection of fundamental core values and purpose of DHAN, followed with the similar philosophical and practice under tones of other development themes such as Tank, ICT, Rainfed and Panchayat.

One of the DHAN's core beliefs is to allow women to learn in their own way and not short-circuit the processes. The ultimate goal is self-reliance and empowerment through interdependence with community. For this purpose, DHAN has adopted a gender-centred four generation strategy achieving one after the other in its Kalanjiam enabling model of microfinance. The first generation process is social intermediation, followed by financial intermediation process in the second generation, livelihood and business promotion during third generation, and finally civic programme interventions in the fourth generation.

Similarly the tank-fed agriculture development programme promotes tank associations for women and men farmers to access common property resources such as irrigation tanks, Ooranis (drinking water bodies), and common agriculture land for utilising and enjoying equal benefits. Water and microfinance is seen as a fulcrum of development. In DHAN's perception, for effective poverty reduction, microfinance services have to be managed by women at a larger scale with the collaboration of mainstream institutions. It believes that the real development will take place when the choices of development are clarified and promoted among them by creating access and control over resources, increasing their sphere of decision making in democratic spaces in the community and gaining the control over their lives. It is also believed that economic empowerment is the entry point for unleashing the potential of women in their development spheres.

DHAN promotes three kinds of institutions to realise its mission: institutions for fostering development

innovations, institutions for reaching the scale and deepening the development themes for poverty reduction and institutions for building strong grassroots democracy as a demand system for achieving quality of life and self-reliance through sustainable development.

Therefore in this sense, empowerment may be interpreted for DHAN as the process by which the women and community gain control over social and economic conditions and over democratic participation in their communities. DHAN thus believes that social change will evolve over a period of time with economic strengthening and thus views economic empowerment as the beginning of the social change. DHAN, hence, has adopted the gender-sensitive economic entry approach.

DHAN's gender principles

DHAN Foundation follows the set guiding gender principles since commencement of its development activities. They are:

1. **Gender equality is one of the core beliefs of DHAN:** Every one in the organisation recognises that every policy and programme affects women and men differently. DHAN believes that women and men have different perspectives, priorities, needs, interests, roles and responsibilities, resources, and capabilities. Those differences are further influenced by class, race, caste, ethnicity, age and phase of life cycle. The development themes evolved and expanded in the DHAN Collective of institutions design policies and practices by keeping those differences to bring gender equity, equality and empowerment. Gender equality refers to the outcomes of development interventions that ensure equal space, opportunities, and entitlements for the women. More than a decade of DHAN's experiences show that achieving gender equality is a slow process, since it challenges one of the most entrenched belief systems of the society. DHAN believes that gender equality can be achieved by working on three interconnected areas such as:
 - Strengthening women's economic capacity by promoting social capital for them and

simplifying the development technology which is gender sensitive.

- Promoting and strengthening women's leadership and their participation in community development affairs.
 - Building partnerships between women's organisations and mainstream development organisations in accessing affordable services at their doorsteps to improve the quality of their life through enabling approach. The family is taken as a unit of development where women represent in their organisations as members.
2. **Gender equality is an integral part of all the programmes and policies of DHAN:** DHAN believes in facilitating equal opportunity for both women and men to enjoy socially-valued goods, opportunities, resources and benefits through its thematic interventions. Achieving gender equality requires changes in institutional practices and social relations through which disparities are reduced. Gender equality also refers to the outcomes of a human development process, wherein the rights, responsibilities and opportunities of individuals will not be determined by biological sex differentiation. In other words, it is a stage at which both women and men realise their full potential. In addition to being one of the development priorities, gender equality is also a cross-cutting goal in all the development interventions of DHAN.
 3. **Women empowerment is central to achieving gender equality:** DHAN assimilates 'empowerment' within its mission, core values and development philosophy, which gets expressed in its enabling approach of helping individuals to have control over their own lives with expanded choices and capabilities. Empowerment encompasses self-sufficiency and self-confidence and is inherently linked to knowledge, voice and capability. Empowerment is a function of individual or collective initiatives, both in personal and public spheres, facilitated by institutional mechanisms. Through empowerment, women would become aware of unequal power relations, gain control over their lives, and acquire ability of handling the unequal power relations to bring equality at their families,

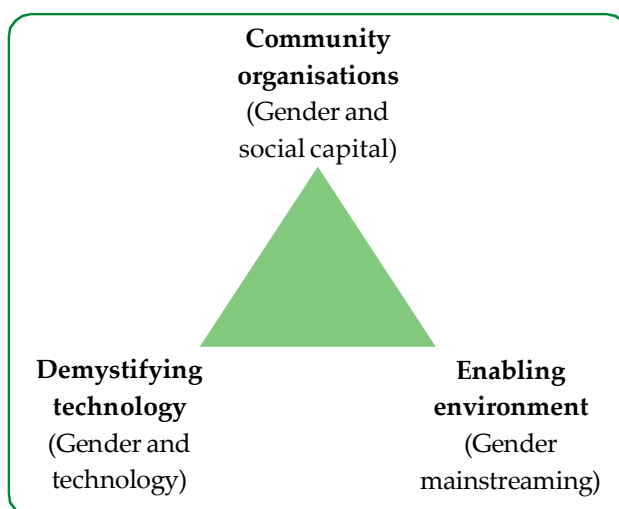
workplaces and community spheres by following appropriate development strategies.

4. **Promoting equal participation of women and men in development for gender equality:** Gender equality in general parlance refers to identical treatment in dealings, quantities or values; DHAN views equality beyond percentages and numbers. Equal participation involves making women realise their rights to occupy space, articulate their needs and interests, and appreciate their constraints and opportunities. They should be able to vision their society, determine the destination and direction to reach, shape their decisions to action for effecting their lives and environment positively, whatever cultural context they live in. A sustained effort to promote and build sustainable self-managed community organisations with good governance is prerequisite to promote participation.
5. **Promoting gender equity:** Equity refers to fairness, or the equality of outcomes, and involves changing aspects of the system that have disadvantaged particular groups. DHAN believes that gender equity can be realised through consistent and sustained community owned development processes. It is nothing but ensuring a just distribution of benefits and rewards, out of the development processes and priorities, between women and men. DHAN has articulated this as, gender equity is the output and gender equality is an outcome.
6. **Preserving the native culture and traditions through gender empowerment:** The non-exploitative aspects of the local culture need to be clearly articulated and efforts to be taken to preserve them through supportive gender empowerment strategies. DHAN believes in preserving the native culture, where the women occupied respectful space and instrumental in building and sustaining culture within the family. DHAN is always conscious about the local culture and its strength in contributing towards development and tries to integrate non exploitative and gender appreciative cultural traits, practices, and belief system in its development practices.

DHAN's gender & development approach

DHAN's ultimate goal is to reduce poverty by collective action and promote self-reliance among the poor and their organisations in a large scale through context specific development strategies. Economic empowerment is seen as a tool to bring about social development and gender empowerment. Enabling community based development approach will bring sustainable development. With this belief, DHAN has evolved its enabling model of development approach which is presented below:

DHAN's enabling model of development



This enabling approach forms the basis of all the designs and strategies of building people and institutions for poverty reduction within DHAN. It is the basic approach to processes and deriving from that, institutions, knowledge systems and styles of functioning. This is the enveloping function or approach to the above triad. Conceptually, such triads can be attained through the private property approach, whereby everything, including processes, are owned privately; or the public/common property approach, in which the process are owned collectively. DHAN has adopted the latter approach. Under this, the target is enhancing the common welfare of the group, a process that leads to the increase in individual welfare. For instance, a group of women might pool their savings together, but that does not make it a collective if the women do not own the process. Also, it is important to note that common property approaches to praxis lead to governance, while private property approaches lead

to policing. The former is based on trust, the latter on reinforcing suspicion and distrust. Moreover, the end results of the former are collective empowerment, while the latter leads to the alienation of the masses due to the empowerment of a few. In the former, placing all transactions, including accounts, decision-making processes, conflicts and so on, in the public space, leads to collective empowerment. Nothing is kept confined to a few individuals (Amit Mitra, 2000)¹.

Gender and social capital

One of the important issues in the context of poverty reduction is that both women and men from poor families are unorganised; in particular, women are not mainstreamed and do not have organisations for them. Social capital plays a critical role in mainstreaming gender by creating a platform for raising their voices and expressing their needs, interests, constraints and capabilities. It is essential to set the appropriate processes for organising the unorganised poor, both women and men, and mechanisms to practice democratic principles and processes in decision making and acting on decisions. Building the social capital is the most critical step in building the capabilities of both women and men at different positions – as members and as leaders to handle the development processes and its outcomes – for achieving entitlements to access and control resources for their development and gaining better social relations (power) through empowerment at their homes, work places and community.

Hence, DHAN facilitates strong grassroots action through its development professionals to promote social capital in the form of loosely connected networks at three levels: at village level as groups/associations, at the Panchayat level as

cluster development associations/cascades, and at the block/district level as federations of groups/associations. The promotion of self-help groups is for exclusive women of poor families and associations for both women and men of farming communities. The design, structure and processes of Kalanjiam Community Banking programme itself facilitate women's strong networking, ownership and solidarity, and effective decision making and active participation in all the related activities. They make their own rules and follow them. They are enabled to devise and practice participatory democracy, rather than conventional representative democracy.

The Kalanjiam federations provide exclusive identity for women from poor families, create an enabling environment for promoting collective working culture (enabling) and facilitate expression of their needs and interests through legitimate democratic process (entitlement and empowerment). The social capital promotes greater awareness through a well set communication systems in their organisations about the issues to be addressed. It also helps DHAN to identify the leadership and nurture it for sustaining the federations and its development activities. The institution building process set in the federations creates ample space for every one to experience leadership by unleashing their hidden talents. It also builds their managerial abilities.

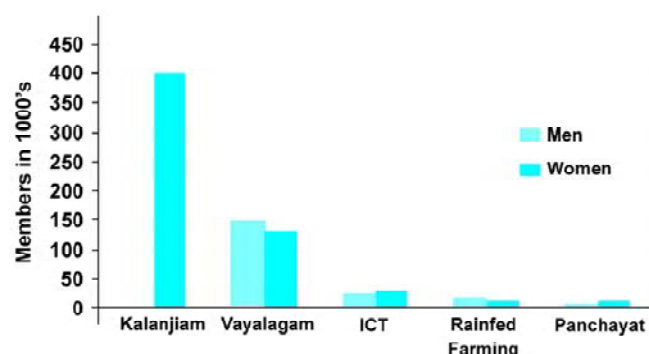
Table 1: Gender distribution across People's Organisations promoted by programmes

Programmes	Primary groups	Clusters/Cascades	Federations	Members	Men	Women	% of women covered
Kalanjiam Community Banking	24,469	1,451	73	401,688	0	401,688	100
Vayalagam Tankfed Agriculture Development	1,982	140	31	148,770	148,770	132,500	89*
ICT for Poor	0	15	0	50,957	21,397	29,560	58
Rainfed Farming Development	445	32	5	28,000	15,400	12,600	45
Working with Panchayats	1,131	0	7	19,974	5,765	14,209	71
Total	28,027	1,638	116	649,389	191,332	590,557	91

* In the Vayalagam nested institutions both farmer and his spouse are enrolled as members and the household is treated as a unit. Both men and women would attend the meetings in the Vayalagam.

¹ An independent consultant undertook a project appraisal mission to DHAN Foundation in 2000 for DSI, Lucknow.

Gender distribution within programmes



All the development themes in DHAN provide central space for the women while organising them into nested institutions. While the Kalanjiam Community Banking programme organises only the poorest of the poor women, the Vayalagams enrol family as a unit where both men and women are members. Ninety one percent of the members organised into 28,027 primary groups are women.

Gender and technology

Traditionally, knowledge and practice in any type of technology have been socially and politically constructed with negative consequences to those not involved in the construction of this knowledge.

Poverty and gender issues continued to grow, mainly due to social and economic marginalisation of the poor communities. The core of the development approach in DHAN is to simplify such technologies and innovate new technologies for development. Towards achieving this purpose, DHAN promotes

thematic institutions for simplifying technology and enabling the community both women and men to handle it for their development.

The Kalanjiam programme has enabled women to handle the financial services with banking principles as tools to create access to and control over affordable financial resources, and utilise financial services for livelihood promotion and enhancement, increased income, social security and improved quality of life through civic services such as health, and education. Similarly, the Vayalagam programme has provided space for both small and marginal farmers and agricultural labourers of both women and men to handle tank technology, planning for improving its performance through collective action and in partnership with mainstream agencies for securing water, the key input for development. The social capital facilitates them to employ technical professionals for planning, implementation, monitoring and evaluation of the technical works and assess the efficiency and effectiveness of works. It also builds the management capabilities among women and men to ensure sustainable development and conservation of common property resources through their organisations.

Table 2: Microfinance as a tool for gender inclusive development

Theme	Focus of microfinance intervention	Members covered		Savings mobilised by members	Loans from Banks	Credit availed by members
		Men	Women			
Kalanjiam Community Banking	savings, access to institutional credit, asset building and social security	-	401,688	11,311	26,658	66,288
Vayalagam Tankfed Agriculture Development	savings, access to institutional credit, development of tanks and tankfed farming and social security	148,770	132,500	125	362	487
Rainfed Farming Development	savings, access to institutional credit, land, development, working capital for rainfed farming and social security	15,400	12,600	108	94	885
Total		164,170	546,788	11,544	27,114	67,660

Rs. in lakhs

If we look at the technology of microfinance, the Kalanjiam, Vayalagam and rainfed themes have facilitated their members to get access to all the three distinct microfinance services such as savings, credit and insurance. While the focus of microfinancing varies across these themes, the technology of facilitating such services remains the same. Each theme has laid out policies and practices for implementing this technology according to the purpose and context, without compromising the financial and development principles. These 5.5 lakhs poor women have saved Rs. 11,544 lakhs and mobilised Rs. 27,114 lakhs from the mainstream banks. They could generate Rs. 67,660 lakhs worth of credit. The technology of microfinance has been simplified to such an extent, where the poor women were able to manage themselves.

Gender mainstreaming

The thematic institutions continuously build the capacities of the People's Organisations built around the particular theme to bring relevant mainstream development institutions, both private and public sector institutions closer to the communities. They evolve and nurture the principle of sustainable partnership between the People's Organisations and the mainstream institutions through policy influence and advocacy. These efforts create awareness among women and men about their rights to access and control resources. The collaboration process educates both People's Organisations and mainstream institutions about their roles and responsibilities in sustaining their collaborations and partnerships.

These efforts create a platform for mainstreaming the gender in prioritising the development plans through active participation in decision making, planning, implementation and impacting the lives of the women. In the Kalanjiam programme, the poor and marginalised women in self help groups and their federations have established a strong links with mainstream financial institutions, donor organisations, business organisations, government organisations and other civic institutions to draw development support. They have acquired requisite skills for negotiation with the partnering institutions to get affordable services at their door steps. In the

Vayalagam programme, both women and men organisations have established institutional relationship in getting financial, technical and marketing services with local government (district rural development agencies, block and district administration), mainstream banking institutions, corporate philanthropy, academic and research institutions and other civic institutions.

Practice of gender principles: DHAN's contribution

Poverty reduction is the overarching goal of DHAN. Poverty reduction and gender equality are distinct development goals but always go together. Poverty reduction involves addressing the vulnerabilities of the poor communities. Gender inequalities aggravate poverty, perpetuate it from one generation to the next and make the women more vulnerable and never allow them to come up. For poverty reduction to be achieved, the limitations that women face must be eliminated. These limitations include low self-esteem, lack of mobility and access to and control over resources, lack of access to basic social services, to skill and capacity building opportunities, to information and technology, as well as to decision-making in the community and within and households.

Basics of Engendering Development

DHAN believes in the following basics of development, which is built in consciously in all the development interventions of DHAN.

- **Freedom of choice:** Enabling individuals and groups to identify, generate, and act on their choices.
- **Quality of life:** Assisting persons to determine and develop the meaning of their live, their identities, and their life styles.
- **Managing resources:** Dealing with the personal responsibility for generation, management and conversation of human and material resources.
- **Inter relatedness:** Guiding individuals, institutions and culture recognise and deal with their interrelatedness and interdependence.
- **Dealing with 'change':** Dealing with the causes and effects of change within and upon individuals, institutions and societies.

These approaches lay higher emphasis on achieving development driven by the disadvantaged communities in general women in particular. The Kalanjiam Community Banking and Vayalagam Tankfed Agriculture Development Programmes create an enabling environment for poverty reduction through microfinance services, and conservation of water bodies; improve income-generation opportunities, skills training and basic services; and target civic interventions that directly empower vulnerable groups like women, children, the landless, the unemployed, and the displaced.

DHAN is always on the look out for new opportunities and themes that have potential to impact the lives of the disadvantaged communities. ICT for Poor, Working with Panchayats, Rainfed Farming Development are the new themes, wherein DHAN is evolving replicable model of poverty reduction keeping gender as the key focus in the processes and outcomes. The thematic organisations promoted by DHAN are formulating broader gender policies to get them mainstreamed.

Gender and microfinance

The Kalanjiam Programme works for empowering the women financially, with the belief that if women gain economic power in terms of assets, access to credit and acquire employable skills, they would get position not only in their family, but also in the community. Since 1990, the Kalanjiam enabling model of microfinance could facilitate the poor women to save Rs 11,311 lakhs in their groups. It shows the level of confidence and a feeling of security the women have. The SHGs play an important role as a place for keeping their money safe. The women in the groups have greater control over their savings and internal

lending. They could secure loans for varied purposes such as basic household needs, education needs of their children, health needs, social obligations, marriage for their sons and daughters, enhancing the exiting economic activities and start the new ones and housing with basic facilities such as electricity, drinking water and buying household articles. As women members are encouraged to conduct their group meetings, they could discuss matters related to financial, social issues, and attending their institutional affairs. They take decisions clearly by articulating their needs and interests without men's interference.

They could establish a sound and viable linkages with the local commercial banks and secure loan amounts for these purposes. The collaboration has built the level of confidence in women handling the loan amount very prudently and ensuring good repayment records with the banks and ensuring the intended benefits to their families. As of March 2008, they have mobilised a loan amount of Rs 26,658 lakhs from 192 branches of 29 banks. The credit rotation was about six times of their savings. No doubt, these Kalanjiam women have demonstrated that they are bankable. They could generate a common fund of Rs 2,739 lakhs for meeting the cost of operations, training, administration, providing development services to their members and creating corpus shows their concern and clarity on strategies of building their own institutions as financially sustainable. The rate of interest for their savings and loan is being decided by women during their meetings and revised based on the market rate of money lenders and commercial banks. In many families, both men and women take decisions on the amount to be borrowed, purpose, utilisation and benefits to be realised.

Gender and social security

In general the life security products are accessed and utilised by men easily as their awareness about its importance is high. Most of the women do not even aware of the insurance programmes. No formal industry offers poor friendly life insurance products. The affordability, duration of the product life and the procedure involved in claims cannot be articulated by women particularly in tribal and remote rural areas.



But the insurance services are very essential for them because of their vulnerability to ill-health, accidents and deaths. Any calamity which occurs in the family affects the family's cash flow and leaves their future questionable particularly the children.

The women federations offer insurance products such as life, health and accident, and crop. They have generated community based mutual solutions, wherein the federation themselves design and offer social security products. They negotiate with a range of both public and private sector insurance agencies for the products that could accommodate their needs. Seventy one percent of the eligible women have been covered under various insurance products. The insurance services are being managed exclusively by women federations and the timely benefits are ensured. All the insurance policies are separately in the name of women and their spouses. It gives a great sense of security for future life. The school going children get education scholarship as a benefit of social security services to continue and complete their education. In case of death of a woman, the federation ensures the deposit of the claim amount in her children's names for their future development. The age constraint is being addressed by promoting exclusive products for the old age women in many of the federations through their self run mutual solutions.

Table 3: Gender and social security

Type of insurance coverage	Women	Men	Total	% of women covered
Life only	125,266	43,146	168,412	74
Life & disability due to accident	164,459	68,435	232,894	71
Life, disability & pension	5,798		5,798	100
Life, disability & health	3,386	10,381	13,767	25
Health	7,733	3,266	10,999	70
Livestock	5,295	-	5,295	100
Crop	873	2,084	2,957	30
Total	312,810	127,312	440,122	71

Gender and civic services

The Kalanjiam institutions pass through four distinct generations during their growth. Promotion of primary Kalanjams and secondary level organisations like Cluster Development Associations and Kalanjiam federations gain focus in the first generation, which is called social intermediation (0-3 years). The financial intermediation (4-6 years), which follows the first generation, envisages the financial self-sustainability of the Kalanjiam institutions in collaboration with mainstream banking system. In the third generation, the Kalanjiam institutions focus on influencing livelihoods of members and this generation is known as the livelihoods and business intermediation (7-9 years). The last generation is the 'civic intermediation' (10-12 years), where the Kalanjiam institutions intensively undertake health, education, and other community issues.

Education: Historically, a variety of factors have been found to be responsible for poor female literate rate, viz gender based inequality, social discrimination and economic exploitation, occupation of girl child in domestic chores, low enrolment of girls in schools, low retention rate and high dropout rate. The provision of educational opportunities for women has been an important part of the national endeavour in the field of education since India's Independence. Though these endeavours did yield significant results, gender disparity persists with uncompromising tenacity, more so in the rural areas and among the disadvantaged communities. This is not only a matter of national anxiety and concern but also a matter of national conscience. The percentage of women literacy and education is only 54.16 percent, which is lower than the male literacy rate of 73 percent.

About 70 percent of the women are able to write their names and sign. They do recognise the importance of their children's education, particularly for the girl children. The 30 percent of loan availed for children education in SHGs shows the importance realised by poor women. Through social security

programme, 28,766 women availed Rs 305.64 lakhs as education scholarships for their children, where 52 percent of girls were benefited with this scholarship support. The special school and tuition centres being run by the federations show the ability of women in managing quality education services to their members' children. It also inspires other federations to take up similar initiatives.

The women in the recent past have realised the need for livelihoods education particularly for girl children, hence the concept of community college/institution for vocational education. The Kalanjiam community colleges promoted by 24 federations are involved in providing skill building courses on ICT, both hardware and software training among the rural poor women and their children. Poor girls are selected from villages and are educated in diploma and postgraduate diploma courses in computer applications. So far, 350 girls have been offered diploma courses from these community colleges. Many of the students after obtaining their diploma certificate were appointed as Kiosk Operators in Village Internet Kiosks. Many of them have either started computer centre of their own or working as data entry operators in other centres in the nearby towns. These community colleges have made education affordable to the poor families.

Health care: Access to quality health services by women is one of the development issues. In general, women do not care about their health problems and they do not attend on it, as they feel that they have to forego employment days and income which significantly contributes to their family needs. As a practice women give more attention to their family members' health issues rather to their own. Even if women want to attend, the quality of services available at affordable prices is an issue.

One of the studies conducted in 10 Kalanjiam federations has brought out many facts about the health status of the women and adolescent girls. The leakages through health care emergencies are high, due to late diagnosis of health issue and wrong guidance by the health care providers. Due to these leakages, the credit taken for health care is not effectively used and members could not repay it back.

Many of the health issues identified among members are preventable but there is a lack of awareness.

Women and children have more health issues due to low nutrition level. Though the health care facilities are available at government health care system, the utilisation was low due to various reasons.

Health is not only an individual issue, it is a community issue. Hence, the behaviour of both individual and community needs to be changed. The Kalanjiam groups (SHGs) in a village will join together and address the issue of village together. They also select leaders to steer the process. This forum creates a platform to provide health education to members and enable the members to take forward the "health agenda" on their own. This structure and process has been named as Self-Health Governance. Similarly at the Panchayat level and at block level governance has been promoted to set agenda for the mainstream government health care system and to implement the need based health programme evolved by member groups.

The Kalanjiam federations respond to the major health issues of the area. Based on the survey taken at 10 federations, the health issues were prioritized and a special project on "reproductive and child health care" was initiated by the federations. The outcome indicators for the project include reducing anaemia among mothers, malnutrition among children, morbidity among mother and children, health care expenditure and increasing health seeking behaviour.

At present, federations are working with 25 referral hospital of which 50 percent of them are missionary hospitals which already offers health care at low price (30 – 35 percent reduction from the total expenses). This sort of collaboration avoids unwanted treatment and surgeries prescribed to poor people. Five federations have established rural clinic with medical professional to provide primary health care. These centers also manage the referrals. Due to these efforts compared to before years, there is a significant reduction in health care expenditure at individual level.

Due to intensive health interventions, education on anaemia, there have been significant behavioural changes observed among the member in the

federations. There has been a positive change in regularly taking iron tablets, usage of sanitary napkins, wearing slippers and using toilets. Many members in rural areas have constructed toilets in their houses in the last two years. The early registration with government health services by pregnant mothers increased to 96 percent from 85 percent. Positive changes in behaviour were noticed among mothers of under-3 year old children on practices such as colostrums feeding, immunisation, feeding practices to child etc. Early registration of newborn babies in the Integrated Child Development Scheme (ICDS) in the project locations has increased to 100 percent from 86 percent.

De-addiction Programme: The ill effects of addiction to alcohol and narcotics are not confined to men. The women are the worst sufferers. The physical and emotional violence against women are more prevalent in the families that are affected by the issue of addiction by men. Moreover it is one of the major activities that drain the family income particularly hard-earned income of women.

A series of field studies undertaken by DHAN resulted in initiating de-addiction programme to rehabilitate the men addicted to alcohol. In the process of rehabilitation therapy, both the affected men and their spouses are counselled. Most of the husbands and sons of women members have changed a lot and engage themselves in productive activities and are regular in attending family affairs as responsible persons. A comprehensive de-addiction package has been prepared and implemented through the Kalanjiam federations. The women from Kalanjams conduct regular campaigns and approach police in extreme cases to stop producing and selling arrack in villages.

Gender and livelihoods development

There exists a clear occupational division of labour along the gender lines. The livelihoods needs of men and women are not always the same, due to their different roles, responsibilities and resources. The impact of different livelihood interventions will also vary according to gender. For example, a technology to relieve the workload of men may result in an increase in the workload of women, or vice versa.



The economic activities which require specialised skills such as masonry or handling agricultural equipments are generally attended by men. Women have a greater stake in agriculture as they carry out most of the difficult activities such as transplanting, weeding, and harvesting all of which involve physical strain. They, after being member of SHGs, have undertaken the economic activities such as fish marketing, small business and petty trading, livestock rearing, and forest produces collection, processing and marketing. They have also promoted economic activity groups such as primary producers groups, marketing companies and processing units, which results in improvement of their status due to significant contribution towards economic development.

The assets created through economic activities are in the name of women, being controlled by them. Men cooperation in this regard is highly appreciable. With the support of credit facilities from their groups, the assets such as dairy animals, sheep, goat, both house land and agriculture land, house with basic amenities, shops, two-wheelers, equipments and machineries related to skilled activities are created and registered in the name of the women. It has created a feeling of life security to handle their future during calamities.

Due to active participation of women in different economic activities, their physical mobility has increased. They attend skill building training programmes, business related and regular group meetings, and make frequent visits to banks, visits local and distant markets, and nearby villages and districts sometimes to other states. During such time,



their husbands accompany them and help them in undertaking the activities concerned successfully. The frequent visits to local block development offices, district administration, and other private organisations for negotiation and better

decision making for their favour has increased the level their confidence. It has increased access to knowledge and information.

The social network and the interaction processes help them in reaching out and access to necessary information. Due to the higher degree of participation, women are being consulted for suggestions and being involved in the community decision making processes, which lead to increase in their confidence level and self esteem and also the positions they could gain within their communities.

The members of Kalanjams involved in similar livelihood activities organised into Primary Producer Groups (PPGs) and Primary Marketing Groups (PMGs) and Primary Producer Companies. More than 90 percent of the members in the PPGs and PMGs are women. There are nearly 2500 members in different PPGs, in which only five male members who are there who are involved in cultivation of medicinal plants. The Kalanjiam Thozhilagam Limited, a public limited company promoted by the PPGs and PMGs facilitates this livelihoods promotion in association with the Kalanjiam federations.

Gender: Governance and Empowerment

The nested institution structure of all the programmes facilitates institutional relationships among groups, cluster development associations/cascade and block/district level federations. The nature and requirements of the structure necessitate the nurturing of leadership at various levels of the nested institutions. These institutions provide space and opportunities for women to occupy leadership position at all the three levels. Decentralised decision making process ensures autonomy and identity of these institutions. The institution building processes such as regular meetings, annual general body meetings and mahasabha functions, transparent systems for regular transactions, clear management functions such as review and planning, monitoring the impact of services provided to their members and capability of handling sophisticated banking and financial systems, strong links with mainstream institutions and practices of HR functions prepare the women particularly the leaders for the roles that they have to play.

DHAN has promoted two peoples movements – the Kalanjia Iyakkam and Vayalaga Iyakkam. These peoples' movements are nurtured and supported by DHAN Foundation to address the larger development issues related to women and water. These movements would slowly transform into a force to reckon within the society they live. Over one lakh members are holding leadership positions at different levels starting from the primary group at village level to the Movement at the national level.

Table 4: Women leadership in People's Organisations

Nested Institution	No. of Institutions	Women leaders serving	Women leaders served	Women occupied leadership
1. Primary Groups	28,027	78,135	31,254	1,09,389
2. Clusters/ Cascades	1,638	13,562	5,460	19,022
3. Federations	116	827	400	1,227
Total	29,781	92,524	37,114	1,29,638



At each level of the nested institution, there are specific norms that ensure leadership rotation and leadership capacity building. The leadership in the nested institutions is nothing but collective leadership (executive committee) for building the shared vision and providing direction by strategic guidance in achieving the set goals. Role of governance in integrating and managing special services such as insurance, health and education, and basic amenities

such as electricity, drinking water, sanitation and drainage into their development planning is being enhanced through specialised trainings. The leadership graduation and promotion of succession leaders as a tradition is being followed at all the three levels through democratic process of consensus (not by election or voting). The gender empowerment happens not only because of individual leadership abilities but by the collective action by institutional leadership.

Presently there are 92,524 women members occupy leadership positions at various levels of the nested institutions in all the themes in DHAN. In addition to this, nearly 37,000 members who had occupied leadership positions at various levels are now providing guidance to the serving leaders. This indicates that one out of every five women members have had the leadership experience. The policies of leadership graduation and rotation facilitate every one to occupy such space and unleash their leadership potential.

One of the interns² who has done leadership study with the Kalanjiam women reflects that,

“These women leaders are grounded in a basic respect for people and their ability to do what is right, to learn, and arrive at intelligent decisions. While arguing for their opinion, these leaders carry out the will of the majority. However, such leaders’ opinions form only in constant interaction with the co-members. In this sense, they are not separable from their community. Most of these leaders come from poor economic backgrounds and they have experienced poverty. In many cases they have been the sole provider for most of their family needs. Yet, despite all these hardships, they continue to have a strong conviction of working for others.

They consider it as their duty to help the fellow poor families. They have always sought ways to help others and demonstrated the values. As a leader they realised that they are role models to others and check themselves before offering correction to others. They try to involve as many other people as possible. They often miss their own work in order to do things for the groups despite the fact that they are the primary earners in their houses.

These leaders demonstrate values and morals which go far beyond social requirements. They are able to further articulate these values and enact them through their federations. They begin with an underlying trust in the importance of helping others and are confident in their abilities to assess the program and relate it to others. The People’s Organisations’ belief in participation gives them the space to manoeuvre within the system and yet retain their independence. Their own experiences have formed and solidified a concern for others which they have acted upon in various ways over the years.

While initial interest may have been sparked by the idea of economic gain, these leaders found the program a means to address other issues and values in their lives as well. Their natural inclinations to help others were quickly regularised through their service to the groups. Likewise, their vision for the poor in their villages and elsewhere were met by opportunities for tangible results. These leaders are willing to put in immeasurable effort and energy. They are committed to the programs not only for visible reasons, but as an external manifestation of what each of them already holds to be significant and meaningful in life”.

² “Valuing others” Tracy Swan, 1996.

Most of the women leaders take active participation in Panchayat systems. The Panchayats have recognised them and invite for gramasabha meetings. Women also actively participate and discuss the issues related to drinking water, functioning of schools, and quality of education, street lights and roads. They negotiate with local governments and their views are heard while implementing development programmes. They attend the meetings and committees on invitation by the mainstream agencies. Some of the leaders have occupied positions in the advisory committees of the government, banks, academic institutes and microfinance organisations, NGOs.

Building women leadership

A variety of capacity building events are organised on different areas of leadership development to these women leaders such as:

- Induction and orientation programmes to impart the concept and structure of the institutions and roles of leaders at various levels.
- Training programmes to explore the leadership values and qualities, understand the nuances of conflict resolution and group building, self development, group dynamics and effective communication methods.
- Exposure visits to encourage cross-learning of best practices and new initiatives across locations, various conflict-resolving methods by involving directly in problem solving.
- Experience sharing by veteran leaders and facilitating dialogues with them to learn various leadership traits and values.

- Workshops, seminars and conferences to provide a platform for sharing their experiences and learn different perspectives from other leaders from other federations and organisations. These events are organised to build their perspectives on institution building, democratic management, working with mainstream institutions etc.
- Participation in various committees to learn the art of convincing and confronting with bank and government officials.

The People Academy of DHAN Foundation offers leadership education and training to both women and men leaders of different themes. The tank-fed agriculture development theme promotes leaders of both women and men at different levels of its people organisations and builds their abilities in managing institution building process, implementation and monitoring of conservation and development of

Leadership Capacity Building Programme



common property and natural resources, managing the links with mainstream institutions for resource mobilisation, and ensure just and equitable benefits by effective utilisation of common property resources. Self regulation through enforcement of value practices and transparent systems of handling resources and managing the conflicts is a central role of governance. Conducting gramasabha (village level meetings) at village and Panchayat level with direct participative democratic process is one of the institution building processes of local Panchayat Raj Institutions. It also encourages the practice of micro planning where gender issues and needs are being discussed with the equal participation of both women and men. Both women and men Panchayat leaders actively take part in the leadership development education, which is a distance learning programme.



Transformation in gender inequality at family and community level

It is recognised that addressing gender inequality and increasing women's capabilities is a precondition for achieving poverty reduction. More than a decade of experience with poor women through the Kalanjiam programme reflects a greater change in the relationship between women and men in the members' family, work places and at community levels. Positive change is evident in division of labour in the household works. Increased mobility by women and the support extended by husbands to their wives in attending group meetings and training programmes, visiting to distant places for exposure and banks for financial transactions is observed in many of the households. Greater women workforce participation could be observed in many SHG federations based activities. Men in their families also encourage

participation of their girl children and women in social development activities. The microfinance activities have provided decent livelihood opportunities for women in terms of dignity and security within the workplaces due to nurturing value practices.

Gender and water

Though 'water' is a 'gender neutral' input for the human life, the challenge is to make it in such a way, both men and women equally enjoy the space in decision making, water governance, access and control over water resources. Traditionally, women have substantial roles in various agricultural and natural resource management activities, but are rarely seen as active stakeholders in decision making processes, especially related to planning for natural resources.

Drinking water - is it a women's issue?

Marakulam is a small hamlet in Ramanathapuram District of Tamil Nadu, which was named after a tank Marakulam constructed about five decades ago. The two irrigation tanks existing in this village became dysfunctional 20 years ago. Many people in this village migrated to nearby towns in search of livelihoods. Even the drinking water situation was much worse there. The people remaining were also facing scarcity for drinking water. Since fetching drinking water was the women's responsibility, the women had to walk at least 3 - 4 kilometres to bring water.

Nirmala Devi, an Anganwadi worker in the village approached DHAN Foundation to promote Kalanjiam that she found in many other villages. She took the responsibility herself to organise groups. After many attempts to convince the villagers, she made the women organise into two Kalanjiams. She did not stop there. When the issue of water was discussed in the village, the issues of tanks came up. Though the villagers accepted that if the tanks were rehabilitated, it would solve the issue of drinking water, they were not immediately ready to get organised.

Again, Nirmala Devi took an active role. She spoke to all the men in the village and organised several meetings to organise them into an Association. Finally, they came forward to form a Tank Farmers Association. There were 60 members enrolled initially into the TFA, of which 24 were women. Nirmala Devi was elected as treasurer for the TFA. In the subsequent meetings, the women brought the issue of drinking water and insisted the need for constructing an Oorani immediately. They pressed the village Panchayat to allot the common land for Oorani construction in the Garamasaba meeting.

With the help of DHAN Professionals, they prepared an estimate to get assistance under CAPART's programme. They were sanctioned Rs 1.22 lakhs to construct drinking water pond. Nirmala Devi along with the Kalanjiam women in the village approached the youth club to help them in mobilising the contribution. They were able to mobilise Rs. 35,000 as their contribution, which was higher than 20 percent contribution as laid out by the CAPART scheme. The women supervised the works and with their zeal and enthusiasm, and they could complete the works with quality and equivalent to the works worth of Rs. 1.46 lakhs. The drinking water pond got filled in a very brief subsequent summer rains. It is needless to say, the Marakulam villagers especially the women were joyful as they need not walk for several kilometers for water.

Gender issues are quite evident in accessing water from common resources such as open wells or unstructured tanks on the grounds of caste, religion and class. It affects the women in particular, as they have to spend a lot of their productive time for accessing water and because, managing water within the family is seen as a woman's responsibility. Moreover, the space and opportunities for women to participate in public works particularly related to water is very minimal. The ownership of irrigation tanks rests with the state and run through different departments, and the rights over the resource usage, including customary rights by the local communities is already restricted. With these limitations, the issues of gender also need to be addressed amidst the other systemic issues involved in managing tank resources such as water, and trees.

To arrive at a gender balance and reach a desirable level of making women involved in public space, the strategy of a women-inclusive approach is essential. It includes creating exclusive space for women in fish rearing, tree growing, tank-fed cultivation, and cultivation of medicinal plants on the tank bund and channel. The experience of the Vayalagam programme reveals that management of drinking water supply programmes by women self help groups, and building their skills on advanced technologies of agricultural development increases water use efficiency, productivity and participation in agriculture development. A women-inclusive approach emphasises a public space for women in water resources management. In general, most of the multiple users have neglected the responsibilities

related to the water rights (form and customary rights) which led to tank degradation. The new activity of tank up-gradation such as dead storage creation and tank rehabilitation provides an opportunity to negotiate stronger rights to water for multiple uses and multiple users including women and landless poor. Women are treated as legitimate partners in water forums. In the Vayalagam nested institutions both farmer and his spouse are enrolled as members and the household is treated as a unit. Both men and women would attend the meetings in the Vayalagam.

In Vayalagam programme, 1,32,500 women have been enrolled as members to the total which accounts 89 percent to men. In Andhra Pradesh, in four watersheds, all the executive committee members of the watershed committees are women. It has created a space for women to negotiate with fellow villagers, nearby villagers and the heads and the field functionaries of different government departments. They have mobilized people to undertake soil and water conservation works, handled conflicts and ensured the execution of Rs. 120 lakhs worth of works in four years period. In reality, the performance of these women groups is quite promising, and they have provided trainings to other watershed committees as well. Both women and men self-help groups promoted under tank program and rainfed themes promote greater interaction and involvement of women in common activities. Women in governance position, gives a space for making effective decisions.

Woman in Fish rearing

Rojammal, a member of Chinna Eri Vayalagam in Poondi location, owns a farm pond, dugout with the help of Vayalagam programme. She has taken up fish rearing activity in her farm pond. With the technical input given from the programme, she followed all the critical steps. In addition, she applied supplementary feed and sprinkled food waste collected from near by temple. It was her worry that she has never seen any fishes jumping in her pond, so she was less confident on survival of fishes in her pond. When the day of harvest came, with high anxiety she entered in to the pond with net-men to catch the fishes. To her surprise fishes started to jump in all sides to escape from the net. She was seeing the fishes first time after stocking and she was very happy that grown up fishes were there. The caught fishes were weighed around 600 grams in weight and the survival was more than 50 percent. She realised a good catch and earned a margin of Rs. 1500 in the first catch, and she was very happy and looks for a yet another good harvest

The Vayalagam programme provides opportunities to undertake the works related to tank renovation, drinking water pond construction, thrashing floor construction by the women members. Women watershed committee members undertake watershed development including dug out farm ponds, and supply channel desiltation which involve significant amount of their knowledge, cash and labour contribution.

Gender and Rainfed farming

While the Vayalagam programme works for securing livelihoods around the tank system, which is a common property, the rainfed theme focuses on improving the capability of private land. The rainfed farming theme views that many projects meant for improving rainfed areas concentrate only on ground water enhancement through various works on streams, thereby supporting irrigated agriculture. But the rainfed lands are in general left out. But only if the capability of these lands is improved, any dent can be made on improving productivity of rainfed farming. So this theme focuses on development of private

lands. This approach has other important benefits like, high ownership of the activities by the community, increased contribution (25 to 50 percent) and implementation of works by the member him/herself thereby eliminating contractors. It is an effective way of triggering private investment through public investment. Further this approach helps in spreading the benefits more equitably and in spreading the activities over time than investing on common resources. This ensures continuity and strengthening of people organisations. Nearly 52 percent of the 60,000 members benefited out of Rs. 171 lakhs worth of watershed development activities were women. They could contribute about Rs. 100 lakhs in all such works.

The rainfed farming theme places utmost importance on the indigenous knowledge and practices, with a view that building on their native wisdom helps a lot in effective implementation, high level of ownership and contribution. In all the trainings on agricultural technology, demonstrations, leadership trainings, it is ensured that about 50 percent of the participants are women.

In practice, the level of acceptance for the new interventions or experimentation within rainfed farming by the women is encouraging. This is evident from the fact that while introducing azolla as green fodder for the milch animal, many women members came forward voluntarily to try this out and got convinced that it was a low cost technology through which the green fodder requirement for the milch animal could be fulfilled. Three hundred families have taken up this experiment, in which both men and women were trained on azolla production. It was evident that only women were able to give continuity that could result in increased milk yield and fat content of the milk, so also the family income.

Similarly, the role of women in sustaining rainfed farming is quite critical, as they are managing the livestock farming within the family. About half of the income of many rainfed farming families comes from livestock farming particularly sheep/goat and milch animal rearing. Further the fluctuation in livestock produce price is minimal and there has been a



continuous increase when compared to agriculture produce prices. The women in the microfinance groups are encouraged to take up this activity intensively. Milch animal loan was given to more than 500 women members and more than 2000 loans were issued for goat and sheep rearing which is one the important livelihoods for the rainfed farming families, which is managed by women

Gender and ICT

The gender socio-cultural divide is one of the key reasons why women are under represented in the information society. The Tokyo Declaration of the World Summit on Information Society calls for gender equalities through ICTs. It says “Unequal power relations and other social and cultural aspects have contributed to differential access, participation and status for men and women in the region. In this regard, more attention should be given to overcoming these constraints and ensuring that women can equally benefit from the increased use of ICTs for empowerment and full participation in shaping political, economic and social development”. Though lack of infrastructure is a problem to all, irrespective of gender, its impeding access is acute for women due to poverty, illiteracy and language barriers. ICTs can empower women and help them overcome gender inequality by raising awareness of their social and political status and creating new economic opportunities.

The ICT for Poor theme in DHAN Foundation opens up new opportunities to address the issues of gender by promoting Thagavalagam ICT groups with men

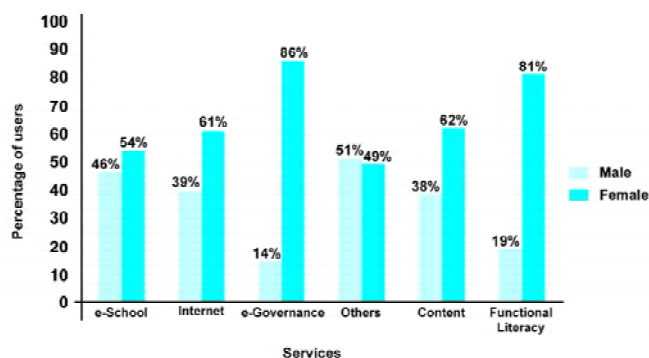


and women which provide access to new and empowering information that can address large inequalities that women face in all realms including education, employment, and social security. From a gender point of view, women not only need to have greater control over ICTs, but these technologies need to reduce women's work burden, challenge existing gender hierarchies and empower women. The theme continues to address existing socio-cultural issues such as poverty, female infanticide, female illiteracy, gender wage gaps and intra-household gender inequalities, while working with a long term vision of potentially transforming existing gender inequalities with appropriate ICT tools.

Access and Control: The 'ICT for Poor' theme views that women's access to, and control over, ICT is not equal to men's. 'Access' is the opportunity to make use of technology, information and knowledge. 'Control' refers to the power to decide how ICTs are used and who has access to them. The community organisation model of DHAN envisages that organising the organised communities is a prerequisite for building ownership and local management in any development intervention. The Thagavalagam groups organised in every village consists of both men and women, initiate the gender inclusive approaches in information need assessment, governance and management. There are 162 Thagavalagam ICT groups functioning with the membership of 50,957 members, of which 60 percent are women.

In the initial years of the ICT theme, the users were mostly listening to agriculture, health and women

Genderwise usage of services (2004-2008)



issues. But along with the growth of the theme, new sectors were introduced and all the sectors got more or less equal number of users. This is an indication of ICT being used as information dissemination mechanism as well as tool for development. It is clearly evident that women are the main users of various services initiated by ICT theme.

Education, Training and Skill Development:

Education and skill-building are the core components of ICT theme. Customised and contextualised computer courses are offered to the youths. There are courses starting from junior level to college level, where girl children are encouraged to enrol through the door to door canvassing by the VIC operators. Considerable work on ICT is created for the women and their daughters because of these programmes. So far 429 students have undergone the courses, of which 75 percent are women. The local youths, particularly girls studied in the Thagavalagam have become employees of the near by centres, which is evident from the fact that 98 percent of the 199 operators are girls.

Governance: Women members occupy leadership in many of the Thagavalagam groups. They review the works of the operators and provide leads for making contents. The role of women is found to be very critical to enrol children for computer education.

Content and Language: Thagavalagam groups meet once in a month to generate content or leads for the content. Women's viewpoints, knowledge and interests are adequately represented. As many as 32 types of services offered through the Thagavalagams, and most of these services are directly targeting women. Health, education and financial literacy are the most wanted subjects by the women. A team of Thagavalagam operators are trained and involved in content development. Workshops are conducted periodically and depending upon the requirement expressed by the local people, content is developed on various topics in their local language. Youngsters

from the rural areas with SSLC and HSC are trained to develop content using Visual Basic, PowerPoint and HTML.

In one of the locations in Madurai district, Melur, many men work abroad, chiefly in West Asia, leaving their families behind. International calls are expensive, and it is easier to 'chat' over internet. However, most women in these families are from poor backgrounds and it not easy for them to begin using the chat facility on computers. DHAN centre operators have been giving free training and trials to these women for chatting, including through video mode. Though this video mode of communication is richer than mere telephony, it is new, and villagers are still taking time to adapt to it. Ironically, a soft, community oriented approach gives better marketing results in the typical rural personal interactions-based community conditions.

One researcher³ undertook a field based study in the rural Madurai district where the ICT for poor programme of DHAN Foundation is being implemented writes "the careful study on this programme shows that (1) women who get exposure to ICT get confidence in approaching higher officials for their requirements through internet and in person, (2) lack of higher education is not a hindrance to learn ICT, (3) basic literacy and ICT goes hand in hand, (4) women are open to accept ICT if need based services are provided through it, (5) they are aware of health and eye care, (6) they share their skills through Video conferencing, (7) they are ready to share and get tips from and through internet on health, agriculture, cooking, tailoring and so on to empower each other. If this model is followed by all NGOs and the government to familiarize ICT to the rural women, definitely in the future, empowerment as an active process enabling women to realize their full identity and power in all spheres of life will be fulfilled, which is the concept of International Women's conference at Nairobi in 1985."

³ Education and empowerment through Information and Communication Technology to the rural women: International Journal of Communication, Jan-June, 2007 by V. Monica Hepzibah Pushpabai

Women and Community Media

After the 2004 tsunami, DHAN Foundation started working in a big way with the affected fishing and farming communities along the south Indian coast with a long term development focus. Empowering the community in all aspects, particularly in building capacity of the community for disaster management is kept as an important area of intervention.

Applications of Information and Communication Technology were introduced through the Village Information Centres (VICs) connected with internet facility setup in all the villages. To complement this ICT initiative, DHAN has launched a Kalanjiam Community Media Centre with the mixed media model of combining radio with video and web based technologies.

The Keeliayur Vayalaga Vattaram, a federation of both men and women farmers, promoted by DHAN Foundation owns the Centre. There are 23 Women SHGs with about 400 women members and 72 men SHGs with 1400 members functioning. These SHGs are working towards restoring the livelihoods of the farm families with systematic micro finance activities. They have also resolved to work on conservation of coastal resources in the near future. In all such initiatives, women have taken self initiatives and leading role.

The concept of community media centre combining VICs (Thagavalagam), community radio and the community video is implemented by the federation with a vision of maximising the impact of information



and communication on member's lives. The vision of the Centre is to inform, inspire and empower the community to speak and act on behalf of their fellow members, use radio, television, and the Internet to create and distribute programs that promote and celebrate individual expression, local achievements, education, cultural exchange, arts appreciation and civic engagement. The centre combines the audio, video and internet resources and tools that can empower the communities to be more conscious media consumers and enables the community, especially women to tell, share and preserve their own stories by themselves. It facilitates the issues and challenges concerning their development and find out collective solutions for gender-inclusive development.

The Centre works for promoting media literacy for turning passive media consumers into critical thinkers and media creators. A team of women volunteers build the skills of fellow members, particularly women to make and disseminate programmes of their interest. The Centre has evolved a structure and mechanisms that would promote ownership and management by women. There is a 21- member board of governance that governs the functioning of the centre, of which 14 are women.

The Centre has made so far 2500 minutes of programme on different subjects. Nearly 60 percent of these programmes address the various information needs of the women starting from health, education, SHG management, and livelihoods.



They call me 'Computer Akka'

Radhika, Thagavalagam Operator, Thiruvathavur, Madurai

I had completed 10th standard. That year, the harvest was not good, and so, I was forced to stay at home and help my mother. My mother is an agricultural labourer and could not afford to support my higher studies. I have no father.

There was a DHAN centre nearby but I didn't know what exactly they did. The operator at the centre used to canvass in my area because she wanted to teach computer hardware and software at free of cost. No one was willing to send me at home, but the operator was persistent and so I joined the centre to receive training. I had never seen a computer before, except in pictures. Only after I joined, I touched a computer for the first time!

I assisted in training the students at the centre. I collected electricity bills from villagers and paid them at one shot. I got 'jobs' from the neighbouring villages to assemble computers, which helped me to generate income.

Then DHAN asked me to run a new centre being started in the neighbouring village. When operators from the centre would canvass in our area, I would tell them not to bother us. I thought they didn't have anything better to do. Now, when I go canvassing, I realise the difficulties involved – people do not come immediately, we have to compel them. We have to tell them that if they want to contact the Panchayat, we can type and submit the details for them at the centre.

At first, I found it difficult to talk to people, but this gradually became easier. Now they come forward on their own. Everyone knows me well. They now call me "computer akka (sister)!" Also, at first, our centre was on the main road and so, only men used to visit the centre. Now we have moved inside the village so more women visit the centre.

People find the services we offer useful. For example, if people want to get birth certificates, they have to spend time, forego their wages to visit the office, and pay bribes to the officials. With us, they pay the correct amount and get it. In another case, a boy called Aravind had an eye infection and his family came to me because the hospital was quoting Rs.5,000 to correct the problem. I got him help using the telemedicine facilities at the centre at the cost of Rs.1,500 only, and now he can see well. We save people time.

We teach them how to use computers. Also, while maintaining the quality, our services are cheap compared to other places. Then, we also broadcast news that we collect from 40 centres in this cluster. Each centre collects news from village and sends it to the main centre, which collates it in different categories.

Every evening, the news is read out through loudspeaker fixed outside the centre. At first I used to go around collecting news, but now, people come forward in person to provide news to me. I was shy initially. But over time, and with the encouragement of DHAN and the operator, I am even ready to talk on stage when I am nominated. I always introduce myself first and then talk about the services offered at the centre. I always meet people and am the first one to talk.

Actually, men are shy to talk these days! I am where I am today because of DHAN. I would not want to work elsewhere. But I have to work harder to earn a higher income for the centre – right now I make Rs.1,000 from various services like teaching courses, data entry, video conferencing, astrology, etc, but that's just enough to offset monthly expenses.

Initially, my mother was not supportive because girls are not supposed to go outside the home. Later my friends and relatives persuaded her to allow me. Now I bring Rs. 2,000 home as income which helps the family. Now, my mother is fully supportive – she doesn't allow me to do any work at home, she doesn't ask where I am going, and when I am coming back. She is very proud of me. If not for DHAN, I would be at home. I'd have had to pay Rs.500 for a computer certificate. Instead, I am offering this service for free. I have learnt so many things. My advice to rural women is that I am also just like them. And just as I have come ahead in life, so can they.



Gender and Panchayat Governance

Gender inclusive approach is inevitable for facilitating good governance at the Village Panchayats, the third tier of our Government. The legal system has provided and ensured some provisions for addressing gender disparity through reservation in elections. The present political and administrative system could only practice the letter, but not the spirit of the law, in implementing these provisions. The working with Panchayat theme of DHAN works towards addressing this gap.

While conceiving the theme for experimentation, it was consciously decided to work with 50 percent of the Panchayats where women are presidents. Among the 25 Panchayats taken for experimentation, in five districts, 13 Panchayats have women presidents. The Program invests consciously on these women leaders to nurture their leadership further. Similar efforts are being made on the women Panchayat ward members. Mostly the ward members, particularly the women ward members in Village Panchayats get very less focus in the administration. The theme focuses on clarifying their roles, rights and responsibilities and building their confidence to exercise them. Out of 19,974 members organised into functional groups of women self-help groups, and farmers' groups, 14, 209 are women representing various forums of the Panchayats.

As per the TamilNadu Panchayats act, each Village Panchayat will have five sectoral working committees for facilitating better governance. The theme has taken this as an opportunity for broad basing the leadership and ensuring equal representation for women. Out of five working committees, the most important and vital committee, the Development committee has reservation for women chairmanship. Also, in all working committees at least 2 – 4 members are reserved for women. The theme ensures these spaces for the women from poor families, who have gained experience as the members or leaders of SHGs.

In Gramasabha meetings, special focus is given for women representation. Due to continuous efforts of the Panchayat theme, through orientation in SHG meetings and trainings, in all the gramasabha meetings it could ensure 50 percent of women participation in the quorum.

The theme provides specialised training programmes for the women in SHGs and their leaders on Panchayat Governance. With the support and motivation of the theme, in Sandhiyur village Panchayat of Dindigul district, TamilNadu one of the women SHG member got elected as president in the general constituency.

Gender Policies in DHAN

DHAN aims to create a workplace environment where diversity is encouraged and in which every member of the organisation can realise his or her potential for excellence. This policy is intended to guarantee equal opportunities for all the DHANites. Discrimination on the grounds of race, religious beliefs, colour, gender, physical disability, mental disability, age and ancestry, place of origin, marital status and sexual orientation, source of income or family status is expressly prohibited at DHAN, in any work-related activity, or in any of the employment or recruitment practices.

DHAN has undertaken a critical examination of its policies and practices, and has taken positive measures to ensure that employment terms, conditions and opportunities with the organisation are implemented in accordance with equality principles for all employees and prospective employees.

DHAN has resolved to adopt the following strategies as specified by the Permanent Working Group on Gender Mainstreaming based on their consultation with all the stakeholders.

- Facilitating context based detailed Gender analysis across programmes, formulation of policies time to time and their implementation.
- Building gender perspective to the staff at all levels through induction process, workshops to increase their sensitivity towards gender inclusive approach, integrate gender perspectives in the thematic interventions at the grassroots.
- Adapting Gender inclusive and right based approach in all its programmes and developing mechanisms, guidelines in the areas of implementation.

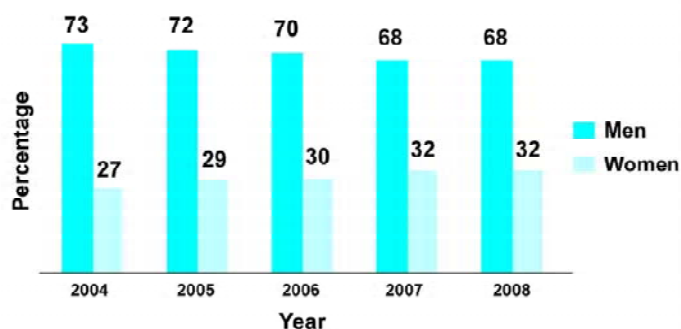
- Revisiting HRD practices such as recruitment and grooming policies at an annual basis to ensure Gender balanced policy and practice.
- Communicating gender policies, norms and code of conduct at all levels in order to bring uniform understanding.
- Updating the staff on recent developments and policies related to women

DHAN intends to provide an equal opportunity for both women and men in employment from among the qualified professional streams for programme implementation and from conventional graduation streams with secretarial, accounting and driving skills for programme support functions. DHAN does not have any prejudices in recruiting the staff for specific functions and the final selection are purely based on the capacity and skills of individual applying for the functional role to perform within DHAN and at the same time, the organisation encourages and facilitates women staff in joining the development stream by adopting specific process of recruitment.

DHAN provides “equal space and opportunity” for every one who aims to pursue development career by creating favourable environment at all levels of selection giving them opportunities to choose the development work as their ‘choice’

There is no discrimination in terms of remuneration among the Men/Women staff and DHAN offers three unique pay scales based on the educational qualification and nature of work. There will be

Gender distribution in staffing in DHAN



consistency between the remuneration of staff with substantially similar qualifications, abilities, tenure, and productivity levels. DHAN has been gender sensitive in its policies by regularly reassigning women (when they marry) to the nearest areas they

settle in, because DHAN has wider coverage. The gender wise composition at the organisation level clearly shows an increasing trend. Currently, there are 32 percent women staff distributed at different levels within DHAN Collectives.

Out of 2,340 field staff, working in all the themes, 1,905 are women. Eighty one percent are women. This helps the field programs to be more gender sensitive and focussed. DHAN goes beyond numbers in trying to attain gender equity. The collegial working environment is being maintained. The smooth

Table 5: Gender distribution at grassroots level staffing

Programmes	People Staff		
	Women	Men	Total
Kalanjiam Community Banking	1,631	225	1,856
Vayalagam Tankfed Agriculture Development	62	161	223
Rainfed Farming Development	18	16	34
ICT for Poor	184	19	203
Working with Panchayats	10	14	24
Total	1,905	435	2,340

working relation is being ensured between women and men even in situations where women are senior to men. At the same time, DHAN is conscious of the problems of retaining married women professionals, or the difficulties they face. Every care is taken to solve their problems and accommodate them. DHAN is working like a big family. The two prime criteria for summary sacking are moral turpitude (which includes sexual harassment in any form) and financial misdemeanour.

DHAN is committed to creating and promoting a gender sensitive work environment within the organisation and its various programmes and themes. Towards achieving this goal, it organises regular workshops/seminars to a variety of other inputs. In all the events organised by DHAN, both internal and external, will have a gender component and address gender specific needs of the participants. DHAN ensures gender action plan as part of its annual planning process and gender related capacity building budgetary allocation as part of its financial plan.

DHAN Foundation at a Glance

Particulars	March 2006	March 2007	March 2008
Cumulative figures			
Reach			
No. of Families	4,67,550	6,11,888	6,49,389
No. of Primary Groups	26,133	27,030	28,027
No. of Clusters	1,346	1,679	1,638
No. of Federations	72	128	116
No. of Villages	6,961	8,775	9,148
No. of Districts	35	37	41
No. of States	7	9	11
Staff			
No. of Professionals	349	363	330
No. of Programme Staff	302	367	316
No. of People Functionaries	2,729	2,919	2,340
Finances (Rs. in lakhs)			
a. Programme Funds			
People	8,637	12,985	14,439
Banks	16,417	22,388	30,109
Government and Donors (for the year)	2,906	2,555	932
Sub Total	27,960	37,927	45,480
b. Programme Management (for the year)			
People	505	808	652
Government	71	47	126
Donors	2,305	1,283	2,527
Sub Total	2,881	2,138	3,305
Grand Total	30,841	40,065	48,765

DHAN Foundation 2007-2008



DHAN Foundation



Overview 2007-2008

The year 2007-08 was a year of building new alliances and cementing existing alliances for advancing development. Kalanjiam Foundation, a thematic institution of DHAN Collective was successful in getting significant funding support for the next phase of three years for upscaling the theme. Thanks for the commitment from Sir Ratan Tata Trust and Sir Dorabji Tata Trust, Mumbai to support the expansion and deepening the Kalanjiam enabling model of microfinance.

The Kalanjiam Programme is taking new leaps in reaching out to the poverty stricken tribal regions of northern India. It has come out with a strategy of designing microfinance plus context specific development intervention package from the very beginning.

The conscious measures taken up by the Kalanjiam programme to enable the Peoples' Organisations to achieve self-management and financial self-sufficiency have brought in a lot of insights. The Programme has spent substantial energy in educating the group members on the significance of self-management and the need for allocation and use of common fund towards self-management. The programme's efforts to bring new perspectives in handling 'common fund' to foster mutuality and sustainability have yielded good results and received acceptance by the community.

Experience in north Indian locations in SHG-bank linkage is not encouraging; there is a high need to educate the bankers on the viability of SHG-Bank linkages. The Kalanjiam have faced difficulties even in opening a bank account for the groups since the concept of SHG lending are yet to reach the bankers. Support from KDFS was quite critical in addressing such gaps.

The Kalanjiam Reproductive and Child Health Programme has reached new strides and possibility of new collaboration with the Government of Tamil Nadu to replicate the composite approach in brining down anemia and malnutrition is about to materialise. The "SUHAM" (Sustainable Healthcare Advancement) Hospital, promoted by the federations in Theni district, is a new milestone in collective civic initiatives by the Kalanjiam community. It is worth emulating such experience in other regions as well.

The Government of Andhra Pradesh invited DHAN for Memorandum of Understanding (MoU) with the twin objective of rehabilitating the small scale water bodies with people's participation and implementing the National Rural Employment Guarantee Scheme. DHAN's experience and continuous interaction with the Government has resulted this first-of-its-kind collaboration.

DHAN has entered into a Memorandum of Cooperation (MoC) with Centre for Affordable Water and Sanitation Technology (CAWST) based at Calgary, Canada to establish a "Water Expertise and Training Centre" (WETC) to create water literacy and a high level of awareness among various stake holders in the developing countries, especially in Asia and Africa.

The ICT for Poor theme is getting prepared for upscaling. The theme has demonstrated the potential for becoming a cross cutting theme to go with Kalanjiam and Vayalagam initiatives. Technological, social and financial sustainability has been proved beyond doubt and this would probably be the largest NGO initiated ICT initiative in the country. The technological support from Indian Space Research Organisation and National Remote Sensing Agency

was very critical in its endeavors to provide sustainable ICT access to the poor.

With nearly five years of rigorous experimentation at the grassroots level, the Working with Panchayats theme has come out with programme components, “IMPACTS” (institution building, multi-year micro planning and implementation, policy advocacy initiatives, addressing poverty, capacity building, transparency in governance, self-sufficiency to take forward the learnings for replication). The theme has started interacting and sharing its experience with likeminded organisations and initiated new collaborations.

In addition to intensifying experimentation in the existing locations, the Rainfed Farming Development theme has expanded the programme to a hilly and tribal block in Jawadhu Hills, Tamil Nadu. The theme has cemented its functional linkages with the TNAU to facilitate farmers’ centric research and development.

A new Centre in Tata-Dhan Academy, Advanced Centre for Enabling Disaster Risk Reduction (ACEDRR), has been created to aid practitioners in building and sharing knowledge on disaster risk reduction from action. Enabling development stakeholders to advance their policies and practices for reducing vulnerability of marginalized communities is its key approach. Right from idea conception, Oxfam America provided financial and advisory support to set up ACEDRR. Asian Knowledge Centre for Mutual Insurance (ASKMI), the other centre in Tata-Dhan Academy, entered into MoU with INAFI International and INAFI Bangladesh to exchange expertise in Mutual Insurance.

The rebuilding livelihoods initiative in Tsunami-affected areas by DHAN has taken a shape of a Coastal Conservation programme to sustain all the developments brought in within a short span of time. The Peoples’ Organisations promoted among the affected communities have started working on pooling their resources to create socially, financially and technologically sustainable mechanisms to face any such future disasters.

The Madurai Symposium was organised successfully. The biennial event was envisioned to be a development arena, where the stakeholders of development, including community institutions, civil

societies, government, NGOs, financial institutions and academic institutions converged at Madurai for different streams of events. This year it was a common platform for the development stakeholders to come together to share and learn from each others, experience and practices.

A series of conventions and conferences were organised on various development themes, such as, water, microfinance, Panchayats, development education, rainfed farming, coastal area conservation and development, information and communication technology.

DHAN organised the Madurai Marathon 2008. The event focused on bringing awareness and action related to Heritage Water Bodies. The event was a marking one for Madurai with the support and active participation by various stakeholders of Madurai like Madurai Corporation, corporates, NGOs, academic institutions, Peoples’ Organisations and the general public. Cause dissemination was taken more intensively this year to convey the message to all sections of society (especially youth) for action. More than 22,000 people from all sections of the society participated in the various events organized as part of Madurai Marathon. It was a pioneering effort and a memorable moment when the Kalanjiam and Vayalagam people organisations, and a few of the leading corporates and academic institutes in Madurai city came forward on the stage and declared adoption of water bodies in Madurai.

In response to the call of the UN Millennium Campaign, DHAN along with its People Institutions and organizations organised its staff, members of the Peoples Organisations promoted by it, school children and the general public to STAND UP and SPEAK OUT against Poverty and for the MDGs. Nearly 25,000 members have stood up for the event.

All the Centres created to perform integration roles across programmes and themes in DHAN Collective have started spanning their products and services to the community and the development sector. Timely and critical support from the Peoples’ Organisations, Kalanjiam Development Financial Services, People Mutuals, and Kalanjiam Thozhilagam Limited in the poverty reduction initiatives through development finance, livelihoods support, and social security initiatives of the thematic programmes of the DHAN were praiseworthy.



Kalanjiam Community Banking Programme

The Kalanjiam Community Banking Programme works for empowering the poor women and address poverty by going beyond 'microfinance' with emphasis on member-ownership, self-help and mutuality. Promotion of nested institutions (groups, clusters and federations) is the core feature of this model. The model has been demonstrated in diverse contexts viz. rural, urban, coastal and tribal regions of India spread over 36 districts. In order to upscale this experience and to reach at least a million poor over the next decade, DHAN has promoted 'Kalanjiam Foundation', the first thematic institution in DHAN Collective. This institution would advance the theme of Kalanjiam Development Finance and guide the people institutions for generations. As a mothering institution, DHAN would provide needed human resource development support and strategic guidance and vision for Kalanjiam Foundation.

The first phase of this upscaling of Kalanjiam Programme (2004-07) primarily envisaged reaching out to 400,000 poor households, initiating the programme activities in the most backward north Indian states and experimenting on business and civic initiatives. The second phase of upscaling is supported by philanthropic agencies such as Sir Ratan Tata Trust, Sir Dorabji Tata Trust, Oxfam Novib, Rabobank Foundation, CAPART, World Bank - Government of Tamil Nadu and MAVIM. This phase focuses on reaching out to additional 300,000 poor households across the country. Major emphasis during this phase is laid on deepening and diversifying microfinance services for poverty reduction and involving mainstream banks, insurance companies, government institutions and their development actors.

Expansion of Kalanjiam Enabling model

The Kalanjiam programme has organised 7,171 poor families into 482 Kalanjiams. As on March 2008, the Programme has reached out to 401,688 poor women spread over 157 locations covering 7,311 villages and slums in 36 districts.

Eleven new locations have been added with the support of SRTT, Oxfam Novib and Rabo Bank Foundation. Three locations have been promoted in north Indian states. Reaching out to all the eligible poor families by promoting 180 – 200 groups was given major emphasis. Efforts made by the locations in this regard have yielded positive results in many of the locations. Regular group meetings and attendance of the members are the two critical factors sustain vibrancy of the groups, which was insisted on in all the locations. Due to continuous efforts by the team 85-90 percent of the groups conducted their meetings in stipulated time. Equal focus was also on increasing the group size in all the regions and, as a result, many locations have been able to achieve an average group size of 17-18.

Integrated microfinance interventions

The Kalanjiam programme initiated five locations in tribal regions of north Indian states during this year. In locations such as Betnoti, Latehar, Barama and Bajna, the 'peer educator' approach *i.e.* identifying locally renowned and recognised women and through them seeding concepts among others in villages, yielded good results. 'Sarpanch' of the Panchayats were oriented on the programme and its activities and these leaders in turn supported in group formation



and other activities. Besides expediting the group formation processes, this approach could create an identity for the Peoples' Organisations among the local government and public from the beginning.

A strategic team from DHAN visited tribal regions of Orissa and Madhya Pradesh to understand development needs of the tribal population and identify intervention points for integrating other developmental themes with microfinance. The team has recommended taking up interventions on malaria control and water management along with microfinance from the beginning. The intervention on malaria would focus on creating access to quality and affordable healthcare access for tribal communities by promoting community self-health governance, linking the Peoples' Organisations with mainstream healthcare providers, and behavioral change communication (BCC). The water management was envisaged to promote effective usage of available water to enhance productivity.

Promoting autonomous federations

Three locations were graduated as registered federations, adding to 73 registered federations in the programme. This year, 63 Cluster Development Associations (CDA) were promoted taking the cumulative number of CDAs into 1,089. Rigorous quality-check processes were followed before formally promoting these supra-level Peoples' Organisations. While the quality check for graduation of CDAs was coordinated by the regions, the Programme anchored the quality check process for registering federations.

To reduce cost of operations and increase the efficiency of the systems, restructuring of clusters was given major emphasis. Wherever CDAs had less than 25 Kalanjiam as members, they were restructured to accommodate 25-30 groups through people oriented processes. As per the Programme standards, a location should have 200-250 groups with a membership of 3,000-4,000 households and Rs. 200-300 lakhs of annual turnover. Wherever the federations which do not meet the Programme standards, they were attached with nearby locations for combined management. Eleven federations have been brought under combined management of nearby locations.

Federations achieving self management

The Kalanjiam programme undertook conscious measures to enable the Peoples' Organisations towards self growth through achieving financial self-sufficiency. A location wise analysis on the status of financial self-sufficiency was done and a panel of senior persons of the Programme suggested appropriate strategies to each location team. The major focus was given to educate the group members on the sustainability of Peoples' Organisations and on the significance of self-management by people to run their own institutions. Efforts on educating the members on the need of allocation and utilisation of common fund towards self management was continued to get special emphasis. As a result of these, all the locations were able to mobilise service charges from the members as planned and the contribution from the people to run their institutions was Rs. 437 lakhs during this year.

Initiatives on common fund investment at the group level gained momentum during this year. The programme continued to focus on educating the members and leaders on the need to change the current perspective in groups. Instead of rotating the 'common fund' for on lending, the groups were advised to create corpus, mutuality fund, social development fund and declare a portion as dividend to members. The groups have taken resolutions to create these funds, and keep as fixed deposits in banks. Monthly allocation of the common fund and depositing the same in the bank was emphasised. So far, Rs. 879 lakhs of group level common fund has been made into fixed deposit in banks.

Facilitating financial services

Savings: Savings is the crux of a group's activities and it is the unique feature of enabling model of microfinance. Savings builds equity among the group members. It leads to institutional and financial sustainability of the group. Keeping this in consideration, it was envisaged that each member can save according to their ability and family condition. Each location/federation needs to ensure a minimum floor level savings rate with a benchmark of mobilising Rs. 150 lakhs as savings in five years and each member at the end of five years of membership needs to have a cumulative savings of Rs. 5,000. As a result of the continuous efforts by the locations the savings rate per member at the programme level has increased by 20 percent.



So far, the members have mobilised cumulative savings of Rs. 11,310 lakhs. The cumulative reserves and surplus available with the Kalanjams is Rs. 2,739 lakhs and thus, the total internal fund available with the Kalanjams is Rs. 13,400 lakhs. The groups have mobilised Rs. 7,895 lakhs from the members during the year. The policy on withdrawal of savings has facilitated withdrawal of Rs. 1,349 lakhs by members from the groups. Though it had implications on own fund status of the groups, the policy incorporated 'liquidity' dimension for savings to address timely credit needs of the members.

Credit: Discipline in repayment is the most important parameter to ensure sustainability for any financial institution. In Kalanjiam groups, which are operating based on the principles of self-help and mutuality, in

order to ensure repayment among the members, the programme formulated policies and mechanisms in the last year. Practices such as, rescheduling of loans and usage of loan cards at the member level was envisaged. In addition, the people leaders took an active part in maintaining high standards in repayment through providing counseling to members, monitoring the loan utilisation etc. Focus was continued to be on product-based lending. Products such as electricity, house leasing, house upgradation, toilet construction and education continued to gain momentum during the year.

Insurance: A total of 319,902 members (including spouses) were provided with insurance coverage during the year. As many as 3,127 livestock owned by the Kalanjiam members were covered under insurance. Despite initiatives on educating the members, only 60 percent of the eligible members could be covered under life insurance, and life insurance coverage of spouses was 20 percent at the programme level. This calls for alternative strategies in ensuring social security to all the members. As part of SUHAM initiative in Theni, Madurai rural and Madurai urban regions, health insurance has been introduced for the member households. Here, the health insurance is provided as a packaged component with curative healthcare and referral services. The health insurance coverage has been extended to 16,688 members during the year.

Linking with Banks

Through SHG-bank linkages, the groups have mobilised Rs. 7,895 lakh as credit during the year. There are 192 branches of 29 banks involved in the Kalanjiam-bank linkages. The cumulative amount mobilised through apex bank linkage as on March 2008 was Rs. 26,658 lakhs. KDFS continued to provide bridge credit support to the groups in places where the bank branches are not cooperative towards the linkage. During the year as much as Rs. 598 lakh was disbursed by KDFS as bridge loan to the groups.

Experience in north Indian locations in SHG-bank linkage suggests that there is a high need to educate the bankers on viability of SHG-bank linkages. There were operational issues even in opening a bank account for the groups in these locations since the

bankers have not understood the concept group lending. The support from KDFS was quite critical in addressing these gaps.

Despite, guidelines from Reserve Bank of India on interest rates, most of the banks charge interest rate more than nine percent per annum for SHG-bank linkages. Besides, there is an inter-branch variation within a bank in fixing interest rates. These practices are found to have serious implications in the viability of SHG operations. The programme plans to take this issue with policymaking and regulatory bodies and strategic levels of different banks in the next year. Locations in Salem region were successful in negotiating with branches in Salem district of Indian Bank and Bank of India for reducing interest rates for the loans. Besides, the branches of Bank of India in Salem have eliminated loan-processing fees for Kalanjiam-bank linkages while the branches of Indian bank in the district have cut the processing fees to 50 percent.

Developing Activity Based Livelihoods

The Kalanjiam programme availed technical and strategic support from Kalanjiam Thozhilagam Limited (KTL) for promoting activity based livelihoods. An assessment on experience of the programme in piloting business support initiatives for the Kalanjiam members was done. Based on observations from this assessment the programme identified few critical areas such as effective interface between the programme, KTL and federations, strengthening initiatives on market linkages, and creating market opportunities (market fairs, shandies etc.) for the members have been identified.

Dairy based livelihoods: The federations at Kadamalai, Bodi, Narayanpur, Shanarpatti and Vadamadurai are implementing dairy interventions for the members. The federations were able to build linkage with corporate dairy plants such as Heritage Dairy Products Ltd and JERSEY. Nearly 2,000 members have been organised into Primary Producer Groups (PPGs). Members of these groups got different services like backward linkage for collective purchase of cattle feed, collective hire of technical labour, produce quality management, cattle insurance, veterinary care and forward linkage for marketing the produce. The federations together procured around 4,000 litres of milk every day and supplied this to



various private and corporate dairies. The cattle feed supplied to the dairy farmers through these PPGs during the year was Rs. 9.63 lakh.

Collection and Cultivation of Medicinal and Aromatic plants: The federations at Kadamalai and Vathalagundu have promoted PPGs for collection and cultivation of medicinal and aromatic plants. So far 19 PPGs have been promoted with a membership of around 300. Nearly 15 plant species were collected and sold to various leading players in the industry such as Natural Remedies and Himalayas Drug Company. The turnover in the activity was Rs. 51.84 lakhs and the business groups have accumulated a gross profit of Rs. 5.26 lakhs and a net profit of Rs. 1.59 lakhs.

Charcoal making and marketing: The federations at Kamudhi and Mudhukulathur have organised 175 members into 30 PPGs for charcoal making and marketing. Among the different partners for marketing the product, Ganga Cauvery fertilizers occupied a major share in it. Tie up with SPIC Ltd has been initiated. With over the last three years of experience in the activity, systems and processes for implementation and market linkage arrangements have been strengthened. As a result, demand from the market and turnover in the activity has been growing steadily. The Producer Company on charcoal making could achieve a turnover of Rs. 62.13 lakhs with a gross profit of Rs. 2.12 lakhs.

Commodity Marketing: The Primary Marketing Group (PMG) on tamarind in Shanarpatti federation has covered around 100 members, who were once labourers in tamarind processing units. Services such as collective procurement of the produce, processing, quality management and sales of the product were

provided in order to ensure competitive prices for the members. The members were able to sell five tonnes of the processed product every month with an average turnover of Rs. 1.25 lakh per month. Building on from the experience of Sanarpatty, federations at Punganur and Vizag have initiated the intervention for their members. Specific loan products for taking tamarind orchards on lease and support services to avail cold storage facilities were provided to members involved in the activity. The chain of provision store at Tirupati federation has achieved an annual turnover of Rs. 40 lakhs during the year.

Deepening and Advancing civic initiatives

Kalanjiam Reproductive and Child Health

Programme: As part of deepening the microfinance activities, a pilot project on “Kalanjiam Reproductive and Child Health” (KRCH) in eight advanced Kalanjiam federations was taken up with the support of ICICI Bank. The main objective of this programme is to promote health-seeking behaviour among member families through behavioural change communication approaches. This would be achieved through promoting people managed health systems and structures at the federation level and linking with mainstream institutions for reducing the healthcare expenditures.

In view of strengthening the participation of the all the members in the self-health governance, the structure at village level was modified. As per the new structure, each Kalanjiam will act as an SHG instead of a collection of all the members at the village level. The new structure has given scope for effective health education to the members. Major focus was given on capacity building of self-health governance on aspects such as purpose of KRCH, anaemia, child malnutrition, de-addiction programme and roles and responsibilities of leaders in health intermediation. In order to ensure effective communication and follow up among adolescent girls on their reproductive health and hygiene, a new concept of ‘peer education’ has been introduced. According to this, a few select girls in the adolescent groups will act as peer educators taking the responsibility of educating, offering counseling services to the fellow members on reproductive health issues, follow up on treatments etc. Peer educators have been selected across the project federations and they were offered an orientation programme. Training modules for the peer educators are being developed consciously

considering their level of maturity to understand and apply on subjects namely RCH, BCC etc.

The efforts on BCC for anaemia education have resulted in significant behavioural changes among the member in the project federations. There has been a positive practice change on taking iron tablets, using sanitary napkins, wearing footwear and using toilets. Many members in rural areas have constructed toilets in their houses in the last two years. The early registration with government health services by pregnant mothers increased to 96 percent from 85 percent during the year. Positive changes in behaviour were noticed among mothers of under 3-year-old children on practices such as colostrums feeding, immunisation, and feeding practices to child. Early registration of newborn babies in the Integrated Child Development Scheme (ICDS) in the project locations has increased to 100 percent from 86 percent. As part of case management and referral services of component, as many as 1,684 anaemic patients were provided treatment through the camps and another 3,900 patients who had severe anaemia symptoms, were referred to government healthcare system.

An internal survey conducted with the support of Foundation for Researches on Health Systems (FRHS) revealed that around 50 percent of the children in Kalanjiam families are malnourished. This finding led to the inclusion of malnutrition as one of the sub projects in KRCH Programme. Children under three years and postnatal mothers were identified as target groups and objectives have been worked out. An action research on knowledge, attitude and practices pertaining to malnutrition among the Kalanjiam households has been undertaken with the element of pre and post-evaluations. Based on the findings from the baseline, materials for BCC on child nutrition have been prepared. An intervention on Reproductive Track Infection and Sexually Transmitted Infection was initiated for the Kalanjiam member households.

As part of referral and case management, “SUHAM” (Sustainable Health care Advancement), hospital, Theni was established with the objective of providing quality and accessible health care at affordable cost to the poor and to reduce health expenses of the family. The hospital is run by a registered legal entity called SUHAM Trust, and governed by Kalanjams and Vayalagams operating in Theni district. The hospital serves the poor households in Theni district. Health insurance back up for the Kalanjiam and Vayalagam

member households has been incorporated into the design. Considering the experience of Kalanjiam hospital, Kadamalaigundu another four federation hospitals were promoted at Bodi, Chinnamanur, Periyakulam and Vathalagundu in the last half year. This hospital would provide the primary care service and refers the patients for secondary care to SUHAM hospital.

De-addiction Programme: As many as 115 patients were treated through the programme during the year. In addition to Palamedu, Kurinji, Vaigai and Mugavai federations, the intervention was expanded to federations at Ammapettai, Kadamalai and Kamudhi federations. A cultural team was identified and they performed cultural programmes in the selected locations for a week. This programme helped to collect base line data about the addicts and expose the programme to the staff of federations.

Initiatives on education: After having assessed gaps in the present educational systems at the primary school level, The Kalanjiam programme initiated a pilot project on establishing remedial schools with the support of Westberg Foundation based in the Netherlands. The project has been implemented in two Kalanjiam federations namely Madurai Vattara Kalanjiam and Vathalagundu Kalanjia Vattaram since 2005. The project aimed at evolving an alternative teaching model for remedial education, building the logical thinking ability, language comprehension and an aptitude for learning in young children.

An evaluation method has been developed to assess the capacity of the children and to track the change in their capacity after undergoing classes in the remedial

schools. An activity-based learning (ABL) methodology for Tamil language subject, which envisages attitude, skill and knowledge for remedial education suiting to primary school going children, has been developed. A textbook has been developed after a series of consultations with experts in the field and assessing the requirements of the students. In view of facilitating ABL teaching methodology teaching aids have been developed. As many as 24 types of games have been evolved for the purpose of first level of learning i.e. recognising, reading and writing fundamental letters. In both the project locations, eight remedial schools were initiated benefiting 338 students who enrolled in them. Youth with an educational qualification of 10th -12th standard have been selected as animators in these schools. The programme initiated an educational intervention in the urban slums of Hyderabad city. An exploratory study was conducted to assess the status of education for the children in slums. It was found that drop out rate among the school going children was very high primarily due to financial constraints and poor enrolment of eligible children because of migration related issues. As a follow up to the study, a full time remedial school for dropped out children and eligible children who have not been enrolled in schools has been initiated.

Strengthening Kalanjiam Movement

Focus was given on establishing regional movement cells and during last year the cell was initiated in Chittoor, Dindigul, Madurai rural, Madurai urban, Ramanathapuram, Thanjavur and Vizag. These cells, under the guidance of the central movement cell coordinate the movement programmes at regional level. At each regional level cell, an exclusive person has been placed as regional movement coordinator. In view of strengthening the movement activities at the grassroots level, a cadre of movement volunteers has been created from among Kalanjiam members and nearly 1,000 volunteers have enrolled. The respective regional movement cells provided a four-day orientation cum training for these volunteers. As a part of Movement day celebrations, Kalanjiam lamp-pooja ceremony was organised at regional, federation and cluster levels across the Programme to reinforce the sense unity and strength among the Kalanjiam members. More than 25,000 Kalanjiam members took part in the 'stand up and speak out' campaign of



United Nations on Poverty Eradication Day, 17 October 2007. A practice of 'collective prayer' was introduced in Thanjavur region as an expression of mutuality and sharing the concern among the members.

Policy Advocacy and Networking

Policy Advocacy: The Kalanjiam programme continued to play an active role in building the capacity and perspectives of NGOs, bankers, government officials and donors through regular interactions, participation in policy fora, sharing documentations and publications. National level seminars on the 'Sustainability of SHG federations and integrating microfinance and health intermediation were organised at Madurai during September 2007. Over 150 delegates from regulatory bodies, apex financial institutions, government bodies, NGOs, academia, bankers, research institutes and insurance companies took part in these seminars. These events were conducted as a part of Madurai Symposium 2007.

As a result of continued interaction with different state governments many of them have come forward to adopt the Kalanjiam enabling model of microfinance for their poverty reduction initiatives. The *Vazhnthu Kattuvom Project*, a livelihood intervention of the Tamil Nadu Government funded by the World Bank, has shown interest in adopting Kalanjiam model and as a first step it would be demonstrated in four tribal blocks of the state. Similarly, the MAVIM programme of Maharashtra government invited DHAN as a resource institution for their microfinance programme. A good number of commercial banks have come forward to operationalise these concepts with the support of NGOs and community based organisations. The programmes works with State Bank of India and Indian Overseas Bank to take up the concept of Business Facilitator and Business Correspondent model.

Supporting INAFI and INFOS networks: As a founding member of these two networks the programme continued to extend support to strengthen the SHG movement nationally and globally. The programme supported INFOS in conduct of third national convention of SHG federations and retreat

for SHG federation leaders held at Madurai during September 2007. People leaders from 122 SHG federations representing 11 states of the country participated in these events. The primary agenda of these two programmes was building governance in the federations. The INFOS was supported to organise East India regional convention of SHG federations, held at Berhampur, Orissa. Nearly 240 leaders of SHG federations from Orissa, West Bengal, Bihar and Chhatisgarh took part in the event. The Programme also provided support to INAFI for organising five batches of 'Microfinance Principles, Perspectives and Practices (MP3)' programme meant for NGOs in microfinance field. Besides, it facilitated a microfinance road show programme organised by INAFI.

Documentation and Publication

Last year, an impact assessment of Kalanjiam Programme was conducted. The study was anchored by Prof. M. S Sriram, Indian Institute of Management, Ahmedabad and funded by SRTT. The study involved 878 Kalanjiam households as sample representatives of the Programme. The programme took up a study on assessing the effect of our product namely 'providing electricity access to all'. The study was conducted in Shanarpatty federation among 158 statistically selected sample units.

In order to facilitate programme advancement through involving the field professionals in action research, a concept namely 'micro study' has been evolved. Micro study envisages undertaking studies by the field teams through minimal usage of time, human and financial resources. As a part of Kalanjiam Reproductive and Child Health (KRCH) project, baseline surveys on knowledge, attitude and practice related to anaemia and child malnutrition were completed.

The programme released three publications this year: 'Sustaining SHG Federations-The Kalanjiam Way', 'Integrating Microfinance with Health for Poverty reduction-The Experience of Kalanjiam Reproductive and Child Health Project' and 'Meet our leader-Thayammal'. A video 'illuminating lives' captured the experience of the Kalanjiam Programme in its first phase of upscaling; it was made and released with the support of Centre for Development Communication.

Programme management

An assessment on bookkeeping at group level was undertaken and as a follow up to this, a new design of books of accounts was introduced. Meeting out the information requirement for management decisions and efficiency of the system were two guiding parameters considered while designing the new system.

A major drive was given to complete the statutory audit and compliances immediately after the end of the financial year. The programme and regional level teams provided all needed support to the locations to accomplishing this. Introduction of internal audit team was the major success factor here. It envisaged involvement of an audit team of Kalanjiam Foundation in auditing the group level accounts, which was authorised by a Chartered Accountant. The new system ensured quality of accounting systems in

the locations and it has paved way for efficient internal control mechanisms in the Peoples' Organisations.

So far, computerisation has been introduced in 112 locations. Rigorous implementation mechanisms are being adopted for computerisation. The programme MIS team has provided capacity building and technical support with respect to computerisation to the regions on a continuous basis. In addition to increasing efficiency of systems in Peoples' Organisations, computerisation has strengthened internal control mechanisms at group level operations to ensure transparency. It has enabled the regions and Programme to analytically look into the issues in the field to come out with alternative operational strategies. Computerisation has also improved the skills of the Peoples' Organisations to make effective management decisions.

Status of Kalanjiam Community Banking Programme

(Cumulative figures)

Particulars	March 2006	March 2007	March 2008
Spread of the programme			
a) No. of States	7	9	11
b) No. of Districts	31	33	36
c) No. of Blocks	132	157	157
d) No. of Kalanjiams	20,213	23,987	24,469
e) No. of Clusters	1,274	1,527	1,451
f) No. of Federations	61	70	73
g) No. of Members	3,16,958	3,80,517	4,01,688
h) No. of villages	6,294	7,209	7,311
Finance (<i>Rs.in lakhs</i>)			
a) Total own funds	8,195	12,104	14,050
b) Savings	6,654	9,420	11,311
c) Reserves & Surplus	1,541	2,684	2,739
SHG Bank Linkage			
a) No. of branches involved	208	183	192
b) No. of banks involved	36	29	29
c) No. of loans	34,808	44,895	56,092
d) Amount mobilized	13,588	18,763	26,658
Apex Bank Linkage			
a) No. of federations	25	25	25
b) Amount mobilized	2,406	2,982	2,982
Loan outstanding with members	13,683	19,225	21,897
Total credit generated	37,211.00	50,161	66,288



Vayalagam Tankfed Agriculture Development Programme

DHAN Vayalagam (Tank) Foundation – (DVTF), the second thematic institution was created as part of the DHAN Collective to take forward the work of deepening and upscaling the Vayalagam programme. The broad purposes identified for DVTF to focus its development interventions are upscaling the Vayalagam Programme to conserve as well as develop traditional small-scale water resources in ‘resource poor’ areas of the country through direct action and through Vayalagam affiliates; advocating pro-poor policies through vibrant networking mechanisms with major stakeholders; and intensifying and strengthening the outreach by acting as a resource centre in water and conservation.

Vayalagam Institution Building

With a small beginning of organising the communities around nine villages to rehabilitate the tanks with community empowerment, the growth into a thematic programme sprawled over 1,500 villages in four South Indian States.

The Vayalagam programme has so far reached out to 1,48,770 farm families dependent on tank based livelihoods. The number of Vayalagam reached were 1,982 in rural, coastal and tribal contexts. One of the main development approaches of the Vayalagam programme remains as the promotion of nested people institutions to be the custodians of small scale water bodies with sustainability. During the year, 177 Vayalagams have been promoted. The programme had made partnerships with Arghyam Foundation and Hindustan Unilever Limited, to take up

renovation works in drinking water ponds and irrigation tanks.

Conservation Works for Ensuring Water Security

During the year, the programme could achieve a remarkable Rs. 595 lakhs conservation works implemented and about Rs.100 lakhs worth of conservation works were implemented. About 70 percent of the conservation works focused on integrated tank development and the remaining 30 percent of the conservation works have focused on tank-based watershed development, Oorani development and safe drinking water for households.

The Vayalagam programme entered Memorandum of understanding with Rural Development Department to renovate 600 tanks in 10 Mandals in 3 districts in Andhra Pradesh over three years under poverty reduction programme namely National Rural Employment Guarantee Scheme. Similar efforts to



enter agreement with Tamil Nadu state government was also on the anvil.

Ooranis Renovation



Ooranis receive runoff water from the monsoon rains and/or from the adjacent tanks and store it almost round the year. People have their own indigenous methods and process of treating the Oorani water to make it reasonably safe for drinking and protecting these water resources from pollution through social control. These traditional systems play an important role in the areas where ground water is either not available or saline, and polluted due to human activity. However the present state of these traditional bodies is very dismal. They are in a sad state of disrepair: storage capacities are greatly reduced due to siltation and encroachment; choking of inlet structures and poor maintenance of feeder channel networks have further led to their decline; and encroachment of the inlet channels over a period of time have almost resulted in the 'death' of the ponds.

Therefore, the villagers now look forward to the time-tested Ooranis for their drinking water supply. Also because of growing competitive demands for water from various users, exorbitant high cost of centralized water supply and scarcity of ground water sources, everybody has started thinking of rainwater harvesting. In this context, there is an increased interest for the revival of Ooranis and putting them to multiple uses. Based on the action research of the International Water Management Institute (IWMI), Colombo on "Mainstreaming Ooranis", as one among Six rural water innovations with DFID support during

2001-02. DHAN convinced state government, corporate and philanthropists of the importance of renovating Ooranis. This proved to be very success and about 30 Ooranis have got deepened during the year.

Urban Water bodies

The Vayalagam programme has initiated its focus to work on urban water resources conservation and recycling of waste water for better water demand management. A Centre for Urban Water Resources (CURE) has been created in the Programme. "The Madurai Marathon" was organised by DHAN to bring to the notice of the People of Madurai about the erstwhile water bodies in and around the City of Madurai and how they are being encroached and destroyed by Government departments. The District Collector and other officials and thousands of school students participated and this created a civic awareness on conservation of water.

Safe Drinking Water

Biosand filter: The bio-sand filter is a modified version of a slow sand filter made to as a household utility. The device has been actively promoted by a Canadian development organization named Centre for Affordable Water and Sanitation Technology (CAWST) located at Calgary in Canada. DHAN entered into a Memorandum of Cooperation (MoC) with CAWST to establish a "Centre of Expertise on Water" mainly to create water literacy and a high level of awareness among various stake holders in the developing countries, especially in Asia and Africa.



DHAN has been actively implementing the project since 2005. DHAN with the financial support of Canadian High Commission deployed 1,000 household Bio-sand filters as a measure of providing clean water to the communities in rural areas. DHAN has demonstrated the efficacy of the technology by manufacturing and distributing 1,350 filters in 49 villages in Tamil Nadu.

Six training programmes were organised for the other NGOs in India and co facilitated with CAWST in similar training at Sri Lanka. 98 participants from 45 organizations from different South Asian countries participated in these training workshops. DHAN also conducts different kinds of trainings to different stake holders like users, school children, product manufactures and project implementers. These activities not only increased the awareness on the link between contaminated water and disease, but also the benefits of safe water and good hygienic behaviors.

Water4life gravity filters: In collaboration with water4life foundation, DHAN has taken up a project on safe drinking water through ceramic candle filters. The gravity units were produced at three local workshops in Madurai. After many product promotion trials, the quality of materials, size, design of lid, containers, tap were finalized. Three manufacturers in Madurai were deployed to make 10,000 units.

The training-of-trainers for 146 Vayalagam Movement associates were conducted on working and maintenance of gravity filters. The participants were taught about the disease transmission and the role of ceramic candles in removing the disease causing organisms. Participants were also taught about the maintenance to be done and dos and don'ts with ceramic candle filters assembling and trouble shooting. After the training these 10,000 units were distributed to the member's families in 92 villages in the tsunami affected coastal regions.

Integrating microfinance for Stabilising Tankfed farming

Microfinance activity continued to show good results in stabilizing Vayalagam tank institutions by providing services namely savings and access to

agricultural credit as to the Vayalagam members. Members within the Vayalagams have been organised into Microfinance Groups (MFGs). Microfinance provides financial sustainability to cover about 60 percent of people institutions annual expenditure through the services offered to members.

These MFGs could mobilize Rs. 124.5 lakhs of savings from the members as their primary savings and credit outstanding with about 35,000 members as Rs. 600 lakhs. The KDFS provided Rs. 86 lakhs bridge finance while the remaining 85 percent of the fund has been mobilised from the people and from the mainstream financial institutions. There remains a huge potential for making micro finance integration by making exclusive products for farm sector and leveraging from farm sector credit from mainstream and providing adequate policy amendment framework to the policy makers like RBI and NABARD.

Mainstreaming Micro Insurance for Social Safety Net

Vayalagam Programme made attempts to offer insurance products by collaborating mainstream insurance providers on Life namely LIC, HDFC, Birla Sun Life. There are two pilots experimented by integrating with Kalanjiam and Rainfed Theme respectively on Health Mutual and Crop Mutual. But the weather risks occurred during the month of March 2008 and triggered unexpected high quantity rainfall in many project locations affecting the crop yield. The Crop Mutual cover provided a safety net to the members enrolled and provided a cushion to them to overcome the financial loss. As on March 2008, 8,933 new members enrolled in the insurance programme.

Stabilising Tankfed Agriculture for Livelihoods

Tankfed Agriculture is one of the major livelihood opportunities for the small, marginal and landless communities living in the project area. The concept of providing agricultural extension to the needy farmers in technology transfer and demonstration, facilitation of input supply, organizing the PPGs for agricultural marketing through Vayalagam Agricultural Development Centres at tank cascade levels is continuously getting addressed. In Karnataka JSYS



locations, the teams have been testing soil for tank silt application, providing kitchen garden seeds, Demonstrating SRI method (system of rice intensification) for adoption, introducing varieties in ragi and tomato, encouraging organic farming by developing vermi compost pits and using neem extracts for plant protection. Farm field schools have become regular in Kolar and Sira locations in Karnataka.

Similarly, Andhra Pradesh locations have implemented SRI demonstrations, neem seed kernel extracts for applying over paddy and vegetable crops practiced. In Tamil Nadu, the agriculture integration have seen as one of the project components of watershed development programme namely farm production systems. Under this, vermi compost, supply of farm implements, input supply to farmers, plantation of agro forestry, and dry-land horticulture crops have been implemented.

Inland Fisheries

During 2007-08, 205 water bodies were taken up for fish rearing activity in 20 blocks in Madurai,



Sivagangai, Ramnad, Villupuram, Kanchipuram and Thiruvallur districts in Tamil Nadu; Adilabad, Chittoor in Andhra Pradesh; and Tumkur and Yadagiri in Karnataka.

As a new initiative in Vayalagam programme, fish rearing activity has shown comparative growth nearly 130 percent more than that of last year. In this year, this activity has reached to 205 water bodies comprising 40 tanks, 41 ponds and Ooranis, 89 farm ponds and 35 open wells. The programme has taken efforts to upscale the fish rearing activity. The Food and Agricultural Organisation of United Nations has committed to support this fish rearing in 31 water bodies. Orientation and trainings to Association members, field visit to water bodies and discussion with association members, giving inputs in their village itself also motivated them to take up this activity. Unexpected heavy rainfall received by Tamil Nadu in December has given more hope to take this activity in many water bodies, which would bring 41 more water bodies under fish rearing.

Policy Advocacy as a Resource Centre

The programme organised a three-day special training for 25 Engineers from the Tamil Nadu Government on encroachment eviction from water bodies as a consequence to the agreement made while presenting the policy brief series on encroachment eviction to Chief Secretary of the State. DHAN and Vayalagam Movement played crucial role in dissemination of the new act on "Tamil Nadu Encroachment Eviction for Protection and conservation of Water Bodies Act" by helping the Water Resource Organisation (WRO) in disseminating the new act. The team has supported the WRO to fine tune the draft note on a state scheme for augmenting groundwater recharge through recharge structures.

Similarly, the Vayalagam programme along with the DHAN Centre for Policy and Planning has spearheaded the policy series dissemination to Finance Department, NABARD and Tamil Nadu Agricultural University by making presentations with action plan. As a result of this, the Government has asked the Vayalagam programme to prepare a note on Tankfed Agriculture Mission which was made and submitted.

Tank Memoirs for five divisions of Adilabad district is yet another unique contribution by the team. The project has been successfully completed and one among the five divisions memoir book has been formally released during the State Policy Workshop on tanks and tank-based watershed at Hyderabad.

The Vayalagam programme was invited to take part in the southern states consultations on capacity building under NWDPRA organised by Ministry of Agriculture and Oxfam-International's Make Trade Fair consultation on agricultural livelihoods. It also represented in Oxfam-Core Country Partner Evaluation Sectoral Workshop on natural resources management in Hyderabad and a permanent Resource group Member on United Nations network on Solution Exchange on water community.

Vayalagam Movement

At the annual general body meeting of the Vayalagam Movement conducted with 60 representatives from

different Vayalagam Federations, strategies for strengthening and positioning the movement were evolved. The movement leaders visited all the locations and federations in the southern districts of Tamil Nadu to have a dialogue on strengthening the people institutions at each location.

Training on encroachment eviction for the movement workers at Tamil Nadu has been conducted and 60 Vayalagam movement workers have been trained in identification, information to the concerned WRO offices and sensitizing the village community on the evils of encroachment. Demonstration of the Shramdhan has been taken of in many locations. The locations like Manamadurai, Sedapatti, Poondi, Thiruvallankadu, Palamner, Punganur, Kudipala Kottampatti, Singampunari, and T. Kallupatti have successfully demonstrated the Shramdhan at few Vayalagams. The movement day celebrations were focused on offering Shramdhan for conservation works.

Status of Vayalagam Agriculture Development Programme

(Cumulative figures)

Particulars	March 2006	March 2007	March 2008
Spread of the programme			
a) No. of States	4	4	4
b) No. of Districts	18	18	22
c) No. of Vayalagams	1,041	1,197	1,982
d) No. of Cascade including watershed associations	48	96	140
e) No. of Federations	11	14	31
f) No. of Members	78,303	1,02,266	1,48,770
g) Command area benefited (in ha.)	32,187	34,683	52,081
Value of Physical works implemented during the year (Rs.in lakhs)			
a) Through Farmers' Contribution	78	65	146
b) Through Govt. and other agencies	233	259	448
c) Agriculture Credit support through MFGs	206	188	363



New Themes



ICT for Poor

The Information & Communication Technology for Poor (ICT for Poor) theme was initiated in DHAN in 2001, to experiment the idea of empowering communities with a range of ICT tools. While the technology is occupying important space in every ICT initiative, DHAN wanted to put the goal of poverty reduction in the forefront, since the poor being left out in the whole process of ICT revolution.

Village Information Centers

The Village Information Center (VIC) is a resource centre at village level, where an operator and a computer system are available with internet connectivity. They provide computer experience for the people in the villages. There are 162 VICs in operation extending about 32 types of ICT services to the villagers. These VICs help the villagers to improve their standard of living by expanding livelihood options and empowering them with information tools, goods, and services such as education and health care.

On an average 900 users got access to different types of ICT services from the VICs during the year. The experience gained over the past eight years have given a lot of insights to deliver ICT services consistent, suiting to the needs of the communities, while ensuring such services economically sustainable. Events were organised at regular intervals to strengthen the VIC activities and these VICs have made a strong working relationship with the Clusters of Kalanjams and Cascades of Vayalagams mainly through serving all their information and communication needs.

Thagavalagam Community Colleges

Thagavalagam Community College (TCC) performs the roles of offering computer training and coordination of VICs. As the coordination centre for the VICs, the college acts a resource, training and integration centre. These Community Colleges are owned and managed by the Federation of the Thagavalagam Development Association. A typical TCC serves the community within the range of a block and coordinates 15-20 VICs

There are 14 Thagavalagam Community Colleges coordinating VICs to ensure their self-management through cost coverage, enhancing quality of service and coordination. In addition, the theme is also supporting the community colleges initiated by the Kalanjiam federations such as Madurai Vattara Kalanjiam, Natham, SPMS Tirupathi and Kamuthi Vattara Kalanjiam.

Building Peoples' Organisations around ICT theme

The Concept and the process of promoting Peoples' Organisations in ICT theme were initiated during 2004. The theme has now worked without a community organisation model for replication. Different users of the VICs are organised as Thagavalagam groups and clustered at the VIC level as Thagavalagam Development Association. So far, 15 Thagavalagam Development Associations have been promoted, and meetings, reporting financial performance and active participation in all events have been streamlined in those TDAs.

Over the years, Thagavalagam model has gone through different stages of experimentation, and now prepared for the stage for up scaling. The Thagavalagam Model has the right mixture of development focus, community-management and ownership, revenue generation and integration with existing development programmes in the area thus providing synergy. The Thagavalagam theme now would enter into upscaling from the present experimentation phase.

Content Development

All the relevant and localised content were developed at VICs and Community Colleges. Exclusive teams of Associates have been created to focus on content development. These teams work with the Thagavalagam Development Associations and Thagavalagam groups for identifying the areas of people's interest and need. Materials relevant for the enlisted areas are collected and contents are made in audio, visual format. The prepared content are shared across all the VICs and an exclusive E-library for the content has been established in each Thagavalagam Community College. Wherever required, the contents already made were revisited and updated. Content Development coordination cell has been created at programme level.

Computer Education

VICs impart computer skills to the children in the working villages. Different types of computer courses are offered in the VICs according to the age group of the students. There are three levels of regular computer courses: For the children up to 10 years are taught on the basics of computers, educative games, paint brush, word art, DOS and Word. Certificate in Computer Application (CCA) are taught for the children between 11 and 15 years. Diploma in Computer Application (DCA) courses are offered to the students of above 15 years old. Some VICs have also offered tutoring services or practicing sessions for the graduate students studying C language, Java programmes in schools or colleges. The students having learnt the basics of computer application were able to get data entry jobs.

E - Schooling

Two types of e-School service are offered to the local schools. First, teaching the basics of computer as one of the subjects in the school, wherein the VIC operator

goes to the school and teaches computers during regular school hours with a nominal fee collected from students. Secondly, coaching mathematics and science subjects is done for the students using computers, which otherwise difficult for the students to understand through traditional board and chalk method. By learning subjects through interactive mode of teaching, performance of the students has greatly improved. VICs have received support and encouragement from the Head masters, teachers, students and parents for these efforts. Students, who are interested to learn computers in depth, enroll themselves in the VIC for the computer courses subsequently.

Aiding communication

VICs offer communication services that leverage their unique connectivity solution. For younger customers who are curious about computers, e-mail and chat become instant favorites. VICs gather the news about new openings of education, jobs and other needs of the village. Results of school qualifying exams, semester exams at universities and entrance or other qualifying exams can be accessed from VICs. Video games are increasingly used by the pre-teen kids. In certain seasons, receiving sports updates are common.

Video conferencing

Video conferencing is more popular in VICs in Melur, where the users get connected to the experts in distant places through iSee Video Conference tool. The subjects may vary from telemedicine to getting information on agricultural and veterinary practices. The VICs are connected with the Information hub at Melur Thagavalagam office through CorDect Technology where video conferencing, voice and data services are given. The video conferencing is done in the areas like agriculture, health, education, veterinary sciences, fisheries, legal, etc.

Job works

Job typing and taking printouts for schools and Panchayat offices, document writing for registration of land documents, preparing official letters and petitions are being done in all the VICs. Photography is another service extended by VICs by capturing digital photographs, printing and selling print outs of digital photos. Otherwise, the villagers ought to travel around 15 – 20 kms wasting money and time to get the same service.



New Themes

Working with Panchayats

DHAN initiated a new theme “Working with Panchayats” in 2003. Though the 73rd Constitutional amendment focused on promotion and active functioning of the Panchayat Raj Institutions as a third layer of Government, Panchayats have till now failed to emerge as a third layer of Government even up to the minimum expected level. The main objectives of the new theme in the experimentation phase are; i) Promoting and strengthening of village level institutions as functional groups in the Panchayat to ensure people’s participation, ii) Sustaining the Panchayat institutions to access resources and reduce its dependency on the State, and iii) Integrating the existing traditional systems with the Panchayats to enhance the participation of the people and achieve synergy.

Five years of rigorous experimentation at the grassroots level has resulted in evolution of a set of programme components to take forward the learnings from experimentation for replication. The seven program components called, “IMPACTS” have been evolved with clear cut goals and activities. Institution

building, multi year micro planning and implementation, policy advocacy initiatives, addressing poverty, capacity building, transparency in governance, self-sufficiency are the programme components.

Building institutions

The Panchayat theme is implemented in five backward districts of Tamil Nadu namely, Cuddalore, Dindigul, Madurai, Nagapattinam and Theni. The works have spread over 24 Panchayats covering 118 hamlets and 19,974 eligible voters have been organised into 1,131 Panchayat Development Groups, of which 893 functional groups.

Village Development Forums (VDF) have been promoted in 52 hamlets. The VDFs guide and mobilize the people to take part in the Panchayat activities. Five working committees promoted in each working Panchayat for appointment, works, development, watershed/agriculture, and education have involved in work implementation and monitoring legitimately within the Panchayat boundary

Program components getting shaped

Programme standards for the key programme components, such as micro planning process, democratic practices like gramasabha, Panchayat council meeting, working committee mechanisms and capacity building were developed based on earlier experiences.



In Kadamalai Mayiladumparai Panchayat Union, based on the request from district planning cell, the team carried out micro planning process for the whole block comprising 17 Village Panchayats.

To ensure social security cover to the families in the working Panchayats, Janashree Bima Yojana (JBY) scheme of LIC of India was introduced to 2,000 poor families. In some of the Panchayats, the Panchayat institution itself took up the role of a “Nodal agency” for implementation.

The idea of Panchayat Parliament was done for one Panchayat. To disseminate the Panchayat literacy to school children and inculcate the values of democratic practices the idea of Balar Panchayats (Panchayat simulation exercise) were organised in Nagaapattinam and Kadamalai locations. Efforts were taken to network all the Panchayat Councils to learn from each other. Revolving fund support of Rs. 15 lakhs was provided to take up need based activities by the Panchayats.

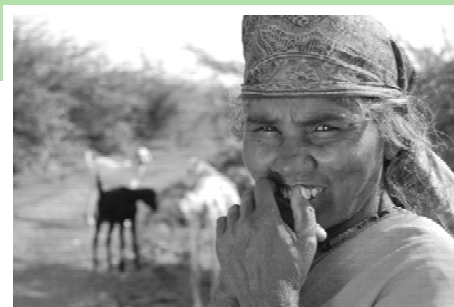
Documentation and publication

The Panchayat theme made efforts to document the initiatives, learnings and outcomes of the experimentation, so as to design programme components for replication. A four page Tamil newsletter “Panchayat thoodhu” focusing on grassroots experience and policy leads has been launched. Proceedings of the one-day Panchayat leader convention organised by the theme as part of Madurai Symposium has been consolidated and published. A brief note on social audit and Panchayat parliament based on the field experience was published. Write-ups reflecting field learnings in democratizing Panchayats were prepared and published in the popular Tamil newspapers.



Positioning of Panchayat theme

Initiatives were taken to collaborate with Rajiv Gandhi National Institute for Youth Development, Catalyst trust, Round table for development in Tamil Nadu, Grameena Patana Kendram (GPK) in Kerala and Centre for Youth and Social Development (CYSD) in Orissa. A proposal to enroll 2,000 Panchayat leaders for the Diploma in Panchayat Management course has been submitted to the Ministry of Rural Development. Based on the request from the Department of Rural Development, the theme has worked out a draft note for making amendments in Tamil Nadu Panchayats Act for eviction of encroachment and safeguarding the Panchayat tanks.



New Themes

Rainfed Farming Development

The 'Rainfed Farming Development' initiated as a new theme in 2002 has reached fifth year of its experimentation phase. The rainfed theme aims at understanding the issues of rainfed farming in selected locations in which a decline has been observed and identifying location specific interventions and consolidating such of interventions for piloting. The theme works with the approach of building on the local best practices of the farmers, organizing them as Uzhavar Kuzhus (farmers groups) and Uzhavar Mandram/Rainfed Watershed Associations; undertaking multiple and interrelated interventions across sub sectors like agriculture, livestock and horticulture.

The experimentation on rainfed farming was taken up in three locations with three different soil conditions such as black soil of Thirumangalam in Madurai district; red soil of Natrampalli in Vellore district; and sandy soil of Vedaraniyam in Nagapattinam district. These three soil conditions fairly represent the major rainfed soils in south India. This year, in addition to intensifying experiments and activities in the existing locations, the theme has been expanded to a hilly and tribal region – Pudur Nadu in Jawadhu Hills, Tamil Nadu. In Thirumangalam location, works have been expanded to nearby Peraiyur Taluk.

Building rainfed farmer's institutions

This year, 87 Farmer's groups have been added reaching out to a total of 445 groups with 28,000 members. Savings bank accounts were opened for all the eligible groups and external audit has been

completed at all the groups. General body meetings were conducted in all the watersheds, legal compliances have been done and auditing has been completed in all the 12 watershed associations.

Land improvement

Under NWDPR, the theme could mobilise Rs. 65.66 lakhs for various natural resource management works and for land-based activities. In addition, a significant amount of contribution was mobilised and farmers' need based and site specific land and agriculture development works were taken up. Land



improvement activities for Rs. 17.15 lakhs were taken up for 354 members in 10 watersheds. Seven farm ponds were newly constructed; two farm ponds and three Ooranis were renovated. In Pudur Nadu location three new farm ponds were constructed. Sodium blocker was used for reclaiming the tsunami affected soils on experimental basis and positive results were reported.

In Natrampalli location, 25 acres of waste lands have been converted into cultivable land by taking up land development activities like land leveling and field bunding by spending NWDPR fund with an equal amount of farmers' contribution. Similarly in Thirumangalam location farmers took loan from groups, bank and KDFS for this purpose and invested in land improvement. In addition, support was extended from Rainfed Farmers Co ordination Committee and NWDPR for removing *Prosopis juliflora* from their lands.

Crop production enhancement

Availability of quality seeds at appropriate time is an important need in rainfed farming. This year, around 2.36 tonnes of groundnut seeds, five quintals of black gram seeds, two quintals of green gram seeds were distributed to farmers through their groups. About 300 farmers benefited out of it. So far, 26 bags of groundnut seeds were procured and stored by watershed associations. In Thirumangalam and Natrampalli locations, three tonnes of maize seeds were supplied to 450 farmers. As an alternate crop, 113 farmers were encouraged to cultivate wheat crop.

The farmers in Thirumangalam and Nattarampalli locations were motivated to take up tree plantation, wherein 90 farmers were supported to plant 14000 tree saplings of sapota, guava, amla, jamun, casurina, neem mango, tamarind and coconut.

Eighteen dryland weeders and 118 sprayers were given to farmers in Natrampalli and Knapsack sprayers were distributed to 20 farmers in Thirumangalam. 64 farm toolkits were given under the NWDPR to farmers. Farmers were encouraged to apply Farm Yard Manure and liquid bio fertilizer.

As a new intervention 139 farmers from 64 groups have taken up zero budget natural farming in 50 acres to cultivate paddy, sugarcane and banana crops. Training on castor cultivation was given to the farmers by TNAU-Regional Research Station, Aruppukottai. Thirty farmers came forward to cultivate castor crops for evaluation and they were given kits containing castor seeds along with required fertilisers. Five farm field schools were organised for the farmers growing paddy and groundnut crops in Vedaranyam location.

Organic matter buildup

The most important component in rainfed farming is to build organic matter content in the soil, which is a critical factor in deciding productivity. Identifying locally suited methods of compost making, exploring utility of various wastes as raw material, and large scale practice are the challenges for the rainfed theme.

In Thirumangalam and Vedaranyam locations, 10 vermi compost units were started in each. In Thirumangalam, 8.15 tonnes of vermi compost were distributed and four units of aerobic composting were setup. Fifty farmers had taken loans from their groups to apply farm yard manure in 501 acres of land. Similarly 65 farmers had received loans from their groups and gone for sheep penning. Composted coir pith is found to be effective mulch cum manure, which aids in overcoming salinity issues and hasten water retention. Eight coir-pith compost units were setup in Vedaranyam.

Livestock development

Animal health campaigns were conducted once in three months for vaccination and de-worming. Nearly 100 animal health camps were organised in all the locations, wherein 6,355 sheeps, 4,390 goats and 3,695 milch animals were given veterinary care. Artificial insemination was done for 25 animals in Vedaranyam.

Farmers have gone for purchasing cattle with the loan support from their groups. 45 members in Natrampalli location have gone for milch animals, 32 pairs of draught animals and 31 goats were purchased by the farmers in Natrampalli location. In Thirumangalam, farmers took Rs.4.50 lakhs loan from their groups to purchase milch animals. Three stall-fed units were initiated in Natrampalli. Farmers continued to grow Azolla fodder as cattle feed. In Vedaranyam, 138 Azolla production units were promoted.

Agricultural finance

The members of farmers' groups have been organised into 402 SHGs. So far, they have saved Rs. 108 lakhs and obtained loans to the tune of Rs. 885 lakhs for

various farm related financial needs. The other major portion of credit was used for cultivation expenses, purchase and maintenance of livestock etc. The loan outstanding was Rs. 209 lakhs. The groups were linked with commercial banks and mobilised Rs. 48 lakhs and obtained bridge finance from KDFS to the tune of Rs. 44 lakhs.

Reducing vulnerabilities

Under Mutual insurance programme, 190 Groundnut Farmers were enrolled covering 74.1 acres. In most of the places groundnut performed well. Pay out were given to 64 members to the tune of Rs. 0.21 lakh. In Thirumangalam, 113.75 acres of cotton crop was covered under deficit rainfall insurance. There were



45 days dry spell after the good emergence of cotton seeds, which resulted in damage of crops in some villages. Rs. 0.25 lakh worth of claims were paid to the farmers. In addition to the already installed non-recording (manually measured) rain gauges Automated Rain gauges were installed in three villages of Thirumangalam location and in one village of Nattarampalli location to ascertain the deficit rainfall.

Insurance against red-hairy caterpillar pest was taken up for 157 farmers. Rs. 0.18 lakhs was given to 103 affected farmers as claims. The mutual insurance committee visited the field, assessed the damage and claims were given based on the extent of damage. Life insurance coverage has been done with 2,393 members. Under JBY scheme of LIC, 84 students received scholarship.

To reduce the vulnerability of farmers in marketing their produces because of middlemen, the farmers' groups have tried to collectively market their produces in few places. Maize marketing was done in Thirumangalam location. Marketing of groundnut, cashew and *Gloriosa superba* was done in Vedaraniyam location. Farmers got good price for their produces.

Positioning rainfed theme

A workshop was organised in collaboration with TNAU on "Showcasing rainfed agricultural technologies of South Tamil Nadu" as a side event of Madurai Symposium. Rainfed farmers' convention was organised at Madurai, where the needs of rainfed farmers were discussed and different activities were planned by rainfed farmers groups. A policy seminar was organised on "Enhancing Rainfed Farming Livelihoods: Need of Policy Changes". To enrich the theme, an advisory board meeting was conducted; wherein, the progress and learning were presented and inputs were obtained from the board members for developing the theme.



New Themes



Tata-Dhan Academy

The Tata-Dhan Academy was created as a Centre of excellence in development management education in December 2000 by DHAN in partnership with the Sir Ratan Tata Trust. Two-year Post Graduate Programme in Development Management (PDM) is the flagship programme of Tata-Dhan Academy. The PDM students learn to become development professionals and development entrepreneurs. By the end of the programme, students possess a multi-disciplinary set of skills relevant to the development context.

Programme in Development Management

Sixth batch PDM students completed their programme. Designated organisations were invited for campus placement. The PDM graduates have undergone a rigorous selection process and finally got placements in the leading NGOs.

Seventh batch PDM students completed their fourth and fifth classroom segments; first and second development practice segments (DPS). Also, they have completed exposure to development organisations. The focus of DPS was on preparing a development document for a Panchayat by studying the development issues and assessing the potential of promoting groups for the community.

The seventh PDM students were offered three elective courses; analytical decision making for development, audio-visual communication for development, and specialised writing. In the development exposure programme they visited various NGOs across the country.



Eighteen students from seven states were offered admission for the eighth PDM. Admission process for PDM 9 was started. Development management admissions test was conducted in 10 centres. Short listed candidates have been called for the final selection process.

Advanced Centre for Enabling Disaster Risk Reduction (ACEDRR)

During the year ACEDRR has established a steering committee and consultative group mechanisms. Two Steering Committee meetings were conducted. For the Consultative Group, experts from the field of development planning, financial service, and policy have been invited. An implementation team with coordinator, programme coordinators, research associates, programme associates, and principal investigators has been setup.

The Centre received four research projects: i. The role of Microfinance and Micro-insurance tools in Disaster

Management: a study in India, Bangladesh and Srilanka; ii. Coping with disasters participatory designing of efficient cropping pattern for rainfed areas; iii. Post Tsunami fisheries livelihood and its sustainability in Palk-bay region; iv. Vulnerability mapping, disaster atlas and contingency plan preparation for select Panchayats.

The Centre received fifteen pilot proposals from various organisations. These pilots cover different areas of disasters such as drought, flood, Panchayat governance in disaster risk reduction, and disaster communication in coastal context. Knowledge building workshop on disaster risk reduction was conducted as part of the Madurai Symposium 2007.

Asian Knowledge Centre for Mutual Insurance (ASKMI)

The ASKMI has organised third International Programme on micro-insurance. A foundation programme was organised for INAFI International partners on Micro-insurance pilots.

The ASKMI has entered an MoU with INAFI International to work jointly in the areas of design and strategy for micro-insurance programme and capacity building. The other MoU has been signed with Micro Insurance Mutual Entity (MIME) and INAFI Bangladesh for capacity building. MoU have also been entered with Tamil Nadu Agricultural University, Coimbatore and Bishop Heber College, Trichy to work on research and education.

The Centre has completed two research projects: a study on mapping risks and vulnerabilities of coastal fishing communities in Ramnad District, and a study on vulnerability of the urban poor in Madurai slums. The Centre has also facilitated presentation of two papers "Community Crop Insurance and Insurance Literacy" in the Micro-insurance conference organised by Munich Re Foundation and Insurance Regulatory and Development Authority (IRDA). The Centre published reports on "Deficit rainfall insurance with small rainfed farmers" and "Agricultural insurance".

Development Management Programmes

The Academy offers Development Management Programmes (DMPs) to improve the skills of development practitioners and other development

players. The goal of the DMPs is to develop high-quality techno-managerial competencies supported by appropriate motivations, values, and attitudes necessary for working with disadvantaged people while building Peoples' Organisations.

The two-week Development Management Appreciation Programme had 15 participants from nine organizations. The programme covered modules on development perspectives, management for development, human resource development and institution building, and development communication.

Lead Future Search was a three day program organised for the officials from TNAU. The programme covered topics such as leadership development, management appreciation, and institution building.

The Advanced Reflective Training on Upscaling Microfinance Programme was organised with 13 participants from international organisations. The programme focused on the topics: microfinance as development finance, social security for poverty reduction, and microfinance for business development.

The ten-day Rural Development Training Programme organised for the participants from Tokyo University, Japan. The programme provided broader conceptual understanding of rural development projects and various implementation strategies. The programme included modules such as perspectives on rural development, large scale rural development initiatives in India, non-government organisations in rural development, field exposure to DHAN's rural development programmes.

Research

The Academy has developed ten casestudies and completed three research projects. A seminar on "challenges of social science research in India" was organised as part of Madurai Symposium and a reflective session on the 2008 Union Budget was held. The team published the student's fieldwork and DPS abstracts, student's research works, and the Newsletter. District Human Development Reports of Tiruvannamalai and Sivagangai districts were completed for the State Planning Commission.



New Themes

Coastal Conservation & Livelihoods Programme

DHAN's approach in rebuilding the livelihoods of the affected communities by the Killer Tsunami has been unique and integrated. The core programmes of DHAN such as Vayalagam, Kalanjiam, ICT, Panchayat and Rainfed were implemented in the coastal area to bring about significant impact in a short span of time. To support these Peoples' Organisations a number of allied services such as, Kalajiam Integrated Service Centre (KISC), Coastal Agriculture Resource Centre (CARC), Community Radio, VICs, and Community Colleges were established to build capacity of the local communities and strengthen their livelihoods. Interventions of different programmes and centres were integrated at the grassroots level to reach the community more effectively.

As the ultimate goal of all these approaches was to achieve environmentally sustainable development, focus of the year was mainly on strengthening and sustaining all the people institutions and reaching out to left-out poor and vulnerable families in the coastal villages. In order to ensure standards in implementation, capacity building was felt to be a strong need of the Peoples' Organisations. A number of capacity building events were organised for the community, volunteers and staff. Promotion of micro enterprises like milk processing units, fish meal plants, ice plants was given thrust during the year.

Peoples' Organisations

So far, 3,901 groups have been promoted covering 67,914 families in 330 villages. The community organising was done with the major focus on the poor

and vulnerable people. The different people institutions promoted in the coastal area are Kalanjams, Vayalagams, Meenavar Kalanjams, PPGs, PMGs, conservation councils and disaster management committees.

Thirty two federations have been registered. In order to strengthen these institutions, a series of training events were organised through the regional resource centers to build the capacity of leaders and ensure standards. Monitoring systems were established to regularise the meetings of these institutions.

Resource mobilisation

More thrust was given for mobilising internal resources. Increasing primary savings was given high emphasis in all the groups. Orientation and training events were organised for the members to reinforce the need for mobilising internal resources to raise the primary savings and to go for diversified savings. Cumulatively, these primary groups have mobilised savings of Rs. 1,056 lakhs.

The location teams have made efforts to link all the eligible groups under Asian Development Bank-Tsunami Emergency Assistance Project (ADB TEAP) Swarnajayanti Gram Swarozgar Yojana (SGSY) and SHG-bank linkage programme. Through these linkages, groups were able to mobilise over Rs. 115 lakhs for addressing the credit needs of the members. To facilitate linkages steering committee meetings were organised with the bankers in Nagapattinam and Karaikal regions. As a result, bankers came forward to link 60 groups in Karaikal and Nagapattinam districts.

To ensure the institutional sustainability and focus on expansion, efforts were made to create corpus at Peoples' organisations. The groups have started repaying the revolving funds issued to them to CDAs, which is kept at corpus fund.

Livelihood Interventions

Strengthening existing livelihoods was given major focus. Common livelihood support infrastructure like auction shed, drying yards, KISC units were established in the coastal areas to strengthen livelihood activities already promoted. During this year more than 5,422 families were supported for their livelihood activities. The fringe communities like salt-pan workers were given adequate support for initiating the alternative livelihoods and strengthening their existing livelihoods. This year, 764 families were supported to purchase nets, 34 members were supported to repair their fishing crafts, and 1,620 loans were issued to farmers to meet their cultivation expenses, purchase farm implements, livestock as subsidiary source of income.

The federations have facilitated agricultural marketing by supplying quality inputs to the farming families at reasonable price and collective purchase and marketing of produces. Through this initiative farmers have gained better price for their produces. The agriculture produces like groundnut, coconut and cashew were sold collectively. A total of 169 tones of agriculture produces were sold through the marketing groups and Rs. 50 lakhs worth of business was done by 1000 families.

To facilitate collective marketing and support the small and marginal farming families an exclusive warehouse for storing the agriculture produce was established in Nagapattinam district with the support of Care Today Foundation. The warehouse supports 200 small and marginal farm families in the coastal

villages. The Kalanjiam Meenavar Sangams have reached a turnover of Rs.440 lakhs.



As an impact of these associations the intermediary exploitations have been eliminated and the price offered for the fish catch has been increased.

ICT Services

The ICT programme was introduced in the coastal area to strengthen the livelihoods initiatives and to create a separate line of ICT based livelihood opportunities. So far, 10 community colleges and 112 Village Information Centres (VICs) have been promoted in the coastal villages.

The Kalanjiam Samuga Vanoli, a community Radio Station established in Keeliayur block of Nagapattinam district is working towards setting up systems for disaster mitigation and management. It is involved in the collection and consolidation of indigenous disaster mitigation and management systems being followed by the local communities. The Kalanjiam Samuga Vanoli, has been experimenting on mixed media model of ICT based radio and video. With the mandate of ensuring major stake and ownership for women the Centre is enabling the women to participate, own and manage the Station. The community Radio has made and disseminated 100 hours of programme and 10 video documentations.

Panchayat Programme

The location teams organised orientation to Peoples' Organisations on local governance, right to information act, National Rural Employment Guarantee Act (NREGA) and local governance. The training events were organised for the voters and elected representatives. Social audit on NREGA works was organised covering five Panchayats in Cuddalore district. The social audit could ensure job card for all the families registered, wages as specified (Rs. 80 for both male and female workers), employment opportunity for below poverty line families, value of development work and display of information boards in the work place. To build awareness among the elected representatives and the community DHAN organised a demonstration on implementation of NREGA works at Silambiamangalam Panchayat of Cuddalore district.

Ensuring social security

Ensuring social security for its members was the priority for the federations. As the coastal villages are prone to various disasters, importance was given for enrolling the members in the insurance programmes. As a result, 34,482 members and 17,039 spouses were covered under insurance programmes, which accounts to 51 percent of the total members organised. As an additional benefit, 3,792 students were issued scholarships under JBY scheme of LIC of India. Claims were made to 72 families.

Health Interventions

Women organised in the SHGs and adolescent girls were given orientation on health awareness by the health workers placed in the Regions. They were linked with Government hospitals for getting iron tablets.

To address the issues of unsafe drinking water, 10,000 water filters were distributed to the coastal community with the support of water4life, the Netherlands. Through this initiative 10,000 families benefitting 45,000 people have been assured of safe drinking water. In addition, 500 families have been issued biosand filter. To ensure the effective utilisation of these filters, the members were given training on the usage and maintenance of filters. Monitoring mechanisms have been setup to assess the performance of the filters and obtain feed back from the community. Awareness campaigns were organised along the coastal villages on HIV-AIDS. Awareness songs and street plays were used to communicate the message.

Workshops and seminars

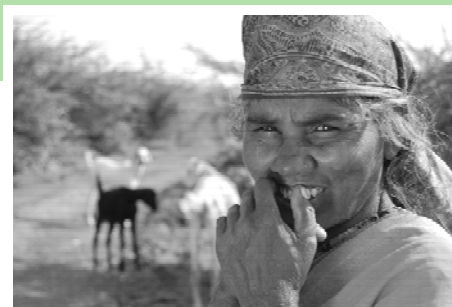
The programme supported the OxfamNovib, to organise an international workshop "Knowledge Infrastructure with and between Counterparts" at Nagapattinam district. The objective of this workshop was to share lessons on practices from post-tsunami livelihood rehabilitation projects, by documenting the practices and making them available for future use among the participating organisations. The partners of OxfamNovib took part in the event. Participants have visited federations in Nagapattinam and Karaikal districts.

A workshop on community based disaster management was organised with the support of Central Marine Fisheries Research Institute (CMFRI) and Oxfam International. Around 250 members representing the people institutions from the coastal villages of 10 coastal districts participated in the workshop. The workshop focused on best practices in disaster preparedness, coastal disasters and implications, stakeholder's responsibilities in disaster preparedness. The workshop reinforced the need for establishing better linkages between government, resource institutions, NGOs and Peoples' Organisations.

Coastal Conservation

The programme has started to focus on coastal conservation. The livelihoods rehabilitation and restoration initiatives implemented so far would converge over conservation and management of natural resource. The Peoples' Organisations will lay high emphasis on conservation while designing financial and other development products. Various institutional mechanisms will be identified and implemented by these Peoples' Organisations.





Centres for Integration

Centre for Human Resource Development

The Centre for Human Resource Development (CHRD) works with an objective of attracting and grooming young professionals for development work. It focuses on building 3 C's: competency, culture, and commitment within the professionals to undertake development work for a long time. This centre supports the programmes and institutions of DHAN Collective to ensure their growth and diversification by providing trained human resource. It believes that HRD is a dynamic, proactive and planned process which lays high emphasis on the individual's growth facilitated by various HRD mechanisms. Professionals in DHAN are groomed in such a way that they will occupy leadership space in Peoples' Organisations or they would lead any functional area in the programme/theme. The growth and challenges are built around the individuals, who provide guidance and support to other younger colleagues in the organisation.

The centre works with a number of reputed academic and training institutes at the national level and offers internships and summer projects to their students. These opportunities provide them an exposure to the development sector.

Selection and placement

The Centre has conducted annual manpower planning exercise jointly with the programmes based on their growth plan and coordinated with the Programme

HRD and Regional HRD to fulfill these plans. The Centre has regular contacts with 25 professional colleges and 20 arts and science colleges in six states. Twenty six development admission tests were held all over the country and 16 selection camps were organised with the short listed candidates for exposure and placement. As a result, 73 professionals and 63 support staff were placed in various programmes and institutions in DHAN Collective.

Development Associateship

Four batches of Development Associateship were offered during this year. This is an exploration phase for the new entrants to DHAN to get clarity on the grassroots works, prepare them mentally and physically to adjust to the local situations, explore opportunities for their self growth. They were given induction programme, where they were oriented towards the purpose, mission, vision and values of DHAN.

The Development Associates have undergone poverty immersion programme to get an exposure on the dimensions of development issues and poor and understand the linkage between livelihoods and resources. They were made to stay with the poor families for five days to get an experiential learning on the issues of poverty and development. They were given assignments to facilitate their learning so as to make them realise different types of professional biases in relating with the community, learn the local language and slang, and understand the family cash-flow etc.

Development Apprenticeship

This phase is aimed at providing opportunities for exploring their 'self' resulting in clarity of their life mission, concretising values and consciously striving to bring changes in their pursuits. They are facilitated to acquire this clarity through guided practice in the field, and continual reflection on one's experience.

Upon graduation from Development Associateship, 58 professionals were enrolled for Development Apprenticeship programme. They were made into five batches, of which two batches have completed their apprenticeship and graduated as Project Executives during this year. There was an induction programme for every batch, where they were oriented on the institution building approach of DHAN, the concept of nested institutions, generations and typology of NGO's gender in development, right to information act and right based approach and so on.

Participatory learning methods (PALM) training was organised to the Development Apprentices. Various approaches and methods of participatory learning were introduced to them. They have practiced a few of the PALM exercises such as social mapping, perception mapping, seasonality diagram and resource mapping under the guidance of senior DHANites. The Centre has also facilitated guided village stay and study for all the apprentices and organised a workshop in which the Apprentices shared their experiences and received feedback from their peer group.

Building implementation skills

Project Executives play implementation roles in order to respond to the demands of the people, programme, and organisation and of the outside institutions with whom they relate. It calls for, in addition to the learnings, a professional had in the earlier two phases, developing different competencies in order to plan, implement and monitor the impact of the programme activities and successfully promote and build the Peoples' Organisation at various levels to ensure sustainability and self management.

For the Project Executives in Kalanjiam Community Banking programme, technical trainings were given on programme policies and components, and legal

aspects. Similarly for the Executives in Vayalagam programme, technical trainings were organised on horticulture technologies and precision farming. For the Executives in Working with Panchayats programme, trainer's training on communication technologies, PRA, project planning and monitoring was organised.

To build leadership competencies, human process lab was organised for the Project Executives. The lab focused on the understanding on self, team effectiveness and also on the FIRO-B of individuals. The participants have drawn their personality tree and received feedback from the peer group. Five Executives have undergone Development Management Appreciation Programme at Tata Dhan Academy.

Annual performance enabling programme

The Centre has facilitated annual performance enabling programme (PEP) for all the DHANites to help them understand their growth in terms of clarity in their self, institution and development sector. Mentoring was taken as the focus of the year in the PEP. Mentoring is one of the key HRD mechanisms followed in DHAN, wherein the staff has the option at any point to select a mentor from among the senior DHANites who have offered to serve in that capacity. Both mentors and mentee had in depth discussion and worked out mentoring plan of action for the coming year.

HRD Services to other organisations

A two-day Personality Development Programme was organised for the students of Agriculture and Rural development, Tindivanam. About 90 students attended this programme. The training offered opportunities to understand their self and personality and helped them to set goals for improving their interpersonal skills. The Centre has organised a three-day human process lab for the participants from social organisations to build their individual competency and personal effectiveness.

Internship programme with DHAN was offered for the students of Tamil Nadu Agricultural University as

part of their rural agricultural work experience programme. It was a 15-days programme facilitated to provide opportunity to experience stay with community and understand nature of grassroots work. The students spent time with farmers to understand their problems and constraints. Similarly horticultural work experience programme for the horticulture students was undertaken to train them to be an entrepreneur in the field of horticulture. An exposure to the activities of DHAN was given to a team of 35 Agricultural students of Kerala Agricultural University, Trissur.

Centre for Development Communication

With intensive field action on the themes of water and microfinance, DHAN is becoming a resource centre on both these themes. DHAN strongly believes that community provides a powerful learning opportunity. These programmes, from the very beginning have facilitated learning opportunities for bankers, government officials, NGOs, academicians and researchers through various programmes. The need for setting up mechanisms for documenting and sharing the field experiences was felt in the early nineties. This has paved a way for creating an exclusive centre called Centre for Development Communication.

The centre has four functional units for audio-visual communication, information and communication resource, media resource, folklore resource to achieve the purpose of using communication as a tool for development. Each of the units has a specialisation and works in close coordination with each other to fulfill this purpose.

Documentation and dissemination of experiences

The Centre prepared a film titled '*Illuminating Lives*' for the Kalanjiam Foundation for presenting before the Board of Trustees of the Sir Ratan Tata Trust. Feedback for the film was encouraging. A documentary '*From Disaster to Preparedness*' capturing the community-led disaster preparedness being

implemented by DHAN in the Tsunami affected areas was prepared to present in the consultation meeting of National Disaster Management Authority organised at Anna University.

The other films prepared by the Centre were; a short duration film for presentation to the Friends of DHAN on health, an advertisement film for the newly initiated Livelihood Initiative with Functional Education, a short promotional film by PDM Students, the trail of trash – the story of garbage, by Fatima College students, Our learning journey, a film on NRI's development tour experience, a film on freedom fighter's tour circuit for endogenous tourism project

Facilitating information sharing

CDC has come out with a monthly development magazine called "Development Matters" to facilitate exchange of experience across regions and states. This magazine follows the 'Practitioners to Write' principle, in which DHANites write their experiences, innovations, best practices and their impacts, learnings from implementation.

The Centre has prepared a monthly calendar on the theme of Heritage and New Year greetings featuring the story of health intervention by Kalanjiam programme. Designing services were given to almost all the publications of programmes and Centres.

The Centre could manage media relations for all the events and programmes organised by the Institutions in DHAN Collective. Efforts were taken to feature the impact stories of DHAN's interventions, interviews and articles of senior DHANites apart from arranging focused media coverage by media agencies through media tours, press meets, press releases etc.

DHAN website is gaining a lot of appreciation and there were 30,000 unique visitors visited the website and browsed about two lakhs pages during this year. Apart from updating events and developments in the programmes and institutions in DHAN website, the Centre has registered and designed pages for four new domains such as www.infosindia.in, www.maduraimarathon.in, www.maduraisymposium.in and www.askmi.in.

Community Media Centre

The CDC has setup a community radio station in the Keelaiyur block of Nagapattinam district, which was one of the worst hit coastal areas by the killer Tsunami, in Tamil Nadu. The Kalanjiam community radio and video has been established in the block to enable the communities in the disaster prone coastal areas to get prepared for managing disasters and strengthen their livelihoods to cope up with such disasters. It also aims at building skills of the community to prepare and disseminate audio programmes on the areas concerning their socio-economic and cultural development. The vision of the Centre is to inform, inspire and empower community to speak and act on behalf of their fellow members, to use radio, television and the Internet to create and distribute programs that promote and celebrate individual expression, local achievements, education, cultural exchange, arts appreciation and civic engagement.

Journalism for Development

The Centre has identified development journalism as a potential area to influence the mainstream media. An exclusive forum has been promoted with both print and electronic media practitioners. The forum would act like a platform for the young journalists to get exposed to development reporting, it would continuously update the journalists on developments in the field of development. It would foster research attitude among the journalists through offering media fellowships to work on selected themes. Three workshops have been organised on the issues of current importance to educate the media professionals and aspiring journalists on the subject, the outcomes of the workshops were released as a Newsletter in Tamil and circulated to the selected journalists through out the state.

Development Film Festival

Raising the public awareness and political will is imperative to promote and sustain any development action. It requires multi - media strategies for promoting participation, creating ownership, involving in decision making and management of resources that could impact their livelihoods. Towards

this direction, the Centre for Development Communication organises Film Festival every year on a selected theme in development. The purpose of organising such festivals is to create a platform for the development film makers to screen their products and to make the public view, debate and enter into meaningful action around the issues.

The third Development Film Festival on 'Water and People' was organised from 25-28 September 2007 at Thamukkam Grounds, Madurai. Exciting images of development interventions on Water were displayed through screening of development films in the evening of all the days. The response from the filmmakers for this festival was overwhelming. There were about 56 entries received ranging from one minute animation film to 80 minutes documentary film, carrying various dimensions of water. Sixteen films were from other countries, eight in Tamil and 32 were in other Indian languages. The films for screening were selected by a panel comprising of film makers, water experts and academicians. Sixteen films from among the 56 have been selected for screening at the festival.

Trainings and exposure

The team organised a one day orientation programme to the students of department of media sciences, Anna University on film making. A team of students with a faculty visited the centre and learned the need for making films for development.

Continuing the partnership with the Fatima College, this year also, the CDC has organised a course on documentary video production to the first year M.A English students. They were trained on various aspects of documentary production and they were given an assignment for making a film. They have taken up the garbage problem of the Madurai City. A film on growing garbage problem in the city was prepared and released in a function with college staff and corporation representatives.

The CDC has designed a skill building training package on practical videography and photography for the youths in the rural areas and urban slums to acquire employable skills. Needs for video and photo coverage services, processing and printing is

increasing in the towns and cities. Considering the potential of the market, the centre has designed a course and it has been piloted in the Madurai City. The course has been standardized based on the experience from first batch and it can be offered to other rural towns and slums through the community colleges run by the federations of Kalanjams.

Teaching Development Communication

The Centre has offered an elective course 'Audio Visual Communication for Development' for the PDM students of Tata-Dhan Academy focusing on how to use audio visual communication effectively for development and policy advocacy. They were trained on various theories and practices in Audio Visual production and dissemination. They also had an opportunity to make a film as an outcome of the coursework. They have prepared a promotional film for three minutes on the concept of giving back to societies.

The Centre has also offered a course 'Communication with Communities (CwC)' for the students of Tata Dhan Academy. The emphasis of the programme was to enable students to appreciate, learn and acquire some of skills required for effective communication with communities. In this course, students had an opportunity to interact with development professionals and get practical guidance on how to make their communication more effective while working with the communities and overcome barriers, biases and blocks in communication. Apart from appreciating some of the basic concepts of grassroots communication, they conceived, designed and implemented a communication package through a field based workshop in Ellapatti Village of Alanganallur block in Tamil Nadu.

Centre for Finance

The Centre for Finance is an integral part of the central office, collating financial functions across programmes, centres and thematic organisations of the DHAN Collective. The Centre has moved from doing a few limited financial functions to contributing to the DHAN Collective and Peoples' Organisations by giving training and setting up financial

management systems at all levels. The Centre places greater emphasis on building a transparent and foolproof financial management system. The Centre evolves financial policies for the Foundation and other Institutions in DHAN Collective and Peoples' Organisations.

The Centre for Finance has coordinated timely completion of annual financial audits of all the institutions in DHAN Collective. The Centre has established Quality Assurance Audit Team headed by a chartered accountant to undertake monthly concurrent audit so as to facilitate easy completion of audit.

The Centre acts as a secretariat for the Purchase Committee and Finance Committee constituted at the Central office. During this year, policies and guidelines have been worked out and shared across the organisation; the Centre has ensured compliance in accordance with procedures.

The Centre coordinates Employees Provident Fund scheme with the Government owned Employees Provident Fund Organisation. Also the Centre manages the Staff Gratuity Funds with LIC of India. Monthly contributions towards PF and Pension were remitted as per the stipulations of the scheme.

In addition to managing staff group accident and medi-claim policies with insurance companies, the Centre also manages legal compliances and corpus investments. It could ensure systems for budget monitoring and approval through Financial Responsibility Centres.

Centre for Facilitating Philanthropy

The Centre for Facilitating Philanthropy has been set up to create meaningful opportunities through systematically sensitising the social responsiveness among the different stakeholders in the society. The core areas of work for the centre are promoting philanthropy with the members of the poor communities that DHAN is working with, engaging the general public in development work in a more meaningful way, building corporate partnerships for social development, setting up Friends of DHAN networks in other countries to support DHAN's work.

Products for promoting philanthropy

The Centre, along with programmes could design a shelf of projects for meeting the interests of the donors of various back ground and preferences. During the year a number of products in response to the local needs such as farm pond, tanks, community resource centre, village information centres, village adoption, fellowship for Development Apprentices and Tata - Dhan Academy graduates, scholarships and support to schools run by federations, support to health initiatives of people institutions and support for surgeries, development tours, corporate social responsibility projects.

Appeal in DHAN Website, Friends of DHAN, CSR partnerships, fundraising events, were some of the ways in which the centre could raise support for these products.

Donor reporting and feedback

One of the important functions of the centre is to provide donors, information about how their support has made a difference and encourage them to get more people to support the projects and also to provide donors timely acknowledgement of the receipt of their funds. Besides keeping the individual donors informed about the receipt and use of their funds the centre begun bringing out the updates (an e-newsletter) which is sent to all the supporters and new friends. Most of the donors have become repeat donors and are bringing in new donors. Most of the new products such as farm ponds, and community infrastructure were supported by the donor who had supported Oorani projects.

DHAN Karunai Illam

The Centre worked closely with the New Zealand based Karunai Illam Trust, to facilitate taking over the Karunai Illam in Nilakottai, Tamil Nadu by DHAN. The centre has supported the team at Nilakottai in the running of the Illam, setting systems and policies, reporting its progress and follow up.

Friends of DHAN, the Netherlands

The Friends of DHAN took up various activities to support the work of DHAN. The support for the school initiative at Batlagundu and Madurai by

Westburg Foundation was continued for the second year with their active facilitation. They are also taking efforts to increase the funding and areas of funding by this foundation. They extended support for surgeries of members and their family to the tune of Rs. 3.6 lakhs during the year and will continue the support. Their support was instrumental in getting funding to the tune of Rs. 70 lakhs for the SUHAM hospital initiative for two years. They also organized a development tour with interested and motivated individuals from the Netherlands who would be already or would be supporters.

Partnerships with Corporates

The Centre could facilitate partnership with the Hindustan Unilever Limited to launch a philanthropy project commemorating their 75th year celebrations. A proposal for supporting livelihood initiatives of DHAN has been approved.

Madurai Marathon

Madurai Marathon 2008, focusing on bringing awareness and action on heritage water bodies was organized in January 2008. Around 22,000 people from various sections of the society participated in the event. The centre could mobilize funds worth of Rs. 6.7 lakhs for organizing the event. The encouragement reached high when many academic institutions and corporate houses committed to adopt water bodies maintenance works. The support from the Madurai Corporation was useful for the conduct of the Marathon this year. The theme for the next year has been finalized as Anemia eradication.

Centre for Policy and Planning

The Centre for Policy and Planning has been set up to support the programmes and institutions of the DHAN Collective so that they evolve, develop and modify their policies and fulfill their objectives. It shapes the sectoral policies from practice at the grassroots. DHAN as a member of many policy-making bodies on microfinance and water conservation strongly advocates pro-poor policies. As a resource centre, it organises many capacity building

events and training programmes for bankers, government officials and representatives of NGOs within and outside the country.

Organising Policy Seminars

Sharing of knowledge and practice is one of the contributions of DHAN. DHAN's Vayalagam and Kalanjiam programmes have rich knowledge and experience in field action. The Centre facilitates sharing of good practices and knowledge to other stakeholders in development through seminars and workshops. Policy seminars are found to be an effective mechanism to discuss the policy issues and changes required and provide an actionable solutions or recommendations to policy changes. The Centre has provided design support to conduct policy seminars for DHAN's Programmes and disseminate policy briefs to effect changes needed in specific sectoral issues. The Centre provided support to organise a policy seminar on Rainfed Farming Theme and it took up documentation and case studies preparation.

Policy Initiatives

The Centre has provided support in organising Water Conservation Council Meeting in Tamil Nadu, where the outcomes of all the policy briefs prepared so far were shared to them. The issue of encroachment eviction in water bodies was taken for discussion in the Council meeting. After deliberations a letter was drafted and sent to the Chief Secretary demanding critical amendments in the Act and inclusion of Rural Development Department in encroachment eviction.

Draft bill to amend the Tamil Nadu Panchayats Act 1994 to make it effective for the removal of encroachment in properties vested or entrusted to the village Panchayat and Panchayat Union Council especially in tanks and ponds was prepared and submitted to the Government. Draft rules for the eviction of encroachments were also submitted to the Government.

Policy briefs on Tanks and Tankfed Agriculture were presented to the Vice Chancellor of Tamil Nadu Agricultural University. Policy brief on Tankfed Agriculture was presented to Finance Secretary and Rural Development Secretary; subsequently a concept

note on Tankfed Agriculture was prepared and submitted to the Government.

A paper on "Livelihood Opportunities through Financial Inclusion" to reinforce the recommendations in the Policy brief on Integrating Micro Finance into Water and Agriculture was presented at the Second Annual Conference on Public Policy and Management at IIM, Bangalore. Policy brief on the Roles of Tanks in Groundwater Management was presented to Tamil Nadu Water and Drainage (TWAD) Board officials at Madurai. As a follow-up to this presentation, Vayalagam Programme has organised Training-of-Trainers programme for the officials of TWAD Board.

The Centre has organised a Dialogue on Pro-poor Policies for Poverty Reduction as part of Madurai Symposium. The recommendations emerged during the Symposium has been compiled and published. As a follow-up to the Madurai Symposium, the Centre organised a brainstorming session on "Future Directions of NGOs and Civil Society" in Chennai.

Facilitating Collaborations

As a part of strategic planning of DHAN, CPP could involve in building linkages with departments and institutions. For (e.g.) MoU between DHAN and Anna University, Collaboration with Mahalir Thittam and *Vazhuthu Kattuvom Project*, Public Works Department for training and Rural Development Department. The Centre has taken up a gender impact study on engendering state plans; Muthulakshmi Reddy Scheme and SGSY Scheme in Madurai District.

Gender Mainstreaming in DHAN

The Centre anchors the Permanent Working Group set up in DHAN to mainstream gender policies. A gender policy document has been prepared through consultations with the staff, field workers and representatives of the Peoples' Organisations promoted by DHAN. The policy elaborates key concepts and approaches that underpin gender and development issues in DHAN's context, also it summarises the evolution in perspectives and practices designed to integrate gender into the development process that have taken place in the last two decades in DHAN. The Centre facilitated a workshop on gender perspective building for

DHANites as simultaneous session in the Annual Retreat of DHAN.

Centre for Research

Centre for Research and Development was established in the year 2003. This centre was setup to work on the issues common to the sector and DHAN. The areas like Microfinance, rural banking and tank fed agriculture forms the core of the research programmes. Apart from this the research programme will aim at bringing the interaction with the educational institutions and research organisations for the benefit of the programmes in DHAN.

JnNURM

The Centre for Research played a key role in operationalising the idea of setting up City Technical Advisory Group (CTAG) and City Technical Volunteer Corps (CVTC) to increase the implementation efficiency and ensure community participation in the Jawaharlal Nehru National Urban Renewal Mission (JnNURM), in which DHAN represents as one of the members of National Technical Advisory Group. DHAN has been given the responsibility of launching the CTAG chapters in Madurai, Coimbatore, Chennai, Bangalore, Mysore, Trivandrum, Cochin, Vizakapattinam and Pondicherry. Out of these cities, in Madurai and Coimbatore CTAG chapters have been started.

Pilot Study on Urban Heritage

A Pilot study on urban heritage was conducted in collaboration with the Urban Planning Department. From that study a list of heritage sites of Madurai was prepared. A heritage workshop was organised at Thiagarajar College of Engineering. Workshops on "Visioning Exercise and Rediscovery of Madurai Heritage" were organised for college students and CVTC members on building the capacities in preparing the heritage conservation plan. Presentation on the findings of the above workshops was given to the Corporation authorities, and DHAN has been invited to prepare the detailed project report for the urban heritage.

Heritage awareness campaign was organised by the CTAG and CVTC Where 400 participants

participated. Students from schools and colleges and Kalanjiam members made this event successful. The Centre could ensure a space for information centre for showcasing JNNURM works at Madurai for common public and dignitaries.

Impact study of DHAN Vayalagam Tank Programme

The Centre has taken up an impact study of Vayalagam Tankfed Agriculture Development Programme to address the specific objective of assessing the impact of conservation of natural resources in the economic empowerment of the marginalised farmers. Focused group discussions conducted to identify areas of impact assessment have suggested three major approaches by Vayalagams, such as conservation approach, livelihood approach and people institutions approach. Indicators have been worked out to assess the impact resulted by each approach.

Socio Economic Survey

Under the JnNURM, in order to design the settlement pattern for slum up gradation and slum housing improvement, the socio economic conditions of urban poor was to be studied. The Centre has taken a baseline survey in 79 slums out of 208 slums within the Madurai Corporation limit. A detailed study undertaken in a slum - Thiruvalluvar Nagar gave insights about the implementation of the BSUP and drawn conclusion that construction of houses per se does not lead to poverty reduction or addressing the problems of the urban poor. Now Madurai Corporation has requested DHAN to undertake a socio economic survey in the remaining 129 slums as well.

Micro studies

The Centre has also taken up short-duration micro studies to help the programmes to enhance quality of their implementation. A micro-study on revolving fund management in Village Marine Conservation under Gulf of Mannar area was done for the Gulf of Mannar Biosphere Reserve Trust, Ramanthapuram District. The Centre has taken another micro-study on 'Madurai Malli' to understand opportunities for creating livelihoods around the heritage of cultivation and use of a peculiar variety of Jasmin flower locally known as 'Madurai Malli'

DHAN People Academy

DHAN Foundation strongly believes in enabling the people to become self reliant. Its strategies of promoting people's organisations are centred on building capacities of leaders, members and staff. DHAN Foundation invests substantial resources to promote the leadership in collective bodies of people. Exposure visits to encourage cross learning of best practices and new initiatives across locations, conflict resolution, workshops and seminars help the people's leaders to share their experiences and build their perspective.

The DHAN People Academy was initiated in December 2003. Its basic purpose is to create an environment for the staff and peoples' leaders for development learning to motivate them to build a value-based society. The Academy uses appropriate pedagogy to facilitate learning, building on the experience available, and participant-centered education. The main objective is to develop requisite skills of the field staff of People's Organisations with appropriate motivation, values and ethics. It lays high emphasis on building community leadership. The People Academy created exclusive centres for taking up capacity building initiatives on leadership, vocational education, gender, microfinance and water. The Academy has well furnished training facilities for offering a number of tailor-made training courses.

During this year, DHAN People Academy together with Working with Panchayats theme offered a Distance Learning Programme on Panchayat Management. The aim is to strengthen the Gram Panchayat System by educating the public about their roles, rights and responsibilities. About 1,165 candidates enrolled for the third batch. Course completion certificates were issued to the first and second batch students.

The People Academy facilitated launch of LIFE (Livelihoods Initiative with Functional Education) by Thenmadurai Vattara Kalanjiam. This institute identifies demand for vocational education, develops need based courses and offers them at affordable cost to the members and their children. During this year about 125 students have undergone various trainings. Similar attempts have been made with SPMS, Tirupathi, and Kazhugumalai in TamilNadu. A workshop on skill building was organised as part of Madurai Symposium.

Six exposure programmes were organized for leaders and staff of other NGOs on the functioning of People's Organisations. Also, it offered a number of short

training programmes and need-based certificate programmes to senior staff and leaders in leadership development, tank technology. DHAN Community Volunteers programme gained visibility and these volunteers organised water literacy campaign with schools as part of Madurai Marathon 2008.

Central Office

The central office plays the integration role across themes, geographic locations, functions etc. through innovative integrating mechanisms and events. It provides strategic support to the new thematic institutions promoted and help them to establish themselves. The central office also takes the responsibility for resource mobilization and its management, strategic planning, policy advocacy at higher levels, legal compliances etc. It has set up specialized Centres for Human Resource Development, Development Communication, Policy and Planning, and Finance for the above activities as well as the different themes and thematic institutions. The central office plays the integration role across themes, geographic locations, functions etc. through innovative integrating mechanisms and events. It provides strategic support to the new thematic institutions promoted and help them to establish themselves. The central office also takes the responsibility for resource mobilization and its management, strategic planning, policy advocacy at higher levels, legal compliances etc. It has set up specialized Centres for Human Resource Development, Development Communication, Policy and Planning, and Finance for the above activities as well as the different themes and thematic institutions.

DHAN has a number of integrating mechanisms that besides bringing in a common culture, vision among all the members also builds the leadership capacity. Some of them are the Strategic Forum, Consultative Forum, retreat, task forces and working groups for specific purposes. They contribute to the institution building processes and collective leadership.

The Regional Coordinators met every month to review operational issues and plans and to workout mechanisms for integration across themes and institutions. Knowledge building workshops were organised on select themes with them. The Consultative Forum met twice during the year. It reviewed all the programmes of DHAN collective. The Strategic Forum met several times during the year to review the growth and set the direction for the future growth. The Tenth Annual Retreat was organized at Sathyabama Deemed University, Chennai.

Impact of DHAN Programmes



Impact of DHAN Programmes



Kalanjiam Community Banking Programme

Impact of Kalanjiam Groups

A Study in Tamilnadu and Karnataka

M S Sriram¹

At the request of Sir Ratan Tata Trust a study was undertaken to review the broad impacts of the groups promoted by Kalanjiam. While the study recognizes the difficulty in attributing causality because of non-availability of benchmark data, it was decided to look at what could be the overall differences in groups that were at different levels of maturity, while controlling for broad parameters of socio economic zones and agro-climatic conditions.

In the process we collected data from new locations [less than 6 months old], young locations, mature locations, and locations where larger societal impacts were expected to be seen. The data was collected through a household survey randomly selected groups from each of these age zones as well as qualitative data through workshops and focus group discussions. In all data was collected from 878 households. The findings are based on the data collected from these households. The broad findings are listed below:

- More people were “educated” where the groups had been working for a while. The difference was stark in regions when we looked at the age group below 21 – while in newer groups around 83% of the people under the age group had primary/secondary education, this number was 94% in groups that were in existence for a while.
- Lesser number of people reported that they were unemployed in older groups. The Number of people engaged in non-farm activities was higher in older groups, number of people directly dependent primarily on agriculture was lesser in older groups. The employment sources appeared to be adequately diversified.
- The cash-income per capita and per household were both higher in groups that existed longer
- The number of assets held by households were higher in mature locations. The average value of these assets were also higher in rupee terms. The mature locations seemed to have much more valuable assets, and in larger numbers.
- The quality of housing [roof type, and size] and the facilities in the house [like electricity, water connection, gas, etc.,] were both higher in mature locations as against in households belonging to recently formed groups.

¹ M.S. Sriram, Professor, Finance and Accounting at the Indian Institute of Management, Ahmedabad (IIMA).

- The level of savings of the mature groups were higher in absolute terms. However, the preference of a place to save did not seem to differ across the age of the groups.
- The mature groups had a greater level of loans outstanding. The share of the groups in the overall level of indebtedness of a household was the highest in the mature groups. The share of moneylender was constant across ages, and the share of informal networks [friends, relatives] were lesser in mature groups.
- The interest rates paid to moneylenders was far lower in locations with mature groups than in new areas. Moneylender loans with collateral seemed to command a lesser interest rate than without collateral.
- The mature groups lend lesser amounts for survival based purposes; Most mature locations lend a fair portion towards working capital and asset purchase purposes. The early groups have a significant amount outstanding for “daily consumption”. All groups have borrowings for health related purposes.

In general we can see that locations where the groups are mature show significantly better indicators than locations that are relatively new. On the subjective aspects also the women are able to grapple with complex issues in mature locations. The positive aspect of the methodology adopted by KF shows that a gradual build up of capital through strengthening of the groups is much more desirable than a steep increase in loan size usually adopted by the Grameen type of methodology. While the role of the moneylender has not diminished in the overall borrowing pie, it is important to note that the households are now able to negotiate much better interest rates with these sources. It is unlikely that SHGs will ever become the sole provider of financial services; however the positive contribution of the groups is the sense of pride and the power of negotiation. Both these make bank finance accessible to individuals and help them to negotiate better terms with other sources.

Impact of DHAN Programmes

Impact of DHAN Programmes

Vayalagam Programme

DHAN's 'Vayalagam Tankfed Agriculture Development Programme' (VTADP) has undergone evolutionary changes reaching the present level, and proposing to expand further. Hence at this stage, Impact of the components of the VTADP with specific reference to "rehabilitation of tanks" was taken up for impact study. The tank systems rehabilitated sufficiently earlier in Tamil Nadu were considered for the present impact study.

1.0 Introduction

Irrigation tanks, one of the most important traditional water resources in South India occupy a significant position in agricultural economy, livelihood for the rural poor and in local ecosystem. There are about 1,40,000 such tanks existing from time immemorial spread over in South India. Due to continuous neglect of these unique indigenous water harvesting structures for various reasons, they are getting deteriorated, affecting the marginal and small farmers mostly. DHAN Foundation, a grass roots development organization is working since 1992 in the conservation and development of traditional tank systems through peoples' institutions as one of its thematic poverty reduction programme named 'Vayalagam Tankfed Agriculture Development Programme (VTADP).

This programme comprising multiple development components, such as promoting Peoples' Institutions at the level of tanks as Tank Associations (Vayalagams), and clusters as Tank Cascade Associations and Block Level Federations, rehabilitation of tank systems executed through Vayalagams, promoting Micro Finance Groups, establishing Vayalagam Agriculture Development Centres, and upscaling of the process through Vayalagam movements. Under this programme, 1,982 Vayalagams have been promoted to reach about 1,48,770 families with the rehabilitation of tanks and other Watershed Development works taken up in three States of TamilNadu, Andhra Pradesh and

Karnataka till March 2008. People have contributed Rs.337.00 lakhs to meet the total cost of Rs.1,529.00 lakhs incurred for the rehabilitation of tanks. In addition to the core component of conserving and developing the tank systems, watershed development programme and rehabilitation of drinking water Ooranis taken up later are also progressing fastly.

Before selecting the methodology for the impact study of VTADP, literature review was done about the quantitative (so called scientific or objective) and qualitative (subjective) methods of data collection. Rejecting this distinction, some researchers chosen to divide research methods in to "extractive" and "participatory" categories and to use both these methods in a complementary fashion, as each of them has its own inherent strengths and weaknesses. The difficulty of using 'indicators' for impact study is also analysed. Since the physical and social phenomena being dealt within natural resources management and the conditions under which they are being measured as far too complex, it is likely that investigators will draw misleading conclusions by using indicators alone. Detailed analysis with illustrations was made about the complexities involved in every methodology in order to justify the selection of methodology for the present impact study. The position is that no impact study report is beyond criticism irrespective of its methodology. For the organizations like DHAN Foundation concerned with development, the goal is not just to measure the change, but to make the people involved in evaluating the programmes that affect them. In fact, the

participatory methods are more valuable than the extractive methods as long as they are unbiased. Considering all these factors, qualitative participatory method has been selected for the present impact study with a satisfactory level of justification, in addition to adopting a “case study” method to bring out the results nearer to the ground reality.

2.0 Methodology

The objectives set for the present impact study were:

- (i). Assessing the usefulness of different components of VTADP to users
- (ii). Assessing the effect of People's Institutions promoted
- (iii). To make suggestions for further improvement.

It was decided to evaluate the Impact of the programme components by collecting data from the sample respondents by identifying sample tanks at random. Out of twenty blocks in which VTADP is being implemented in TamilNadu, seven blocks were selected to represent different agro-climatic regions. Out of 257 tanks rehabilitated in the selected seven blocks, 25 tanks were selected at random fulfilling the conditions that (i) at least 3 years should have been completed after the rehabilitation work (ii) should irrigate at least 20 acres (iii) at least 2 physical components of the system should have been rehabilitated & (iv) should represent the population of tanks in the block. The selection of respondents was made by stratified random sampling and they include the farmers from the head, middle and reaches of each sluice command area, well owners, neerkattis (common paid field irrigators) and other stake holders who were conversant with the rehabilitation works. Totally 681 sample farmers were selected from the 25 sample tanks. Data were collected by using structured questionnaire (schedule) with 4-point scale.

For collecting the data from each respondent directly, one senior Programme Associate for each sample block was selected and given training. While using the interview schedules, due care has been taken to get the data from the respondents out of their experience in their systems and not from their perception and hence the process can not be considered as perception mapping.

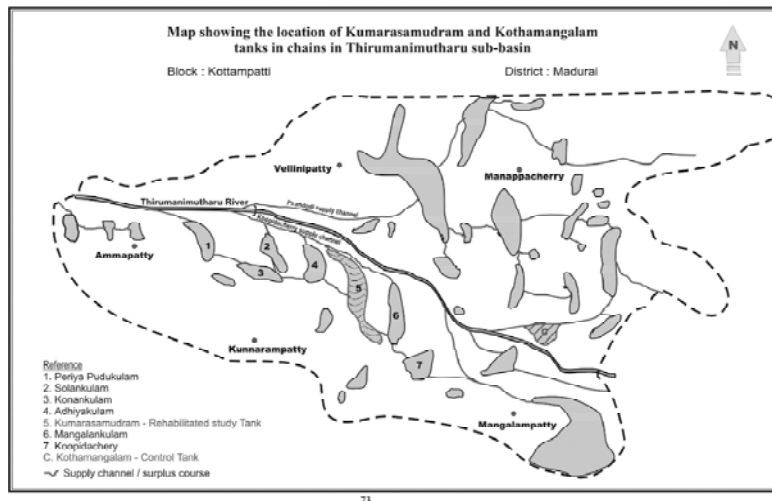
The data thus collected on each variable was grouped for each block and then to arrive at the lumped data for all the seven blocks and presented in the Table for comparing results across the sample blocks. For a quicker grasping of the overall results, they were presented in the form of bar charts. To facilitate comparison of results across the sample tanks, the data collected from the respondents have been crystallized by assigning weights for the data to arrive at a Performance Index for each variable for each sample tank, and tabulated. Inferences on the Impact of the components of VTADP have been made both from the lumped data covering all the 25 sample tanks, and from the component-wise Performance Index computed for each sample tank.

Case study was conducted in Kumarasamudram tank located in Kottampatty block of Madurai district by considering the nearby Kothamangalam tank as “control”. An in depth study was made by collecting data from the randomly selected stratified sample of farmers and key informants, followed by field visits and focus group discussions. The results were also compared with those obtained in the control tank. As the case study was conducted as an intensive investigation to learn more about the interconnections and interactions of the development components with the production components, the results on the Impact of VTADP components were drawn with adduced reasons. The effect of tank desilting work on the dependability of the tank and in turn on crop productivity was quantified. The effects of MFGs and VADC on crop productivity were brought out through their performance details available in records.

The random sampling interview method and the case study method were designed in such a way that they complement each other for delivering more valid inferences. By super imposing the inferences made from one method over the other, concluding results were drawn.

3.0 Case study: Kumarasamudram Tank system

A detailed study has been made in Kumarasamudram tank system, the fifth tank in the Koopidacheri chain



study tank with a bund length of 650 m, three sluices and one Calingulah type surplus weir has the water spread area of 10.59 ha (27.64 acres) to serve its command area of 12.83 ha (31.70 acres), supplemented by ground water through wells. Since the tank could not meet the irrigation requirement of paddy raised in the entire command area, a few farmers of uplands have started raising perennial trees in their lands. Out of the total command area of 31.70 acres, coconut trees are raised in 7.12 acres (4.16 acres under sluice-1 and 2.96 acres under sluice-2) and Mango and

Tamarind trees are raised in 3.97 acres under sluice-3. The sluice-wise command area details are given in the Table 1.

of tanks, located in Vellinipatty village of Kottampatti block in Madurai district. In this tank, all components of the VTADP have been implemented. A map

showing the cluster of tanks including the Kumarasamudram tank linked in chains in Thirumanimutharu sub basin in Kottampatti block is furnished here. All the farmers of Kumarasamudram

Table 1. The sluice-wise command area details:

Relative sill level of sluices	Command area in acre	Total No. of farmers	Category of farmers			No. of wells
			Marginal farmers	Small farmers	Other farmers	
Lower level	8.25	11	10	1	-	2
Lowest level	12.06	22	22	-	-	1+1(not used)
Higher level	11.39	7	6	1	-	-
Total	31.70	40	38	2	Nil	3+1 (Not used)

tank belong to Vellinipatty village having 187 households and population of 1170, out of which the literate is only about 55%. All except 10 house holds belong to the same caste falling under most backward community. Finding agriculture as a non-remunerative and risky occupation, about 60 youths left the village to work mostly as unskilled labour in Singapore, Malaysia, Mysore, Bangalore etc. No one is educated beyond the school final in the village to get a gainful employment. So the village economy is agriculture based. About 10 families are engaged in coir & thatching works. About 60% of the households own agricultural land and others are self employed and agricultural labourers. As there are 7 tanks in this village, agriculture is dependent mostly on tank irrigation. All tanks are rainfed tanks dependent on monsoon rainfall received in the catchment areas. The

From the Table 1, it could be seen that all the farmers are marginal farmers except two small farmers with the average land holding size of 0.79 acre. Well irrigation plays a vital role in supplementing tank irrigation during scarcity season and for raising nurseries. There are three active open wells situated in the command area. Moreover, one well situated in the command area of the nearby Adhiyakulam tank also supplements irrigation in the Kumarasamudram tank command area. It is inferred that there were six open wells earlier in the Kumarasamudram tank command area and two of them were abandoned later due to poor yield and for want of funds to meet the cost of deepening. The details about the wells and their present use are furnished below in Table 3.2 to bring out the significance of ground water use in the tank command area.

Table 2: Role of wells in the Kumarasamudram Tank System:

Depth in mt.	Water level from the ground level (mt.)		Supplementary irrigation by wells (in acres)			Energized status
	During monsoon	During summer	Irrigating own land	Irrigating other's lands by hiring out	Total area irrigated	Energized status
10	3	9.5	2.09	-	2.09	Electric power
12	3	11.5	1.69	2.50	4.19	Electric power
12	3	11.5	1.03	3.00	4.03	Diesel
10	3	10.0	-	-	-	No power & not used
13	3	12.0	-	6.00	6	Electric power

* Situated in the command area of the nearby Adhiyakulam tank and provides supplementary irrigation for about 6.00 acres in the Kumarasamudram tank command area.

Borewells to a depth of 100-120 feet are provided in all the open wells. In addition to the above mentioned five wells facilitating ground water use, one community well (open well with a bore well inside) installed with 5 HP diesel engine pump set has been provided in tank bed under VTADP during the year 1993-1994.

Most of the lands in the head and middle reaches of the command area and that under the sluice-3 are highly porous, requiring frequent irrigations for paddy crop. Paddy is raised as monsoon crop during September - December. The well owners are able to raise Groundnut, Raghi, Sorghum, cotton and other pulse crops as the second crop. Whenever there is carry over storage in the tank after the first crop season, a few farmers having access for hiring out well water are also able to raise some irrigated dry crops as the second crop.

3.1 Problems prevailed then in the Kumarasamudram tank system before rehabilitation:

The Kumarasamudram tank system had the following deficiencies like other tanks in that region:

- Highly silted up tank bed reducing the tank capacity, resulting in wastage of acquired water due to more surplus of water from the tank.
- Silted up supply channel with encroachments affecting inflow into the tank.
- Encroachment in the tank water spread area reducing its capacity.

- Leaking sluices and weak tank bund adjoining the surplus weir causing wastage of stored water.
- Frequent crop failure for want of sufficient irrigation water even during normal rainfall years.
- Lesser agricultural productivity (20-30 bags per acre) due to less dependable irrigation supply from the tank.

To make the conditions worse, this tank was affected by floods during November 1993 resulting heavy damages to all the three sluices, and the bund for a length of about 100 m breached causing damages to standing crops. The farmers of Kumarasamudram tank represented to Government continuously for six months to set right the flood damages before the next crop season; but in vain. This has caused the farmers to unite together emotionally for repairing the flood damages on their own. First, with their joint effort they evicted all the encroachments in the tank system and this has boosted their morale. Then they closed the breach in the tank bund and brought the sluice-2 to workable condition temporarily for storing and using water during the next crop season by utilizing the common fund of Rs.12,000 collected from the farmers and other users of the tank system. After making their tank temporarily functional, the farmers again thought of approaching the Govt. for permanent solution as they experienced some problems in collecting further contribution from the tank users for repairing the other two sluices by themselves. A few

farmers were also skeptical about the performance of the tank system having other deficiencies to meet their irrigation needs. This has caused gradual decrease in enthusiasm for group action.

At this juncture, DHAN Foundation with the idea of organizing the farmers for the purpose of conservation and development of traditional tank systems entered in to Vellinipatti village during September 1994 and started discussing with the Villagers. The interventions initiated through DHAN Foundation in Kumarasamudram tank system are detailed below:

3.2 Interventions made by DHAN Foundation

3.2.1 Formation of Kumarasamudram Tank Association

DHAN Foundation analysed the problems, priority of peoples' needs, the village resources etc., through techniques of Participatory Rural Appraisal in Vellinipatti village and motivated the people by conducting series of village meetings to organize themselves as an Association so as to address their problems collectively with the participation of mainstream Institutions. With the good and bad experiences gained by the people in repairing the Kumarasamudram tank system damaged by 1993 floods, they regained their enthusiasm with the techno-managerial support extended by DHAN Foundation. As the village had a few leaders who have been working as village accountants commanding good respect in the village and as decided by the people, they first formed the Kumarasamudram Tank Association by unanimously nominating the President, Secretary and Treasurer. This Association was registered under the Societies Act on 19th December 1994. Even after passing more than eleven years, the same office bearers nominated by the villagers at the time of formation of the Association are still continuing with the full support of the villagers, because of their unblemished service mind and transparency in spending the common fund.

By seeing the success of the functioning of Kumarasamudram Tank Association, the villagers also formed the Athiyakulam Tank Association later for managing and maintaining the Athiyakulam Tank

system situated in the same Vellinipatti village. These two Tank Associations made the Vellinipatti Gramasabha a vibrant peoples' Institution.

With the goodwill earned by the Kumarasamudram Tank Association after taking up the rehabilitation of Kumarasamudram tank system during 1995-96, the Association has been successful in mobilizing the fellow villagers for many other works including rehabilitation of other tanks in the village, deepening and strengthening of the village domestic pond (named Pottai Oorani), renovation of the major supply channel feeding a number of irrigation tanks in the Koopidachery chain of tanks, construction of a community hall, village town hall and a building for the functioning of Co-operative Stores by using all grant funds.

3.2.2 Improvements to Kumarasamudram Tank system

The Kumarasamudram Tank Association with its collective action could be able to mobilize peoples' contribution, got funds from Madurai District Rural Development Agency (DRDA), and CAPART and executed the improvement works in Kumarasamudram Tank System in different phases as per their priority with the techno-managerial support of DHAN Foundation. The details are furnished in Table 3:

The community well is very much useful for all farmers as they are able to convey irrigation water to their fields through PVC hose pipe. As there is delay in getting electrical connection for this well, Diesel pump set is being used now, causing more running cost. Because of the raising price of diesel oil, farmers feel that it is uneconomical to hire out water through Diesel driven pump set for raising paddy crop. The Association is making earnest steps to get electricity connection for the pump set on priority.

DHAN Foundation also initiated the other components of VTADP as detailed below and facilitated their smooth implementation.

3.2.3 Formation of Micro Finance Groups (MFGs):

Aiming at the sustainable functioning of the People Institutions, three Micro Finance Groups (MFG) each

Table 3: Kumarasamudram Tank improvement works executed by the TA : (Amount in Rs.)

Year	Item of work	People's contribution	Funding Agency's contribution	Funding Agency	Total
1995-96	Re-construction of all the 3 sluices	32,000	30,000	DRDA	62,000
1995-97	Community well, provided with a bore well inside and fitted with Diesel pump set	51,000	140,000	DRDA	191,000
1997-98	Desilting of tank bed and strengthening of Tank bund	0	100,000	DRDA	100,000
2000-01	Threshing floor	29,100	120,840	CAPART	149,940
2001-02	Supply channel desilting	13,330	43,320	CAPART	56,650
2005-06	Breach closing in surplus weir	8,000*	33,455	OxfamNovib	33,455
2005-06	Fish pond under flood mitigation fund	5,000*	25,000	OxfamNovib	25,000
2005-06	Provision of plug and rod shutters	500	1,500	OxfamNovib	2,000
Total		125,930	494,115		620,045

* Farmer's contribution has been deposited as the corpus fund for the association for future maintenance

group comprising 15-20 Male and Female members were formed in Vellinipatty village to provide savings and credit facilities for the members by linking them with mainstream financial institutions. The details of these MFGs and their performance are furnished in the table below:

Table 4: Details of MFGs and their performance as on 31st March 2008 (Amount in Rs.)

Name of the MFG	No. of Members	Total Savings	Common fund	No. of loans	Loans issued
Aindhu nilai nattar	15	63,511	54,264	91	412,600
Nethaji	15	86,596	6,080	72	340,600
Pirandodi kanmoi	20	18,544	1,120	15	28,850
Total	50	168,651	61,464	178	782,050

3.2.4 Establishment of Vayalagam Agriculture Development Centre (VADC)

VADC is established for Koopidachery Tank cascade (chain of tanks) comprising Kumarasamudram Tank system in Vellinipatty village in order to provide agricultural extension services as enlisted below to the farmers of rehabilitated tank systems in a tank cascade taken up for rehabilitation.

- To make available a trained agriculturist at the village to provide necessary information and technical support to the farmers.
- To conduct field training and demonstration of most recent package of improved agricultural and water management practices.
- To visit the farmers' fields at weekly intervals and carry out field diagnosis of pest and diseases for giving recommendations to control them.
- To arrange exposure visit of tank farmers to Agricultural Farms and Research Stations.
- To arrange for the bulk procurement of quality seeds and required fertilizers for supplying to the farmers at economical price.

For the purpose of providing the above mentioned services to the farmers of rehabilitated tank systems of Koopidachery tank cascade, VADC has conducted Farm Field School on integrated crop management

practices for one day in a week for ten weeks continuously covering the entire paddy crop season through field visits. The details of trainings conducted through Farm Field School in Kumarasamudram tank command area are listed below.

- Need for soil testing for appropriate replenishing of soil nutrients.
- Importance of organic farming and its practices.
- Identifying useful and harmful insects in the field.
- Control of rats and rodents.
- Identifying pests and diseases and demonstration on the use of organic pesticides like neem oil.
- Water management for optimum crop production.
- Training of contact farmers to extend the services to other farmers.

3.2.5 Endowment grant

In order to stabilize the resource base of peoples' Institution, endowment funds are provided as a matching grant equal to the contribution made by the Associations for keeping the sum as a fixed deposit so as to utilize the accrued interest amount for attending minor repair and maintenance works of the tank systems. Such endowment fund made available in Vellinipatty village is shown in the table below:

It is inferred that the Association has not yet utilized

Table 5 : Endowment fund

Name of the Association	Contribution by People's Institution (Rs.)	Endowment provided by DHAN (Rs.)	Total endowment fund (Rs.)
Kumarasamudram Tank Association	10,000	10,000	20,000
Vellinipaty Gram Sabha	25,000	25,000	50,000
Total	35,000	35,000	70,000

the interest amount accrued out of the endowment fund for any maintenance work as it is a very meager amount.

3.3 Study of Kothamangalam Tank as the "control tank"

Since there were no quantified base line data available for assessing the effects of various VTADP components implemented in Kumarasamudram tank

system taken up for case study, Kothamangalam tank (situated 3 km away from the study tank) with similar conditions, but not treated by programme components has also been studied as a control tank for comparison by isolating casual mechanism. The location of this tank could be seen in the map showing the cluster of tanks in Thirumanimutharu sub basin furnished above.

Kothamangalam tank situated in Mangalampatty village has a command area of 8.80 ha of (21.75 acres) owned by eleven farmers with the average land holding size of about 2.0 acres. There are five marginal farmers, three small farmers and three big farmers, mostly residing at Mangalampatty village and a few at a nearby town and a hamlet. Out of two sluices provided for this tank, one has become defunct and closed. Coconut trees are raised in 3 acres under the closed sluice and irrigated by one open well fitted with electrical pump set. The remaining area under the closed sluice is fed through the other active sluice which commands now a total area of 18.75 acres. One more open well situated in the command area of the active sluice is fitted with electrical pump set and supplements irrigation for 3 acres held by the well owner. Water is not hired out from the existing two open wells for the use of the other farmers. Except the marginal farmers, other farmers are not giving

importance for their farm income from this tank command area, as they have other sources of income.

Data about the functioning of the tank system, its dependability, farmers cultivation practices, present decision making process for common works, etc have been collected by interacting with key informants. Then, focus group discussions were had with the leading farmers and village elders. The inferences made from these processes

are furnished below to bring out the present status of the tank system and the socio-economical environment.

- The tank is silted up heavily reducing its storage capacity and thereby more escape of water through surplus weir during normal rainfall years leading to crop failures / reduced crop yield.

- The surplus course is also silted up and encroached by a few farmers. Hence the surplus water from the tank overflows the surplus course causing damages to the adjoining lands and the standing crops in the command area.
- Whenever the tank gets more than two fillings during the crop period, farmers get successful harvest with yield less than 30 bags of paddy (a bag weighing 70 kg) per acre. Since the tank system has above mentioned deficiencies, it has become less dependable for meeting the full irrigation requirement of paddy crop. So the farmers hesitate to practice intensive agriculture by putting adequate inputs to get more yield fearing of potential loss. So they get only lesser yield from their lands. The net income from a successful paddy crop ranges from Rs.3,000 to 4,000/ per acre at the current price of paddy at Rs.600 per bag.
- They do not raise any second crop for want of irrigation. Since the water level in the well goes down fast within a short period after the main irrigation season, the lone well owning farmer raises groundnut or a pulse crop during the second season in a portion of his land.
- When it was indicated that the entire command area of the nearby Kumarasamudram tank (case study tank) is raised with second crop paddy, and asked why their tank was empty, a farmer charged a leading farmer (who was also present during the focus group discussion) that he had not allowed to impound water in the tank during a heavy rainfall received at the end of the first crop season saying the reason that he would incur loss in his fishing contract (bid amount is Rs.3,000) as the fishes would escape through the supply channel. They said that this has happened due to lack of unity among the farmers resulting in loss of opportunity for all the other farmers to raise second crop paddy.
- The farmers are borrowing mainly from the money lenders to meet their urgent credit needs

since most of them exhausted the loans eligible for them through commercial and co-operative banks.

- All the farmers know about the functioning of the nearby Kumarasamudram Tank Association and about the benefits of VTADP works taken up with the support of DHAN Foundation. They appreciated the credit facilities with lower interest rate availed by the farmers of Kumarasamudram Tank through the MFGs. Though some of the farmers are interested to form Kothamangalam Tank Association to improve their income level, they could not do so, because many farmers especially the youngsters are not interested in agriculture because of high risk and low level of net income.

3.4 Impact of works implemented in Kumarasamudram Tank system

To assess the usefulness of VTADP components executed in Kumarasamudram Tank mostly qualitative data obtained from participatory method as mentioned below are used.

- Data collected from the registers and records maintained by the Tank Association and DHAN Foundation
- Data obtained through structured interview schedule from the randomly selected eighteen stratified sample farmers cultivating in the head, middle and tail reaches of each sluice command area in proportion (six respondents from sluice-1, nine from sluice-2 and three from sluice-3). The data thus obtained are tabulated and given in Table 6.
- Data received from key informants and subsequent focus group discussions had with the farmers, village elders and DHAN staff.
- Data collected from the control tank (i.e.) Kothamangalam tank as detailed in para5.4.

Based on the above mentioned data, usefulness of each VTADP component as experienced by the users of the Kumarasamudram tank system are brought out as detailed below:

Table 6 Response of the sample farmers on the effect of VTADP components in Kumarasamudram Tank System based on their experience

Total Number of respondents : 18 (six each in head, middle & tail reaches)

Sluice wise distribution of respondents : Sluice-I= 6 ; Sluice-II = 9; Sluice-III = 3

Sl. No.	Issues	Respondents in Nos			Respondents in %		
		High	Medium	Low	High	Medium	Low
A	Usefulness of Tank Rehabilitation works						
1	Supply channel works	13	5	0	72.2	27.8	0.0
2	Desilting of tank	17	1	0	94.4	5.6	0.0
3	Reconstruction of all the 3 sluices	18	0	0	100.0	0.0	0.0
4	Tank bund strengthening	12	4	2	66.7	22.2	11.1
5	Tree planting in tank bund	8	6	4	44.4	33.3	22.2
6	Community well	9	6	3	50.0	33.3	16.7
7	Threshing floor	11	4	3	61.1	22.2	16.7
B	Effect of Tank Association						
1	Maintenance & Management of the tank system	10	6	2	55.6	33.3	11.1
2	Acquiring water for the tank	16	2	0	88.9	11.1	0.0
3	Distribution of available tank & well water	3	8	7	16.7	44.4	38.9
4	Raising common fund	16	2	0	88.9	11.1	0.0
5	Improving tank users' morale	16	2	0	88.9	11.1	0.0
C	Usefulness of MFG						
1	Opportunity for availing loan	7	3	8	38.9	16.7	44.4
2	Improving Agricultural income	13	3	2	72.2	16.7	11.1
3	Improving other income	2	9	7	11.1	50.0	38.9
4	Improving group activity	9	7	2	50.0	38.9	11.1
D	Usefulness of VADC						
1	For improving productivity	9	4	5	50.0	22.2	27.8
2	For practicing organic farming	3	3	12	16.7	16.7	66.7
3	For change of crop	2	5	11	11.1	27.8	61.1
E	Impact of VTADP components						
1	Conservation of tank system	17	1	0	94.4	5.6	0.0
2	Increase in total crop production	15	2	1	83.3	11.1	5.6
3	More net income from tankfed agriculture	14	2	2	77.8	11.1	11.1
4	Increase in cropped area	0	1	17	0.0	5.6	94.4
5	More recharging of wells	3	6	9	16.7	33.3	50.0
6	Increased land value	14	3	1	77.8	16.7	5.6
7	Enhanced unity among farmers	17	1	0	94.4	5.6	0.0
8	Enabled the community in solving their problems	12	3	3	66.7	16.7	16.7
9	Additional Employment opportunities	3	4	11	16.7	22.2	61.1
10	Reduced migration	0	5	13	0.0	27.8	72.2

3.5 Impact of Tank rehabilitation works

3.5.1 Increased storage capacity

By removing about 6400 Cu.M of silt from the tank, the storage capacity of the tank has been increased by about 6400 Cu.M and to this extent, wastage of acquired water by over-flowing every time through the surplus weir during monsoon seasons is avoided. The increased storage of water due to desilting of tank and its effect are quantified as under:

Additional storage capacity created due to desilting of tank	= 6400 Cu.m
No. of fillings considered for designing the tank	= 2
Addl. Quantity of water stored in a year	= 2 x 6400 = 12800 Cu.m
Total registered command area	= 12.83 ha
Annual crop area (Total command area less perennial crop area)	= 12.83 - 4.49 = 8.34 ha
Case 1 (considering the total command area)	
Addl. Quantity of water available per unit command area	= 12.800 / 12.83 = 998 Cu.m/ha. = 9.98 cm/ha.
Case 2 (considering the annual crop area only)	
Addl. Quantity of water available per unit annual crop area	= 12800 / 8.34 = 1535 Cu.m/ha. = 15.35 cm/ha.
Assuming the depth of each irrigation for paddy crop as 5cm, additional no of irrigations possible due to desilting of tanks	= 15.35 / 5 = 3.07 or 3 irrigations

Thus, it is found that the command area raised with paddy crop is getting 15.35 cm of water additionally during a normal rainfall year due to the desilting of tank, which is equivalent to 3 more irrigations possible in a crop season than before desilting. Because of this known fact, this component is rated as highly useful by 17 out of 18 sample farmers.

3.5.2 Elimination of wastage through leaky sluices:
“Elimination of waste” is the most important and simple management technique in resource

management. It is worthwhile to note that in tank irrigation systems, more wastage of stored water occurs by leakage through faulty sluices as explained below hypothetically based on a very conservative assumption.

Let us assume a minimum leakage of 0.001 Cu.m./sec (approx. 0.05 Cusec) through each sluice when they are not open for irrigation (closed position). For this minimum leakage, the wastage of water in one irrigation season is computed below:

Total leakage through three sluices in their closed position	= 3 x 0.001 = 0.003 Cu.m./sec
Normal hours of closing of sluices in a day	= 12 hrs.
Loss through leakages through 3 sluices in a day	= 0.003 x 12 x 60 x 60 = 129.6 Cu.m/day
Total loss during one irrigation season of 100 days	= 12960 Cu.m
Loss per unit area of paddy crop	= 12960/8.35 = 1554 Cu.m/ha. = 15.54 cm/ha.
Assuming the depth of each irrigation for paddy crop as 5 cm, loss of no. of irrigations due to leakage through 3 sluices in their closed position	= 15.54 / 5 = 3.108 or 3 irrigations

Thus, it is seen that even for a very minimum leakage through the sluices in their closed position, water sufficient for three irrigations in the total command area is lost. Since the leakages through the sluices have been arrested by reconstructing all the three sluices with the provision of shutter arrangement, all the 18 sample farmers rate this as a highly useful component. The lesser rating for tank bund strengthening (12 high, 4 medium and 2 low) is on the reason that some farmers consider this work as a protective measure only.

Though the usefulness of community well was thought to be high, only nine sample farmers rated it as “high”, six as “medium” and three as “low” for

two reasons namely 1) as the well is fitted with diesel pump set, the rate of hire charges works out to be high and the pumping hours required for one irrigation in porous fields are more, and 2) water could not be pumped out from the borewell sunk inside the open well during the dry season without erecting the electrically operated submersible pump set.

The threshing floor constructed in the upland is more useful for the farmers to get pure and effective grain recovery.

By interacting with the key informants and through focus group discussions, it is estimated that the paddy yield after the tank rehabilitation supported with VADC activities ranges from 30 to 37 bags per acre. On a conservative estimate, the average yield has increased by 5 bags per acre and the additional net income of Rs.2,000 per acre at the prevailing price of paddy at Rs. 600/ per bag after the tank rehabilitation taken up under VTADP. By comparing with the status in the control tank, we can say that the additional benefits are due to the effect of VTADP works implemented in Kumarasamudram Tank System and the additional production is quantified as under:

Normal paddy crop area under the tank	= 8.34 ha or 20.61 acres.
Addl. Crop production due to VTADP	= 20.61 x 5 = 103.05 bags or 7.73 tones of paddy
Value of addl. Production at the price of Rs.400/bag	Rs. 61,830

From the farmers' views (which are highly reasonable because of their experience) and from the ground realities it has become evident that the tank system after the rehabilitation has become more dependable for raising one monsoon crop every year with the supplementary irrigation through the wells whenever needed. This condition reduces the risk of crop failure and makes the farmers to use adequate inputs in their fields to get maximum production without any fear of loss. Hence with such valid reasons, it is discerned that the tank rehabilitation works have facilitated increase in productivity and additional net income.

3.5.3 Impact of forming Kumarasamudram Tank Association

Promotion of Kumarasamudram Tank Association has improved the unity among the farmers having heterogeneous needs and enhanced the group morale in addressing their common problems collectively. The Association has generated common fund by winning contract from the Panchayat Union for fishing and for cutting Prosopis Juliflora trees in the tank and earned Rs.6,000 and Rs.1,51,500 (Rs.25,500 during 2000-2001 and Rs.1,26,000 during 2005-2006) respectively. As on 31st March 2008, the balance amount on common fund account is Rs.1, 47,000 . So, sixteen out of eighteen sample farmers have rated the farmers' morale and common fund building as "high". The Association has utilized the common fund for acquiring 10.5 cents of land to form a gravel road connecting the village to the Thirumanimutharu river bridge for easy access to the tank from the village. Also, every year some amount is spent from the common fund for heading up water in the river for diverting enough water to the tank and for clearing the bushes on the bund. They also utilized the common fund for depositing as people's contribution amount to set right the flood damages by utilising the 75% grant offered by DHAN Foundation.

Regarding the roles of maintaining tank system and distribution of irrigation water, ten and eleven sample farmers respectively have rated them as 'high'. It is evident that the Tank Association has brought some order in tank irrigation and built confidence among the farmers in the maintenance and management of tank system for the betterment of all the users by mobilizing common fund and used collective strength in approaching the main stream institutions for support.

The Impact of Tank Association is also weighed in comparison with the control tank, wherein a single individual, just because of his fishing contract has ruthlessly not allowed even to impound water in the tank thus denying the opportunity for the fellow farmers to raise a second crop. Had there been a Tank Association for collective action, not only such a precarious situation could have been avoided but also the tank system could have been rehabilitated well for the uplift of poor farmers.

The existence of the formal TA facilitates in enhancing the quality of helping each other and because of this reason the well owning farmers in Kumarasamudram tank are generous in sharing their available water with other needy farmers near by. This is not the case with Kothamangalam tank where there are no group activities.

The focus group discussions had at the Vellinipatty village gave good insights in to the management of the tank system and its sustainability. Brief details are given below:

3.5.4 Management of Tank system: The farmers are aware of the fact that the Government seldom involve in the management of tanks except in structural maintenance of the system occasionally, since the tank systems are smaller in size and larger in number with wider geographic distribution. They also agree that the tanks have to be managed inevitably by the users, as their management by Govt. Agencies will result in huge organizational expenditure, the effectiveness and efficiency of which have to depend again on the involvement of users only. By realising this, informal organizations are operating in every tank system with a few or more of the following tasks by collecting contributions from the tank users now and then on issue basis to meet the cost of works.

- Clearing of channels every year during the commencement of cultivation season.
- Sluice operations and water distribution in a traditional way.
- Arranging to safeguard the tank system during floods.
- Arranging to bring extra water to the tank by diverting the near by flows.
- Minor maintenance work and settlement of irrigation conflicts.

Perhaps, the existence of informal groups may be due to the social response to water scarcity and it could be seen that there exists a deterministic

relationship between water scarcity and intensity of group effort. The farmers benefited by traditional distribution methods normally dominate the informal groups. DHAN Foundation well utilized the then existing informal Tank Farmers Association in Kumarasamudram Tank and motivated to formalize the TA. This has resulted in good fund mobilization and financial accounting.

3.5.5 Impact of MFG activities

The three MFGs formed in Vellinipatty village are fairly doing well in extending credit facilities to their members. The savings and credit details of each group as on 31st March 2008 are furnished already in Table 4. The purpose-wise loan details are now given in Table 7 in order to assess the value of services rendered by each MFG.

Table 7: Purpose wise loan distribution through MFGs as on 31st March 2008

Purpose of loan	Unit	Aindhu nilai nattar	Pirandodi	Nethaji	Total
Agriculture	Nos	56	10	26	92
	Amt	213,450	21500	122,850	357,800
Outside debt (Agriculture)	Nos	2	0	23	25
	Amt	12,500	0	113,300	125,800
Outside debt (others)	Nos	0	2	6	8
	Amt	0	3800	43,100	46,900
Consumption	Nos	15	2	13	30
	Amt	33,550	3000	29,00	66,050
Marriage	Nos	1	0	0	1
	Amt	20,000	0	0	20,000
House	Nos	4	1	01	6
	Amt	40,000	1550	7,850	49,400
Assets	Nos	10	0	1	11
	Amt	85,300	0	10,000	95,300
Business	Nos	4	0	2	6
	Amt	42,500	0	14,000	56,500
Total No. of loans		91	15	72	178
Total Amount		412,600	28,850	340,600	782,050

From the Table 7, it could be seen that loans for farm expenses tops the purpose wise list of loans with 92 loans for a total value of Rs.357,800; followed by loans taken for clearing outside debts taken already for farming, which amounts to 25 loans worth of Rs. 125,800. Thus the total no. of loans for agriculture comes to 121 for a total value of Rs. 483,600. It constitutes 62 percent of the total loans availed by the members. It clearly shows the contribution of MFGs in meeting farm credit needs of the members. From this data, it is evident beyond doubt that people have benefited by the savings and credit facilities made available by the MFGs as many of them had no access to banks earlier other than money lenders who charged very high interest rates.

One of the objectives of forming MFGs is to improve the group action for common purpose and to sustain the Tank Associations which are active mostly during monsoon seasons only. Nine sample farmers out of eighteen have rated this use as 'high', seven as medium and two as low. Since the credit facilities available through MFGs are more useful for timely expenditure on cultivation operations, 13 sample farmers rate this purpose as 'high'. We can also justify the benefit of MFGs by comparing with the "control tank" where the farmers are at the mercy of money lenders as they have exhausted the loans eligible through, commercial and co-operative banks.

3.5.6 Effect of VADC Activities

The VADC is functioning for the benefit of farmers of Vellinipatty village. In addition to conducting Trainings on farm production system with emphasis on organic farming and alternate crops in place of paddy, the VADC has extended the following services to the farmers with the objective of improving their farm income.

- Fifty Soil samples and five water samples are tested and the results with recommendations furnished to the farmers.
- Getting quality paddy seeds and vegetable seeds from Agriculture college and distribution to 20 farmers.
- Arranged exposure visit for the farmers to learn more about integrated farming to get more income.

- Horticulture development by arranging to procure quality seedlings for 7 farmers.
- Imparted training to 45 farmers on raising alternative crops requiring less water.

Nine out of eighteen sample farmers rate the usefulness of VADC activities in improving the productivity as high, and four of them rate it as "medium".

4.0 Overall impact of VTADP components

By analyzing the data collected from the sample farmers, focus group discussions and field observations, the overall impact of the VTADP works is evaluated with respect to different indicators as under:

4.1 Impact of Tank rehabilitation works

From the consistent results shown by both the methods, the tank rehabilitation components such as de-silting of tank bed, improvements to supply channel, elimination of leakage through sluices & surplus weirs are found to be the most effective components for sustaining the tankfed agriculture. These development works make the tank system more dependable which in turn facilitate maximising the crop productivity because of applying adequate inputs without any fear of loss. These works are effective in stabilizing the existing registered command area without any gap and in increasing the total crop production in the command area under the rehabilitated tank systems. Considering the present status of the rainfed tank systems and the need of the tank users, the study also indicates that these three components of tank rehabilitation in combination has the effect of synergy to produce more than the expected results in terms of additional income to the farmers.

Community well provided with electrical pump set is of much use to the small and marginal farmers to offset the vagaries of monsoon. Another inference of the impact study is that the tank rehabilitation works have not brought any additional area under irrigation. This is mainly because; there is no commandable additional area available in the fringes. The resultant is that the physical improvement works carried out by

the TA to tank system with their cost sharing for acquiring and storing enough water have benefited the users much.

4.2 Impact of the Tank Association

The sample study indicate the strong effect of TA on the maintenance of rehabilitated tank system as 45 % of the respondents rated its performance as 'high', and 44 % as 'medium', 9% as 'low' and 2% as 'nil', in the 'case study' it is rated as 'high' by 55.6% of the respondents. The roles of TA in acquiring more water for the tank and mobilising funds are found to be effective. But they are seasonal only. In general, the functioning of TAs has boosted the morale of tank users in the conservation and development of tank systems and the group effort. This can be sustained with the vibrancy of the TAs in all respects of operation, maintenance and management of their rehabilitated tank systems. Financial resources are essential for this. The effectiveness of TAs in its real sense has a direct bearing on the fund mobilization. An active TA can secure funds from many sources including the mainstream institutions. If the TAs are able to enter into agreement with the Panchayats as initiated by DHAN Foundation, they can also raise additional funds by sharing the usufructs with the Panchayats. But, there is need for putting further effort at policy level to fulfill this task.

4.3 Impact of MFGs

From the inferences it is construed that MFG activities are generally useful in enhancing the group activity particularly in making the TAs active throughout the year as aimed. The case study result also reflects this inference. The credits extended by MFGs are useful in improving the agricultural productivity and net income. But they could not meet the credit needs of farmers in full as the credit service is constrained by the limited mobilization of funds. Nevertheless, MFGs

have reduced the burden of higher interest rates charged hitherto by the local money lenders to the extent of revolving loan amount through MFGs. In the case study of Kumarasamudram, the loan amount revolving is found to be Rs. 7.82 lakhs and it is an indicator for all the MFGs promoted so far.

4.4 Overall impact

The conservation of the Kumarasamudram tank system through physical improvement works and the enhancement of unity among the farmers are accepted as the important achievements by 17 out of 18 sample farmers by rating them as "high". The increase in crop production is accepted with the rating of "high" by 15 respondents. Similarly, the increase in net income from tank fed agriculture and increase in land value after the VTADP works are approved by 14 sample farmers by rating each of them as "high". Twelve respondents have accepted that the community has been enabled to solve their problems. Thus from the case study, it is established that the VTADP has created or facilitated the following effects which have been justified by the tank users who have executed the works and with their cost sharing.

- Dependability of the tank system has improved much for raising at least one successful crop without any risk.
- The tank system has been conserved to restore the village livelihood system depending on this tank.
- The crop yield in the tankfed agriculture has increased by 5 bags of paddy per acre with an additional income of Rs. 3,000 per acre.
- It has enhanced the unity and relationship among the people by creating an environment to get them enabled to address their problems on their own.
- The MFGs could meet substantial credit needs of people especially the poor.

Vayalagam: Seeds of hope

Pavagada the most backward and drought prone taluk of Tumkur district in Karnataka. It receives an annual average rainfall of 415 mm. Agriculture is the primary source of livelihoods for the people in Pavagada. Dry-land agriculture surpasses the wetland farming and Horticulture. Total cultivable area of the taluk is 77,709 hectares, of which oil seeds occupy 85 percent of the cultivable area. Groundnut is the major crop which covers 92.1 percent of the total oil seeds and is the only lifeline for farmers. Most of the farmers acclimatized to this crop and are hesitant to cultivate other crops.

Seed village programme

The seed village programme is one of the main activities of National Seed Project (NSP), a project launched by the Indian Council of Agriculture Research (ICAR), New Delhi. The programme tries to involve the farmers in a particular village to take up seed production at a large scale. For the operational viability of the activity, a minimum of 30-50 farmers of the particular village need to cultivate that crop. The objectives of this project are to encourage the farmers to use improved seeds and replace their stock seeds with less vigor due to genetic erosion; secondly to motivate the farmers to take up seed production, and provide good quality seeds at the appropriate time.

Seed village programme in Pavagada

Being a drought prone area and the largest producer of groundnut crop, the farmers in the Pavagada taluk face a lot of problems in getting quality seeds during the monsoon season. If the seeds are not available at the time of first rain in the month of June, they will have to lose precious time of sowing and consequently the crop yield. Because of scanty rainfall and no other irrigation facilities, they would usually harvest below the average yield. The worst hit was the small and marginal farmers. The big farmers used to keep aside seeds grown-up in their field. Whereas, the small and marginal farmers cannot afford it as the harvest they get might not even meet their household consumption needs. The seeds supplied by the government during the season at subsidised rate

could meet only 10-15 percent of their demand, that too not at appropriate time. They had to spend a lot of money in bringing good seeds from distant places.

Pavagada Taluk Keregala Jalamamvardhane Vayalagam Okkoota (PTKJSVO) is a network of 41 Tank Farmers' Associations (TFAs) promoted by DHAN to implement the Jala Samvardhane Yojana Sanga (JSYS) project in Pavagada. For the DHAN team, working in this taluk since five years, it was one of the main issues to tackle and they decided to find a collective solution for this. The team members discussed this with federation leaders and introduced them the NSP, and explained the features of the project to address the issues of quality seeds. They motivated the leaders to discuss the advantages of the seed programme with their fellow members in their group meetings. After getting acceptance from many groups, along with federation leaders, they approached NSP to implement the project.

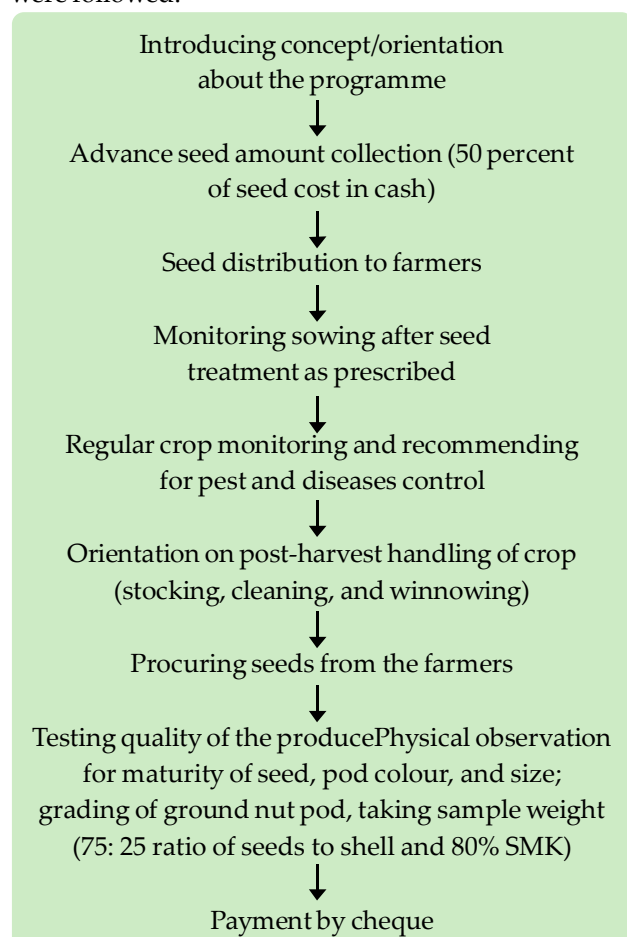
Salient features of the programme

- **Seeds distribution at 50 % seed cost:** In order to facilitate farmers to take up this activity, NSP supply seeds to the farmers at 50 percent initial seed cost. The farmers are allowed to pay the remaining 50 percent at the time of marketing. This arrangement is aimed at building confidence among the farmers and facilitating them to sell the produce to NSP.
- **Regular monitoring and technical support:** At regular intervals the NSP officials would visit the farmer's field for crop monitoring. As per the requirement they would provide recommendations to control pest and disease, and other crop improvement strategies at critical stage for better crop yield.
- **Buy back of produce at fairly good price:** The market price for the produce would be fixed well in advance and the NSP agrees to abide by the quoted price irrespective of market fluctuation. In case of higher market price as compared to NSP price, they would revise the price to ensure at least 15 percent higher rate compared to market price to meet the purpose.
- **Seed certification arrangements:** In order to bring authenticity and to ensure quality of the farmer's produce, the NSP would make

arrangement for seed certification through the district certification agency to take appropriate steps to look in to the quality aspects before certifying the seeds for marketing.

Implementation

There was no rigid prescription of methodology on how to implement the programme, except technical standards and procedures as laid out by the NSP; the federation team came out with a well designed implantation plan. Though the federation in Pavagada has been promoted recently, they did not hesitate to take up this programme as they felt that it would bring an identity and confidence to take many such programmes in the future. The following process steps were followed:



- The federation took the ownership:** From the very beginning all the federation leaders involved fully into all the processes. Activities such as, seeding the concept, taking appropriate decisions, and cash collection were done by the federation.
- TFAs and Cascade Association meetings were used as a platform:** Two members represent from each Cascade Association, the next level of TFA, in the federation executive committee. Therefore there was a geographical representation from each project village, which made the implementation easy. The meetings of all these institutions were used for information collection, dissemination and for taking collective decision.
- Federation leaders were involved fully:** The community was placed at the centre in all the stages of implementation. The Farmers' leaders were encouraged to carryout the coordination activities, so as to instill in them the value of collective efforts. The leaders worked proactively and responded positively at all stages of implementation.

Benefits to the farmers:

From the farmers point of view the benefits from this programme were many. Farmers were able to visualise the benefits, and felt very happy that they haven't imagined such an impact. Some of the direct benefits people recognised were:

- Getting quality seeds in time:** Getting quality seeds in time during the monsoon season itself was a good achievement. As there was a lot of demand for the seeds, the agriculture department was unable to supply required quantity of seeds. Due to the project, they got good quality seeds in time, which is one of the main prerequisites for better yield.
- Less investment on seeds:** As the NSP supplied seeds at 50 percent initial seed cost, it gave an additional advantage for the people who were struggling a lot for the initial investment. As the taluk is prone for frequent drought and majority of the farmers are small and marginal, this option was really a boon for them.
- Technical support on crop management:** Because of this programme, the NSP officials as well as DHAN professionals gave continuous support to the farmers on crop package of practice. There was a continuous field visit from these officials at regular intervals through out the cropping period

to monitor the crop. The farmers received timely advices on controlling the pests and diseases.

- **Better yield because of quality seeds:** Quality of seeds is one of the most important parameters which determine the crop yield such as germination rate, resistance to pests and diseases. Due to assured quality of seeds, the farmers could realise an additional yield of 0.5 to 2 quintal per acre.
- **Middle men were avoided:** Earlier, the farmers were unorganized and vulnerable for all sorts of exploitation by middlemen. Digital weighing balances were introduced to avoid the improper weighing practices followed earlier by the traders and commission agents. Also in traditional marketing system there was a practice of deducting 1-3 kg per quintal of produce in the name of handling-loss. The collective production and marketing with the facilitation of federation, middlemen were completely avoided, and the farmers could reap all the benefits.
- **Less transportation cost:** Collective marketing helped them to save transportation cost by sharing with all the farm-holdings which contributed to increased profit.
- **Loading and unloading by the farmers:** Farmers collectively decided to provide their labour to load and unload their produces, with which they could save the money that they used to payout for the coolie / hamali.
- **Better price:** The NSP agreed in the beginning to pay an assured price of Rs. 2800 per quintal irrespective of market price fluctuation. Accordingly farmers got an additional benefit of Rs. 750 per quintal as the market price during the period was only between Rs.1800-2300 per quintal.
- **Timely payment:** The NSP responded very well and ensured the timely payment for the farmers, which was not the case earlier with the commission agents and traders.
- **Additional benefits through promotional incentives:** In order to motivate and encourage farmers to involve continuously in the seed village programme, the government waived off the remaining 50 percent of the seed cost. Because of this farmer could save Rs.1400 per quintal.



Area covered under groundnut crop	: 720 acre
Groundnut crop varieties selected	: TMV-2, JL-24
Groundnut seeds supplied	: 331 quintal
Value of seeds supplied	: Rs. 9.27 lakhs
Farmers benefited from the programme	: 430
Villages covered under the programme	: 34
Panchayat covered under the programme	: 12
Total crop production	: 4320 quintal
Seeds procured from farmers	: 3050 quintal
Payments to farmers	: Rs. 85.40 lakhs
Certification incentive to federation	: Rs. 8.40 lakhs (Rs. 600 per quintal)

Impact on the Federation

Corpus fund created for the federation: As the programme was undertaken as an entry point activity of the federation, it was proposed by the federation board members to create a corpus fund for the federation for its future maintenance. The federation board had detailed deliberations on the corpus creation and service cost collection. The farmers' groups decided to collect Rs. 50 per quintal of seeds procured from the farmers as service charge, which contributed Rs. 1.53 lakhs of service charge to the federation. In the meanwhile the government waived off the balance 50 percent seed cost after the repayment to motivate the farmers to continue in seed production in the coming years. As decided earlier, the farmers agreed to contribute as a corpus fund to

the federation to take up any such livelihoods intervention programmes in the coming years. It could bring Rs. 4.63 lakhs to the federation. By this way the federation could create a corpus of Rs. 14.56 lakhs for the federation.

In addition, the seed village programme has created very good impact both at the village as well as block level. In many ways, it was first of its kind for the federation, wherein 430 small and marginal farmers from 34 villages have participated in the programme.

- The programme could create an identity to the federation. It also demonstrated the strength of the people institution for doing this kind of collective action. The programme also gave very good identity to the federation, which in turn created a lot of scope for many such partnerships.
- The programme also gave an exposure for both federation leaders as well as people about various line departments. The various functions conducted in between the programme have helped people and the department officials to know each other and the facilities available.
- The programme helped the members to realise the strengths of collective action. It has brought confidence among the farmers to take up similar initiatives in the future.

Field day celebration: During harvest time, field day was conducted in one of the seed villages Gundarlahalli. The Vice Chancellor, Agriculture University, Bangalore was the chief guest. The purpose of this programme was to share the learnings and to motivate the farmers for further propagation of seed village technology. The response from the farmers for this programme was overwhelming. The Vice Chancellor promised to set up a Krishi Vigyan Kendra in Pavagada.

Groundnut shandy day: In order to motivate and facilitate farmers for groundnut marketing, 'groundnut sandy day' was organised. The farmers sold the left out groundnut during the event. The purpose of this event was to buy back the groundnut as much as possible to meet the seed requirement. This programme also gave very good result as around 500 quintal of groundnut was procured from the farmers during the event.

Incremental benefits to farmers: The average additional yield was calculated as 0.5 quintals. By saving loading and unloading charges, avoiding improper weighing practice, added with the

additional price paid as assured by the NSP irrespective of market price fall, the farmers could realise an incremental benefit of Rs. 5,369 per acre. The farmers could collectively enjoy an incremental benefit of Rs. 65.66 lakhs.

Table: Incremental benefit per acre to farmers

Particulars	Amount
Additional yield @ Rs. 2,800 per quintal for 0.5 quintals	1,400
Saving from hamali/coolie @ 2 Kg per bag for 4.5 bags	198
Savings by avoiding improper weighing practice @ 3 Kg per bag for 6 bags	396
Additional price @ Rs. 750 per quintal for 4.5 quintals	3,375
Incremental benefit (Rs. Per acre)	5,369

Learnings of the programme

Learnings from the programme are immense. Every day brought new learnings and excitement to the team. Some of the important learnings of this programme were as followed.

- The groundnut grown under this programme is mainly for seed production purpose. To ensure good quality groundnut pod, the grading of the produce is very much essential. In order to ensure the quality of seeds, efficient grading machine facility should have been made available well in advance.
- Safe storage is very much essential to maintain the quality of the stored product. So, safe and hygienic storage facilities need to be arranged well in advance for smooth operation of the programme.
- Timely and transparent financial transaction is one of the main prerequisites for the success of any collective activity. Though NSP has first time involved in this type of major programme, the response we got in the timely payment for the produce was very much appreciable.
- The farmers who did not participate in the programme in the same village have also grown the crop of their own variety. It was a Herculean task to prevent any adulteration in the wake of good price offered by NSP. Because of rapport with the farmers and the efforts of the leaders it was handled carefully.

Impact of DHAN Programmes

Impact of DHAN Programmes

Impact of Rainfed Farming

Agriculture is the major user of available water resources, consuming as much as 70 to 85 percent. Many studies carried out by various institutions and scientists go to show that there is a good scope to reduce the allocation and use of water for irrigated agricultural land without adverse impact on productivity. Many of the recommendations for economizing water use entail inputs which call for additional investment by way of labour or equipment involving recurring expenditure.

It is essential to understand the mindset of farmers and other contextual features of the area to understand the activities undertaken by them in managing their natural resources, particularly their land. The farmers involved in rainfed farming invest a lot in upgrading their land. In recent days farmers no longer see farming as worth enough for investment. In contrast, farmers are continued to invest on their land. Even returned migrant farmers, after meeting immediate family needs, go for investing on their land. More than 80 % of the farmers fall under small and marginal category, that too with fragmented parcels of land. Undulating terrain is common in upper part of the watersheds. Another contextual feature is that significant portion of the cultivated land came into private ownership, just before three to five decades. Earlier those lands were part of the forest and village common property.

The rainfed theme has chosen land development approach rather than soil and water conservation approach. 'Land development' is considered to be a fixed investment intervention that enhances the suitability of land for cultivation of crops. The rainfed theme follows this approach in thin alignment with the perspective of the farmers and the experiences of the farmers in such activities. The indigenous methods used to develop lands had a number of

advantages. The examples were silt application, *Prosopis* and *Cyanodan dactylon* clearance and conversion of uncultivable land into cultivable land. The land development activities taken up by the farmers on their own were land leveling, stone bunding and silt application. The other common activity was conversion of uncultivable land into cultivable one.

Land leveling

Land leveling is nothing but removing soil from the upper portion of the land and filling the lower portion so that both of them come to the same level. The farmers have shown more interest for land leveling. They leveled their lands along with earthen or stone bunding. Having convinced on the utility of this work, in spite of heavy investment needed for this activity, the farmers have gone in for this work in many places. It was a common practice to cut surfaces ranging from 0.75 to 3 m in the field area. Another related aspect was that they took up this activity in the areas where the soil depth was very shallow. Farmers said that they will bring back the original fertility level within two to three years by sheep/goat penning and / or by application of silt. One more interesting aspect of this activity was that only well to do farmers has gone for one time investment. The other farmers did this over years step by step. In situ rainfall conservation could be an expected output. But the aspiration of the farmers was not just soil and water conservation. Asset upgradation was their ultimate goal, with the aim of enhancing the production potential of limited parcels of land they own, as much as possible. So far 284 acres of lands were leveled by farmers with 25% contribution. The value of work done was Rs. 23.13 lakhs; but in reality they went beyond this and did works worth of 130 to 200 % of their actual estimate.

The following impact was observed in the field.

- Increase in yield due to better rain water conservation
- Increase in income due to conversion of rainfed land to irrigated land as this makes possible assured yield of both food crops like paddy and finger millet but also cash crops like vegetables and sugarcane
- Improvement in food security
- Increase in the value of treated land and so increase in asset base
- Increase in employment due to increase in cropping intensity

Stone bunding: This activity was carried out exclusively or as part of land levelling. We have observed three kinds of stone bunding.

Slope stabilizing Stone Bunding is the most common Stone Bunding type, made of one column of stones. It stabilizes the steep slope created during land leveling. When the height was more than one meter, large boulders were used.

Gully Levelling Stone Bunding helps reclaim the land lost through gully formation. It is usually made with two columns of stone bunding, in between space filled with rough stones and wet soil. The breadth depends on the depth of gully and erosive capacity of the water course. This intervention is a classic example of “*concentration*” approach instead of the conventional “*conservation*” approach, where the soil is expected to stay in the same field. Because of the stone bund, soil from far away fields start accumulating (concentrating) in the gully and in a matter of 5 to 10 years the farmer gets a piece of land rich with surface soil, in the place of the gully.

Boundary marking Stone Bunding resembles the slope stabilizing stone bunding but built for marking the field boundary and to ensure that the nearby farmer do not push the boundary.

The stone bunding activity seemed to be very suitable for this area since a lot of stones are available in the local area. Many times stone bunding and rock removal were combined so that the farmer receive double benefits from a single activity. It is such an old

practice in this location that we can see a large number of stone bunding which are up to five decades old. There is even a mini-dam like stone bunding which is more than 80 m length and 2.5 m breadth. Because of our intervention, stone bunding running for a length of 10554 metres was taken up in 10 watersheds with 25% contribution. The value of work done was Rs. 7.70 lakhs. Because of stone bunding, we could observe increase in yield due to better rainfall and soil conservation and increase in the value of treated land that resulted in increase in asset base.

Earthen bunding: The common type of earthen bunding is done to retain soil brought during land leveling. Earthen bund to retain run off and soil from upper part of the field is less preferred because the farmers think that they lose significant land area. Even if the third type of bund is created, it is done by scooping soil from the down stream and / or by moving the soil from upstream, and rarely by making trenches in the upstream. So this activity is more like an introduced activity. So far 12081 running metre of earthen bunding was taken up in 10 watersheds with 25 % contribution. The value of work done is Rs. 1.68 lakhs.

Conversion of uncultivable land into cultivable land

This is also a common activity undertaken under NRM component by the farmers. This activity usually involves rock removal, jungle clearance and land leveling in land closer to the cultivated land. The strategy of the farmers was to increase the area under cultivation (i.e. asset building), to the potential limit, as most of them were small and marginal farmers. Sometimes the expenditure was so high to an extent equivalent to buying the same area. Farmers willingly have taken up this activity though they had to contribute 50% of the estimated cost of work. So far 14 acres were brought under cultivation by farmers. The value of work done was Rs. 3.23 lakhs; but the farmers did works worth of 150 to 200 % of the estimate. This activity could result in increase in income and employment due to increase in area cultivated, improvement in food security and increase in asset base.

Tapping subsurface flow through ponds

Farmers have tapped subsurface flow by constructing small ponds and shallow well, wherever there was a potential. Even if there was no surface water supply these ponds automatically got supply from the subsurface. It was everyone's surprise that how did these farmers identify such locations. They opine that restoring these structures is the most cost effective activity, as the benefits are immediate and significant. This type of intervention has helped them to increase their income and employment due to increase in area cultivated. Improvement in food security by protecting crop yield was the other major impact as these ponds serve as life irrigation source and some times as sole irrigation source in wet and dry cultivation.

Construction of check dams along drainage lines

Construction of check dams along drainage lines to capture the rain water runoff which would provide water for life irrigation to crops raised and help to recharge the wells (ground water) in the adjoining lands. After the construction of the masonry check dam in Kothur watershed, it became easy for farmers to irrigate. In addition, around 25 wells on the sides & down stream got recharged as an effect of this construction. The silt and sand that is being deposited above the check dam is very much useful for the farmers for construction works. The watershed association has a local regulating policy for sand mining to protect the check dam at the same time to increase storage capacity which they strictly follow.

Soil amendment:

Soil amendment is a popular activity, where the farmers add silt in red loamy field and add red soil in heavy clay and calcareous soils to improve the soil structure. Besides that silt is commonly applied to worn out soils and freshly leveled lands to compensate for lost fertility. Though the state agencies do not recommend this activity due very high possibilities of frauds, if organized well this is one of very successful activities. So far soil amendment was taken up in 225 acres by farmers with 25 % contribution. The value of work done was Rs. 10.79 lakhs; but most of the activities were taken up with an

investment that more than the estimate. About 30 percent increase in yield and income due to better rainfall conservation and fertility was the impact realized by the farmers. It also helped in desilting of tanks and ponds.

Supply channel to the Oorani (Drinking water pond)

At the time of the first watershed development association meeting held in 2002, in Sengapadai village, Tamil Nadu, the farmers in the Watershed Association stated that previous three years there had been a continuous drought. The people grumbled about the scarcity for drinking water. There was no water in the community open well existing inside an Oorani. Two Ooranis of the Sengapadai village had completely dried up, which were earlier augmenting ground water to almost 700 household wells. Hence, there was no water in almost all the wells. Villagers were suffering a lot for want of water for drinking and other domestic purposes. A series of meetings were conducted and decision was taken to give life to the Ooranis. A supply channel of the east Oorani was encroached by the villagers and for more than 30 years the catchment's runoff water was not flowing into the Oorani. With NWDPRA fund, the supply channel was desilted after completely evicting the encroachments with people participation and contribution.

For the west Oorani the water flow from a nearby stream was diverted into the oorani by constructing diversion weir across the stream which carried water into a small river called Goundanathi. A new take off channel was created from the diversion weir to carry the water to the Oorani. An inlet cum outlet was constructed with shutter arrangements. These works have been very effective and helpful to fill the rainwater in every year. The community well was also deepened for two meters. The community well, seven hand bores and all the 700 household wells situated within a radius of about 750 meters have been recharged soon after the Ooranies got filled. The villagers were very happy about this impact. One more bore well was drilled as an entry point activity of the NWDPRA on the bund of the East Oorani to fulfil the drinking water need of the 400 members. It supplies water to the community continuously for the past five years.



Hand pump near the East Oorani to benefit over 400 members in the village for drinking water supply



Open well in front of west Oorani. Deepened to benefit over 500 members in Sengapadai village

Following the farmers' way for NRM in watershed scheme

Taking up indigenous/well established activities under watershed scheme helps in,

1. Facilitates easy collection of Farmer's share / contribution
2. Implementation by the farmers themselves ensures the highest level of quality
3. Triggers value of work which is significantly more than allowed estimate, both in terms of size of the sanctioned activity and also the additional activities not included in the estimate, but taken up by farmers. This results in increase in private investment as a response to external support.
4. Results in high level of ownership and satisfaction.

5. Results in dispersed treatment of the watershed area, rather than the conventional ridge to valley approach conventionally recommended.

Conclusion

The small/marginal farmers involved in rainfed farming use asset upgradation and asset building as the main strategy for land development. Soil and water conservation is only a part of the implementation of these strategies. While benefit stream is difficult to calculate for the above mentioned activities in the rainfed situation, the increase in asset value very well compensates for investment made. Following their own strategies for implementation of watershed scheme though deviates from conventional ridge to valley approach, has many operational and impact benefits.

Impact of DHAN Programmes

Impact of DHAN Programmes

Coastal Conservation and Livelihoods Programme

DHAN's Enabling Livelihood Restoration Programme with the Tsunami affected communities

Michiel van der Drift¹

On request of OxfamNovib the Relief Programme and the Enabling Livelihood Restoration Programme implemented by DHAN Foundation after the December 2004 Tsunami have been evaluated. The evaluation took place in February 2007, two months before the end of the programme. The following report presents the summary of the findings / conclusions by the evaluator

The specific objectives of the evaluation were to assess the quality and effectiveness of the DHAN's relief and rehabilitation response programmes, with focus on outputs and outcomes. Special attention was placed on the social impact of the interventions and the factors and constraints that have contributed to the achievements, secondly the evaluation aimed at assessing DHAN's disaster response and disaster preparedness capacity.

Together with OxfamNovib it was decided to put emphasis on the first objective through extensive field visits. The ELR Programme covers in total 320 villages, divided over three states, 12 districts and 26 blocks. Out of these, in total 26 villages in 10 blocks, 5 districts in 2 states have been visited, roughly 8% of the sites. All different activities have been visited, and all different beneficiary groups have been met. Four DHAN regional offices have been visited. Selection of the villages to be visited has been done in close consultation with DHAN; however the mission had complete freedom of choice. In one of the districts the consultant has selected the villages and activities himself on a random sample basis in order to obtain a maximum of objectivity.

Coverage and Relevance

ELRP served a total of 61,500 families or roughly 300.000 persons in the 320 villages. Government of TN estimates a total of 1,000,000 persons affected in 1,100 villages along the coast. In the light of the total number of affected villages and people, DHAN's programme has been relevant.

Relief

DHAN has not been the first, and certainly not the only organisation to intervene after the disaster. From the start DHAN has opted to operate in the second line, filling the gaps and serving the indirectly affected victims left out by others. In the first week of January DHAN started the distribution of some food items on a small scale with donations that became available from all kind of private sources.

Field teams have been set up in 10 locations jointly with traditional partners and associates. In the first week of January 5 rapid assessment teams were launched. On basis of their finding on January 7 DHAN presented a relief proposal to OxfamNovib, which has been approved on January 13. Given the

¹ Michiel van der Drift is an independent consultant placed by OxfamNovib for the evaluation mission.

second line in which DHAN had chosen to operate, the reaction can be qualified as sufficient timely.

DHAN's relief approach

- Based on its development background DHAN started organising the direct and indirect Tsunami victims from the beginning in order to involve them in planning and implementation. Some form of participation has been present in all relief interventions with the objective to prevent aid dependency and prepare for the future
- A long term commitment has been aimed for from the very beginning. This sounds through in the beneficiary selection of direct but also indirect affected communities and the extension of the intervention area along a large part of the coast. Linking relief with rehabilitation and development has been the strategy from the start
- The intervention was also specific in what has not been done. Boats and permanent housing have been largely left out because the coverage was already high and these interventions became highly politicised. Focus has been put on the second line, on gap filling and on the left out.
- DHAN has recognised and acknowledged Government's efforts in rescue, evacuation and the set up of temporary shelter directly in the wake of the disaster. At the same time DHAN, through its advocacy efforts, has called on Government to recognise the needs of the indirectly affected communities that lost their employment
- Sphere Standards and the Code of Conduct as such had no impact on planning and implementation because DHAN as a development organisation had not been exposed to these humanitarian norms and standards. However awareness seems to be on the rise after Tsunami. It is recommended to introduce this subject in all DHAN training settings. Inclusion of contingency planning and its implementation through village level DM+P organisations and activities should make part of the curriculum.
- From this experience the lesson can be learned that in order to be effective in its relief intervention, a NGO does not necessarily have to fall back on its target group or prior R+R

experience. A good assessment, a clear policy and a pragmatic approach can make up for the absence of local knowledge and a target group.

Strategy and planning

The Enabling Livelihood Restoration Programme that followed the relief period has been closely linked, to the relief phase as well as to the structural core programme. The relief period served as a preparation and selection period, the core programme provided the policies, principles and procedures for the restoration phase. For the restoration phase the reach of the programme was extended, including all districts where DHAN was already operational, although often not in the (richer) coastal zone.

- DHAN has consequently worked towards a restoration programme in development mode. One of the strategic advantages is that the ELRP can easily be incorporated in the core programme at very low cost. No specific exit strategy is needed
- Field observation and MIS data confirm that DHAN's selection criteria have been effective in that 59% of the beneficiaries are at the survival level and in total 79% is below the poverty line. This is a good result in a rehabilitation context where poverty is not the only selection criterion
- Collaboration and relations with other stakeholders in the sector are good. The good relations with government pay off through access for people organisations to funds available under specific government schemes, not only as beneficiary but also as implementing agency
- No specific gender strategy has been elaborated for this programme. Men/ women proportions are in balance. DHAN seems to have a pragmatic stance towards gender.
- The project document is sufficiently clear but focus is on content, vision and strategy. Quantification of activities and the link between activities and the budget has been insufficiently worked out in the document and has complicated progress monitoring.

Implementation of the Programme

The restoration programme comprised four major clusters of activities. DHAN started with organising

fisherfolk, farmers and women in saving and credit groups. At a higher level clusters and federations of these people organisations were formed. Organisation in groups has been conditional for access to the livelihood restoration activities. Livelihood restoration comes as a loan in the bank account of the group and serves the group members as their own revolving fund. The members use this fund to implement their own livelihood activity and repay the loan to the group. Apart from these individual activities for members, community oriented livelihood activities can be implemented on a grant basis with participation of the community. Organising the people and individual and community livelihood restoration are the core activities of the ELRP and these have been applied programme wide. 65% Of the budget will be spent on these two components, that benefit 61,560 members.

To support the livelihood restoration programme a number of health and educational activities has been implemented in part of the programme area. To sustain the livelihood interventions a programme wide network of Village Information Centres has been created. On a smaller scale a programme for local participatory village development planning and democratisation of Panchayat Raj Institutions has been set up on a pilot basis.

Outputs and Outcomes

The conclusions regarding the outputs, outcomes and impact of the ELRP are exceptionally positive and DHAN and its funding partners have to be congratulated with these results.

- The ELRP programme has been effective. The results have clearly contributed to the short term objective of restoring livelihood of directly and indirectly affected Tsunami victims, with focus on the poorest. The longer term objective of sustainability has not been reached and will not come in sight during this phase
- The ELRP has been efficient. By the end of March almost all activities will have been finalised according to plan. In many of the programme components the final output will be higher than planned during the midterm reviewed plan
- The programme has also been cost effective in that 30% of the total budget has entered into revolving funds that belong to the target groups. This money will continue to contribute to development of the member groups and will also expand the number of groups as long as repayment on the individual loans will remain good. Repayment is actually sufficient in the ELRP. This approach compares favourable to the standard rehabilitation approach of handing out to the most needy
- Through organising the people, conditions are created for linking the groups to the banks. Bank linkages are conditional for further growth and sustainability of the people organisations and institutions. Linking with the banks has only just started. More time is needed to further develop these linkages. Organising in groups has life insurance under government scheme made a reality
- Not all secondary people institutions have been registered so far. They have been created, but need time to organise, develop and become effective
- The economic and social impact of the programme is important for men but more so for women, who benefit more and respond better to the livelihood restoration part of the programme
- Through DHAN, the programme has developed good relations with the local government bodies and the technical departments. These relations are based on mutual respect and inclusion. These relations are also productive in the sense that the people organisations have access to various government schemes as a beneficiary or as the implementing organisation
- The beneficiary selection by ELRP has been good. 80% of the beneficiaries come under the category survival or subsistence and are below the poverty line
- Beneficiary participation has been present in all programme activities in one form or another. The beneficiaries have been organised and prepared to take over from the beginning. This rehabilitation in a development mode has prevented the creation of handover or exit problems
- The Dairy Milk Factory will not be finished before the end of project and will extend into year 3. This is no problem as such. However given the

magnitude of the investment this activity should have been considered as a separate sub-project, based on a profound and independent marketing and feasibility study. Ownership and risk sharing should have been thoroughly worked out in advance. Besides, the donor should be separately informed about this kind of out of the ordinary sub-projects

- In general the preparation, pre-study and planning of one off projects like micro enterprises, pilot programmes etc. is insufficient and needs to be strengthened in the future when the programme is under less production stress
- Although financially still dependent, the VIC's fulfil important social functions in the community. The VIC plays a role in early warning for disasters. As such it has an important disaster preparedness function. This function should be enriched with the establishment of effective Village Disaster Management Committees. A first

step has been set, but the establishment of these committees should get more attention, training and inputs in order to become effective and sustainable

- It is too early to expect sustainability at this moment, although some KISC have already reached the break even point. The sustainability potential for the Satellite Village Training Centres, the KISC's and the PPG/PMG cooperative activities are good. Reaching sustainability will be a challenge for the VIC's and the CARC's, despite their importance for the community and the farmers. Care should be taken with handing over not sustainable activities to the federations
- Maintenance or cost coverage of new or rehabilitated infrastructures and activities should be taken up by the users in order to make it sustainable. The programme might focus more intensively on the needs and procedures for maintenance and cost recovery.

Impact on coastal livelihoods: the KMS experience

Along with farming, fishing is one of the oldest occupations of humankind. Fishing provides a rich and easily available source of protein and plays a vital role in improving the dietary standards. India is one of the seven fish producing countries of the world. In India, TamilNadu is one of the important Maritime States with rich Inland and Marine resources. It has a Coast line of 1000 KMs. and accounts for 15 percent of the total fish landings in India. Roughly one fourth of all Marine exports from the country are from TamilNadu.

Located on the southeastern tip of the subcontinent, the Gulf of Mannar (GoM) is known to harbor over 3,600 species of flora and fauna, making it one of the richest coastal regions in Asia. 117 hard coral species have been recorded in the GoM. Sea turtles are frequent visitors to the gulf as are sacred sharks, dugongs, and dolphins. The GoM alone produces about 20% of the marine fish catch in Tamil Nadu. More than 50,000 fishermen living on the coast of the GoM directly depend on the fisheries resources of the reserve for their livelihood. Fish catches have declined, as have pearl oyster, gorgonian coral, and



acorn worm populations. Local fishermen rely on the reef to feed their families, but destructive fishing methods combined with the stress of pollution and coral mining have meant both near shore and offshore catches have decreased. Endangered species include dolphins, Dugongs, Whales and Sea cucumbers.

Fishermen's plight

The tsunami is only the latest misery in the lives of fishermen in the coastal TamilNadu. The grip that traders, moneylenders and other vested interests have on these people has always kept them downtrodden and powerless. The GoM is not an

exception to it. The destruction of the old social order based on the egalitarian principles of traditional hunter-gatherer communities into a class-based exploitative economy, in the short span of a few years, has had a tremendous impact on the people who, unwillingly, became victims of this transformation. Contributing to these, drainage of income due to alcoholism, expenses due to poor sanitation and health seeking behaviour, lack of education has made them to fall into the trap of trader's network for many generations.

Indebted for generations

In the coastal villages of GoM, when a fisherman gets a debt to meet his emergency needs or to purchase inputs for his business activity, he would fall into the vicious cycle of indebtedness. He would never be able to break this cycle and come out of it. He has to sell all his catches only to the merchant from whom he borrowed. Apart from fixing very low prices for their catch the merchants would use improper weighing scales. They reduce one kilogram for every 100 kg and garner 100 rupees as profit for every thousand rupees of their business. The trade brokers on the other hand sell it to the export companies for enormous profit. The borrower would be never allowed to clear off his debts with the merchant and many a times this would accumulate for many years. In many families, the debts have been passed on to successive generations.

Tsunami and aftermath

The Tsunami in 2006, affected Ramanathapuram district. Even though, there was not much of loss to lives, many people lost their crafts, gears and nets, which were earning their livelihoods. DHAN Foundation entered in a big way to work with the affected fishermen families with a long term focus of rehabilitation and restoration of affected livelihoods. Building peoples' organisations and enabling them to restore their livelihood activities by organising savings, credit and business support services was the approach followed by DHAN. On seeing the web of relationship between the exploitative traders and poor fishermen, it was decided to intervene in the exploitative marketing system in a systematic way. Keeping its community organisation principles

at the centre, it was decided to promote Kalanjia Meenavar Sangam (KMS) with fishermen.

Kalanjia Meenavar Sangam

Kalanjia Meenavar Sangam (KMS) was conceived as a Primary Producer cum Marketing Group - promoted, owned and managed by the fishermen. The KMS operates on the principles of self help, mutuality and collective action. It creates a marketing platform to its members by collecting, preserving and reselling the daily catches. It is promoted based on the PPG concept. Each and every member would a share capital of Rs. 1000 in the KMS. It was not easy to organise the fishermen who were in the clutches of traders, the team had to face a lot of resistance from the traders. Helplessness and anguish over the exploitation in which they were victimized have made the fishermen to breakout of their bondage and join the KMS.

Objectives of KMS

Wellbeing of the fishermen, development of fisherman villages by removing exploitative trading system, conservation and sustainable use of marine resources, addressing civic and other development issues of the villages are the basic objectives of KMS. Savings, credit and insurance services, collective marketing and linkages are the activities carried out by the KMS. Creation of marketing infrastructure, establishing backward and forward linkages, transparent business, proper accounts and auditing, equitable sharing of the benefits are the features of the KMS. Self regulation and local control for following appropriate fishing practices for conserving marine resources is the value system cherished by the Sangams. From *Meemisal* village of Pudukottai district till *Perudhalai* Village of Tuticorin district, 23 KMS have been promoted covering 864 fishing families and organised into four producer companies.

Relieved from the clutches of Merchants

Through KMS, the fishermen started to pay back their loans that they had with the merchants. Members were given Rs. 5,000 to 30,000 depending on their debt burden. In many places the Sangams entered into negotiations with the merchants to

reduce the amount to be repaid, after calculating the actual benefits reaped by the merchants 10 to 20 times more than the actual amount borrowed. They were asked to repay the loan at easy installments. In many places the merchants have started persuading the fishermen who have joined KMS by telling them that they would increase the rates for the fishes and advance more money. Almost all the members have been relieved from their debt burden.

Krishnan, president of Chinna Ervadi KMS says, "I worked under a merchant for 17 years for Rs. 45,000 I borrowed. I sold all my catches only to that merchant for the rate fixed by him. After joining the Sangam, all the members went to that merchant and negotiated for the settlement. Finally he accepted to deduct Rs. 15,000, and repaid Rs. 30,000 from the loan I was given by the Sangam. I never dreamt that I would get out of this trap. But the KMS saved me. Now I am getting the fair price for my catch and earning good income. I am also happy that my loan is slowly repaid. I am free now."

Financial Services through KMS

The KMS lays equal emphasis for savings and insurance besides credit. The fishermen would pay Rs. 20 for every hundred rupees of their sales to KMS, out of which Rs.15 is deducted towards repayment of his loan, Rs. 3 for savings and Rs. 2 for Sangam's administration expenses. Savings is a rare practice among the fishermen. They never had a surplus in their home, which has made them more vulnerable to debt when they become suddenly ill. Savings through their KMS has brought them not only confidence in them, but also trust and ownership with their Sangams. A fisherman who catches 10 kgs of crabs and *kanavai* (squid) will be able to save Rs. 60 and his monthly saving would be around Rs. 900. Sangams provide loans to its members to clear their debts and issue short term interest free advances up to Rs. 2000 for their business or any family expenses.

Thinking beyond Sangams

With the confidence gained through collective identity of KMS, the members have started to think beyond their Sangams, for the development of the villages. In many villages they have constructed common infrastructures such as auction yard,

telephone booths etc. The schools in Sadaimuniyanvalasai, Ervadi and Muthaiyar Nagar, there were no sufficient number of teachers that resulted in poor result and attendance of students. KMS in these villages agreed to appoint educated local youths as teaching assistants and pay their honorarium. Also the Sangams have made it mandatory that drunken members will not be allowed to attend the Sangam meetings and they are sending such members for de addiction programmes for rehabilitation.

Moving towards conservation

The fishermen are well aware of the issues of conservation as they are also part of the Gulf of Mannar Bio Reserve Conservation project implemented by the GoI, in which DHAN Foundation played a key role of community organisation. Members of KMS have resolved to conserve the marine resources and laid down a number of conservation centered fishing practices, such as not to catch sea creatures which are banned by the government, not to use the nets banned by the government, releasing endangered species caught into nets back to the sea, etc. Also they employ labourers to clean the sea shore at periodic intervals.

The Sangams have started addressing the issues of their members. Their families who were struggling in the clutches of exploiters and toiling in deprivation for generations have slowly began to break the shackles with the support of Sangams. Still there is a long way to go to achieve a condition where there is no exploitation, resources are used judiciously and benefits are distributed equitably. That is the vision of each Sangam.

Number of KMS	:	23
Producer companies	:	4
Members covered	:	864
Monthly sale	:	Rs. 15 – 25 lakhs
Members' share	:	Rs. 6.57 lakhs
Purchase so far	:	Rs. 431.30 lakhs
Sales so far	:	Rs. 444.75 lakhs
Net profit	:	Rs. 9.55 lakhs

Financial Statements



Sunanda & Sheshadri
Chartered Accountants

'TRIDIPA' Ground Floor, 46/2, I Cross, Someshwarapura
Extension, Ulsoor, BANGALORE - 560 008.
Tel.: 91 - 80 - 25364740 / 25368228 Fax: 91 - 80 - 25367711

FORM NO.10B

Audit report under section 12 A(b) of the Income Tax Act, 1961 in the case of
charitable or religious trusts or institutions

We have examined the consolidated Balance Sheet of **DHAN (Development of Humane Action) Foundation**, 18, Pillayar Koil Street, S.S.Colony, Madurai – 625 010, Tamil Nadu, India (Permanent Account Number: **AAA TD 2591 B**) as at 31 March 2008 and the consolidated Income and Expenditure Account for the year ended on that date which are in agreement with the books of account maintained by the said trust.

This financial statement is the responsibility of the Trust's management. Our responsibility is to express an opinion on the financial statement based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of the audit subject to non confirmation of balances of certain advances, deposits and loans recoverable, bank balances, donor balances and current liabilities. In our opinion, proper books of account have been kept by the head office and branches of the trust so far as appears from our examination of the books.

In our opinion and to the best of our information and according to the information given to us, the said accounts give a true and fair view:

- i) in the case of the consolidated Balance Sheet of the state of affairs of the above named trust as at 31 March 2008 and
- ii) in the case of the consolidated income and expenditure account of the excess of income over expenditure of its accounting year ending on 31 March 2008.

The prescribed particulars are annexed hereto.

for **SUNANDA & SHESHADRI**
Chartered Accountants

Place: Madurai
Date: 8 July 2008

Sd/-
K.SHESHADRI
Partner, Membership No.20956

DHAN (Development of Humane Action) Foundation**CONSOLIDATED BALANCE SHEET FOR THE YEAR ENDED MARCH 31, 2008**

	Schedule	March 31, 2008	(in Rupees) March 31, 2007
A S S E T S			
FIXED ASSETS			
Written off as per contra	1	80,958,295	60,181,125
INVESTMENTS	2	96,258,797	78,058,357
CURRENT ASSETS, LOANS AND ADVANCES			
Bank Balances	3	59,459,481	54,120,544
Inventory		9,300	5,625
Loans and Advances	4	7,087,532	10,580,256
SPECIFIED FUNDS	6	13,669,654	7,558,708
Total		257,443,059	210,504,615
L I A B I L I T I E S			
CORPUS AND CAPITAL FUND	5	97,855,410	87,749,671
SPECIFIED FUNDS	6	76,700,967	60,277,897
CURRENT LIABILITIES	7	1,928,387	2,295,922
FIXED ASSETS WRITTEN OFF AS PER CONTRA	1	80,958,295	60,181,125
Total		257,443,059	210,504,615
Notes on Accounts	12		

Schedules 1 to 7 & 12 form an integral part of the Balance Sheet

Sd/-
Chairman

Sd/-
Treasurer

As per our Report of even date
For Sunanda & Sheshadri
Chartered Accountants

Sd/-
Executive Director

Sd/-
K.SHESHADRI
Partner

Madurai
Dated: July 8, 2008

DHAN (Development of Humane Action) Foundation**CONSOLIDATED INCOME & EXPENDITURE ACCOUNT
FOR THE YEAR ENDED MARCH 31, 2008**

	Schedule	March 31, 2008	(in Rupees) March 31, 2007
I N C O M E:			
Grants Received	8	170,190,642	269,743,395
Techno Managerial Services Receipts (TMS)		3,447,612	3,107,589
Other Receipts	9	13,910,045	17,081,423
Total		187,548,299	289,932,407
E X P E N D I T U R E:			
Community Banking Programme			
Programme Implementation and Administration	10	12,725,823	6,947,579
Capital Expenditure	1	3,914,332	1,237,122
Tank fed Agriculture Programme			
Programme Implementation and Administration	10	30,339,103	33,968,096
Capital Expenditure	1	291,759	787,879
Post Tsunami relief & Rehabilitation Programme			
Programme Implementation and Administration	10	64,233,579	190,470,516
Capital Expenditure	1	10,388,148	14,553,862
New Themes and Other Programmes			
Programme Implementation and Administration	10	35,116,686	27,054,787
Capital Expenditure	1	12,236,979	15,435,314
Central Support System			
Programme Implementation and Administration	10	7,228,355	7,891,868
Capital Expenditure	1	355,907	15,076
Excess of (Expenditure over income) / income over expenditure		10,717,628	(8,429,692)
Total		187,548,299	289,932,407
Appropriation of Excess (Expenditure over income) of Income over Expenditure	11	10,717,628	(8,429,692)
Notes on Accounts	12		

Schedules 1 & 8 to 12 form an integral part of the Income and Expenditure account

Sd/-
Chairman

Sd/-
Treasurer

As per our Report of even date
for Sunanda & Sheshadri
Chartered Accountants

Sd/-
Executive Director

Sd/-
K.SHESHADRI
Partner

Madurai
Dated: July 8, 2008

DHAN (Development of Humane Action) Foundation

SCHEDULES TO CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2008

Schedule 1 : Fixed Assets

(In Rupees)

Particulars	GROSS STOCK AT COST		DEPRECIATION		NET STOCK	
	As at 31/3/2007	Addition (Increase)	Deletion (Decrease)	As at 31/3/2008	As at 31/3/2007	As at 31/3/2008
Community Welfare Programmes						
Borrowed fund	7,037,316	-	-	7,037,316	7,037,316	7,037,316
Building	1,706,697	1,794,005	-	3,500,697	1,794,005	1,794,005
Building (Work in Progress)	119,980	-	(94,689)	25,291	85,291	85,291
Furniture and fixtures	1,038,386	1,14,661	-	1,153,047	537,608	576,778
Office equipments	366,117	58,111	-	424,228	797,368	98,790
Professional equipments	1,173,517	193,700	-	1,367,217	5,075,555	1,09,993
Technical fittings	330,519	17,615	-	348,134	86,611	89,790
Vehicles	1,165,715	-	-	1,165,715	7,000,999	7,000,999
Staff Vehicles	573,936	667,751	718,278	1,959,965	939,915	573,936
Fleet & Veterinary	85,136	811,750	-	896,886	56,071	79,717
Total	11,991,659	3,571,137	21,877	15,582,523	8,871,883	6,710,740
Animal Aid Agricultural Programmes						
Borrowed fund	1,76,689	-	-	1,76,689	1,76,689	1,76,689
Furniture and fixtures	1,11,885	59,731	-	1,71,616	796,351	716,775
Office equipments	370,091	1,700	-	371,791	1,79,761	1,66,971
Professional equipments	7,188,375	89,350	-	7,277,725	7,139,311	7,171,561
Technical fittings	155,815	800	-	1,56,615	50,887	51,963
Vehicles	1,716,201	-	-	1,716,201	91,078	936,773
Staff Vehicles	190,177	1,11,715	31,637	331,529	370,975	190,177
Fleet & Veterinary	1,371,800	-	-	1,371,800	751,653	303,171
Total	6,580,771	797,146	31,637	7,408,954	1,087,800	7,321,154
Animal Welfare and Agricultural Extension Programmes						
Borrowed fund	1,518,997	1,910,791	-	3,429,788	6,559,791	1,518,997
Building work in progress	1,938,289	57,39,287	(7,379,827)	1,597,749	1,597,749	1,938,289
Building	8,750,701	(7,379,827)	-	1,370,874	9,07,930	7,571,81
Furniture and fixtures	1,776,916	1,1,737	-	1,788,653	913,917	1,000,731
Office equipments	8,10,170	70,757	-	8,80,927	308,901	698,637
Professional equipments	5,763,718	1,6,815	-	5,780,533	5,350,585	1,000,731
Technical fittings	1,89,703	-	-	1,89,703	1,87,971	308,653
Vehicles	6,111,103	1,11,8	-	6,122,921	1,07,6,669	1,770,715
Staff Vehicles	77,116	77,116	-	1,54,232	79,126	77,116
Total	76,571,673	7,379,827	(7,379,827)	81,571,673	7,379,827	76,571,673

DHAN (Development of Humane Action) Foundation

SCHEDULES TO CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2008

Schedule 1 : Fixed Assets (contd.)

(In Rupees)

Particulars	GROSS BLOCK AMOUNT		DEPRECIATION		NET BLOCK	
	As at 31/03/08	Additions (Rupees)	As at 31/03/08	For the year ended 31/03/08	As at 31/03/08	As at 31/03/08
New Acquisitions and Other Programmes						
Fixed Assets						
Building work in Progress	19,559,770	10,988,361	(9,387,955)	-	26,159,776	19,559,770
Building	-	(9,777,671)	-	37,761	3,080,380	-
Furniture and fixtures	1,339,751	83,705	-	1,07,119	97,707	97,707
Office Equipments	678,581	179,875	-	76,960	1,55,111	357,716
Professional Equipments	6,666,733	776,001	-	798,980	6,703,506	555,571
Technical Equipments	130,751	57,660	-	11,179	73,700	773,870
Vehicles	1,518,163	7,705	-	17,573	796,030	850,276
Staff Vehicles	137,883	59,771	(30,771)	-	63,796	137,883
Plant & Machinery	17,600	-	(30,771)	777	(10,791)	79,858
Total	31,555,613	29,786,575	(30,771)	1,559,579	31,555,613	73,514,961
Central Support System*						
Fixed Assets						
Building work in Progress	8,777,350	37,870	-	-	8,796,770	8,777,350
Furniture and fixtures	376,377	1,000	-	19,737	1,68,777	177,537
Office Equipments	77,981	1,787	-	5,771	67,565	1,5387
Professional Equipments	1,111,779	-	-	30,577	1,350,777	5,679
Technical Equipments	93,776	-	-	5,771	67,565	37,607
Total	10,355,725	39,637	-	57,779	1,586,577	87,077,307
Total	95,000,837	29,826,212	(60,827,955)	1,617,358	89,598,795	60,282,268

*Central Support System - Freehold land includes Rs.20,94,344 funded out of Corpus

Sd/-
Chairman

Sd/-
Treasurer

As per our Report of even date
for Sunanda & Sheshadri
Chartered Accountants

Sd/-
Executive Director

Sd/-
K.SHESHADRI
Partner

Madurai
Dated: July 8, 2008

DHAN (Development of Humane Action) Foundation

CONSOLIDATED BALANCE SHEET FOR THE YEAR ENDED MARCH 31, 2008

		(in Rupees)	
		March 31, 2008	March 31, 2007
Schedule 2: Investments			
Ford Foundation Corpus Deposits with:			
Post Office - KVP Scheme	14,300,000		14,300,000
Housing & Urban Development Corporation Ltd.	5,000,000		5,000,000
Housing Development Financial Corporation	7,500,000		7,500,000
Govt. of India - RBI Bonds	2,430,000		2,430,000
Fixed Deposits with Canara Bank	3,930,315	33,160,315	3,143,773
Sir Dorabji Tata Trust Corpus Fund Deposits:			
Govt. of India RBI bonds	16,373,500		16,373,500
Post Office - Kisan Vikas Patra Scheme	7,500,000		7,500,000
Fixed Deposit with Pandiyan Gramma Bank	7,411,000		
Fixed Deposits with Canara Bank	-	31,284,500	401,183
DHAN own / Tata-Dhan Academy / Other Corpus Fund Deposits:			
Housing & Urban Development Corporation Ltd.	574,340		1,491,621
Govt. of India RBI bonds	1,122,500		1,122,500
Post Office - Kisan Vikas Patra Scheme	1,500,000		1,500,000
Fixed Deposits with REPCO Bank	8,169,803		8,169,803
Fixed Deposits with Banks and Other investments	14,257,470	25,624,113	6,983,014
Community Risk Reserve & Other Funds with:			
Fixed Deposits with Pandiyan Gramma Bank	4,481,964		
Fixed Deposits with Pandian Grama Bank	1,500,000	5,981,964	
Sir RataTata Trust Expendable Field Campus corpus			
Fixed Deposits with Canara Bank		207,905	2,142,963
Total		96,258,797	78,058,357
Schedule 3: Bank Balances			
In Savings accounts		11,637,796	16,102,500
In Fixed Deposits		47,782,685	37,628,494
Cheques in Transit		39,000	389,550
Total		59,459,481	54,120,544
Schedule 4: Loans and Advances			
Advances Recoverable:			
Project Advances to staff		105,141	103,463
Deposits		2,376,571	2,639,128
Other Advances Recoverable		4,605,820	7,837,665
Total		7,087,532	10,580,256

Sd/-
Chairman

Sd/-
Executive Director

Sd/-
Treasurer

Madurai

Dated: July 8, 2008

DHAN (Development of Humane Action) Foundation

SCHEDULES TO CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2008

Particulars	Opening balances as on April 1, 2007	Amounts not included in Income & Expenditure account Receipt / (Advance)	Appropriation from		Closing Balance as on March 31, 2008
			Income & expenditure a/c	Surplus/ (Expenses)	
Schedule 5: Corpus and Capital Fund					
Corpus Fund					
Ford foundation	32,241,301	-	2,279,424	(1,178,125)	33,342,600
Sir Dorabji Tata Trust	24,273,272	7,000,000	1,290,625	(1,277,292)	31,286,605
DHAN Foundation Own	11,604,490	686	2,845,999	(421,820)	14,029,355
Other Corpus Fund	2,350,500	1,000,300	-	-	3,350,800
Tata-Dhan Academy	1,500,000	-	43,849	-	1,543,849
Total	71,969,563	8,000,986	6,459,897	(2,877,237)	83,553,209
Capital Fund	15,780,108	-	-	(1,477,907)	14,302,201
Total	87,749,671	8,000,986	6,459,897	(4,355,144)	97,855,410
Schedule 6: Specified Fund					
Donor's Account - Net	43,008,804		1,050,006	10,378,300	54,437,110
Sir Ratan Tata Trust (SRTT) Revolving Fund	300,000	-			300,000
SRTT Expendable Field Campus Corpus Fund	3,545,381	-	58,932	(3,517,196)	87,117
Other Revolving fund returns	4,164,331	435,000			
Community Risk Reserve Fund	1,297,860	(420,000)	43,849		4,223,180
Book Fund	186,923	1,684,249	67,484	-	3,049,593
Vehicle Fund	215,890		173,500		360,423
Total	52,719,189	1,699,249	1,751,771	6,861,104	573,890
Less: Donor's account net balance included above	43,008,804			-	63,031,313
	9,710,385				54,437,110
Add: Donor's account Surplus balances	50,567,512			68,106,764	8,594,203
Donor's account Deficit balances	7,558,708	-		13,669,654	68,106,764
Total	60,277,897				76,700,967

Madurai

Dated: July 8, 2008

Sd/-
ChairmanSd/-
Executive DirectorSd/-
Treasurer

DHAN (Development of Humane Action) Foundation

SCHEDULES TO CONSOLIDATED BALANCE SHEET - MARCH 31, 2008

	March 31, 2008	(in Rupees) March 31, 2007
Schedule 7: Current Liabilities		
Savings bank account overdrawn	495,644	-
Others	1,432,743	2,295,922
Total	1,928,387	2,295,922

DHAN (Development of Humane Action) Foundation

SCHEDULES TO CONSOLIDATED INCOME & EXPENDITURE ACCOUNT - MARCH 31, 2008

	March 31, 2008	(in Rupees) March 31, 2007
Schedule 8 : Grants Received		
From Foreign Agencies		
Oxfam Novib - The Netherlands	119,497,650	227,912,268
Rabobank Foundation	7,538,664	1,968,828
Oxfam (India) Trust	997,783	953,270
Philips India	207,937	846,744
Individual donations for Tank renovation work	807,014	856,113
Oxfam (America) Trust	7,061,132	
Stichting Variendan Van DHAN - The Netherlands	3,559,751	
ACTED India	929,141	13,310,657
Interpolis Re, The Netherlands	470,991	-
American India Foundation	819,933	1,495,603
Water for Life	3,458,807	714,358
ABN AMRO Foundation	4,763,133	-
Care Today Foundation	1,000,000	-
India Development Service, Chicago	198,243	
Karunai Illam Trust, Newzealand	2,502,908	
Westberg Foundation	546,275	
Others	-	
	154,359,362	4,170,115
From Indian Agencies		
ITC Rural Development Trust	3,158,273	3,389,000
Department of Agriculture NWDPR - Watershed	797,611	1,029,927
Jala Samvardhane Yojana Sangha - GoK	2,823,983	1,389,412

DHAN (Development of Humane Action) Foundation**SCHEDULES TO CONSOLIDATED INCOME & EXPENDITURE ACCOUNT - MAR. 31, 2008**

United Nations Development Programme / UNTRS	2,277,000		2,406,000
District Rural Development Agency -TN	565,920		1,388,460
National Bank for Agriculture and Rural Development		511,257	251,612
Ministry of Water Resources, Govt. of India	1,260,000		-
CAPART, New Delhi	1,899,000		
Individual donations for Tank renovation works	737,356		1,228,765
ITDP Uttanoor, Govt. of AP	50,000	17,515,439	200,000
COIR Board, Govt. of India	655,720	-	-
Sir Dorabji Tata Trust	250,000		-
Department of Health, Tamil Nadu	150,000		-
APCBTMP, Govt. of AP	200,160		-
Hindustan Unilever Limited	485,000		-
India Water Partnership	10,000		-
Others	-	15,831,280	6,232,263
Total		170,190,642	269,743,395
Schedule 9: Other Receipts			
Interest from Banks, etc		3,604,976	6,761,530
Interest from corpus Investment		4,630,162	3,827,193
Other Income		4,895,142	5,829,490
Donations		779,965	663,210
Total		13,910,045	17,081,423

Sd/-
Chairman

Sd/-
Executive Director

Sd/-
Treasurer

Madurai
Dated: July 8, 2008

DHAN (Development of Humane Action) Foundation

SCHEDULES TO CONSOLIDATED INCOME & EXPENDITURE ACCOUNT AS AT MARCH 31, 2008							2008	2007
Schedule 10 : Programme Implementation and Administration								(in Rupees)
Activity / Expenditure / Items	Community Banking Programme	Tankfed Agriculture Programme	Post tsunami relief & rehabilitation prog.	New Themes and Other Programmes	Central Support system	Total		
Post Tsunami - Relief & Rehabilitation	-	-	525,536	-	-	525,536	525,536	6,108,030
Post Tsunami - Restoring Livelihoods	-	-	7,762,540	-	-	7,762,540	7,762,540	60,481,115
Post Tsunami - Restoring Habitat	-	-	263,637	-	-	263,637	263,637	10,925
Post Tsunami - Coastal Agriculture / Horticulure / Livelihoods	-	-	44,825	-	-	44,825	44,825	40,049,177
Endowment and other Grants to Tank farmers Associations, NGOs, Panchayat etc.	110,000	250,000	47,498	550,000	-	957,498	957,498	4,226,551
Flood relief support and Restoring Habitat	-	-	-	-	-	-	-	6,001,585
Orphanage Centre	-	-	-	1,318,255	-	1,318,255	1,318,255	-
Volunteer allowances and Travel	2,715,447	3,432,055	11,735,215	3,380,302	-	21,281,019	21,281,019	18,670,490
Training / Expenses on Volunteers, Groups Members & Federations & Civic Programmes	1,294,158	359,676	3,248,288	3,638,616	-	8,540,738	8,540,738	15,876,166
Support for Income generation by members	1,145,266	33,000	3,061,100	470,991	-	4,710,357	4,710,357	27,130,371
Crop Production & Water Management Training	-	396,864	4,078,474	-	-	4,475,338	4,475,338	1,257,411
Drinking Water Ponds Programme	-	5,519,003	-	-	-	5,519,003	5,519,003	10,878,122
Convention, Workshop, Events and Meeting	111,081	1,641,106	2,303,139	2,290,733	1,792,162	8,138,221	8,138,221	6,917,569
Employees remuneration and benefits	4,918,745	14,037,720	21,990,763	14,916,196	2,504,069	58,367,493	58,367,493	39,766,767
Professional / Consultancy Charges	413,877	251,887	1,553,513	1,710,408	557,203	4,486,888	4,486,888	3,792,453
Travel / Conveyance	923,286	1,996,208	2,259,705	1,622,018	675,595	7,476,812	7,476,812	7,775,633
Vehicle maintenance	84,554	310,039	1,334,442	475,924	121,311	2,326,270	2,326,270	2,826,894
Books and Audio Visual Expenses	17,717	96,301	95,221	230,576	132,199	571,414	571,414	1,333,998
Printing and Stationery	171,191	484,512	767,351	1,093,756	521,797	3,038,607	3,038,607	3,471,778
Communication	187,974	451,939	838,555	845,431	317,423	2,641,322	2,641,322	2,791,083
Rent, Water, Electricity and Maintenance	602,520	1,018,212	2,254,530	2,527,218	394,248	6,796,728	6,796,728	6,226,968
Miscellaneous Expenses	30,607	60,581	51,247	46,262	212,348	401,045	401,045	741,760
Total	12,725,823	30,339,103	64,233,579	35,116,686	7,228,355	149,643,546	149,643,546	266,332,846
<i>Previous year</i>	<i>6,947,579</i>	<i>33,968,096</i>	<i>190,470,516</i>	<i>27,054,787</i>	<i>7,891,868</i>	<i>266,332,846</i>	<i>266,332,846</i>	

Madurai

Dated: July 8, 2008

Sd/-
ChairmanSd/-
Executive DirectorSd/-
Treasurer

DHAN (Development of Humane Action) Foundation**SCHEDULES TO CONSOLIDATED INCOME & EXPENDITURE ACCOUNT
AS AT MARCH 31, 2008**

		<i>(in Rupees)</i>
	<i>March 31, 2008</i>	<i>March 31, 2007</i>
Schedule 11 : Appropriation of Excess of Income over Expenditure		
Excess of Income over Expenditure / (Expenditure over Income)	<u>10,717,628</u>	<u>(8,429,692)</u>
Transfer:		
From Investment income		
Ford Foundation Corpus fund	2,279,424	1,288,193
Sir Dorabji Tata Trust corpus fund	1,290,625	1,146,146
DHAN Foundation own Corpus fund	845,999	871,645
Tata-Dhan Academy Corpus fund	43,849	-
SRTT Expendable Field Campus corpus	58,932	521,309
Revolving fund	43,849	-
Community Risk Reserve Fund	67,484	-
Tata-Dhan Academy Corpus fund	-	200,000
Book Fund	173,500	-
Vehicle Fund	358,000	-
SRTT from Interest on Building fund	1,050,006	1,828,559
DHAN Corpus from TMS Receipts and other income	2,000,000	5,101,798
Of Expenses to Corpus funds		
DHAN Foundation Own	(421,820)	(1,100,000)
Sir Dorabji Tata Trust	(1,277,292)	(710,374)
Ford Foundation	(1,178,125)	(1,627,699)
SRTT Expendable Field Campus	(3,517,196)	(6,269,627)
Of (Deficit) / Surplus		
Capital fund (Deficit) / Surplus	(1,477,907)	1,833,982
Others Donors' - Net Surplus / (Deficit)	<u>10,378,300</u>	<u>(11,513,524)</u>
Total	<u>10,717,628</u>	<u>(8,429,692)</u>

Sd/-
ChairmanSd/-
Executive DirectorSd/-
TreasurerMadurai
Dated: July 8, 2008

DHAN (Development of Humane Action) Foundation

Schedules to Balance Sheet & Income and Expenditure Account - Consolidated - for the year ended March 31, 2008

Schedule 12 Notes on accounts:

1. The guiding principles that are fundamental to the institution are:
 - 1.1. High quality human resources will be engaged in grassroots work. The focus of the work will be on enabling rather than delivering through direct action.
 - 1.2. Value collaboration with mainstream institutions and government to demonstrate new and effective ways of development intervention and to build viable linkages between people and mainstream.
 - 1.3. Promoting people's organisations at various levels, with focus on one particular theme for sustainability.
 - 1.4. The strategy for growth is towards enriching the themes and retain subsectoral focus.
2. In pursuance of its objects and based on the guiding principles set out in para 1 above the trust:
 - 2.1 Undertakes projects and facilitates government and private local institution sponsored projects for promotion, renovation and maintenance of irrigation systems, and of natural resources, by land treatment, watershed management, afforestation, waste land development and management and also housing / housing finance for the needy.
 - 2.2 Promotes women's mutual credit and savings groups, associations of such groups and federations of such associations to enhance the savings and borrowing power of the poor to promote income generation activities for their livelihood.
 - 2.3 Works with the poor through locally active groups, informal and otherwise, in the accomplishment of its objectives.
 - 2.4 Provides technical and management assistance to similar voluntary agencies, institutions, government departments and funding agencies involved in development work in India. The reimbursement of cost / services in the form of fees are accounted under the head Techno Managerial service receipts & other receipts.
3. In the course of implementing the development projects the trust facilitates the mobilisation of substantial resources from various rural development schemes of the government and banks and through participants' own contribution, which are directly channeled to the participants. These have no monetary impact on the accounts of the trust. This is in keeping with the Trust's policy of progressively strengthening the capability of the weaker sections to deal effectively with development agencies and to manage development activities themselves. The administrative overheads incurred on account of the technical / managerial support extended are charged as expenditure of the trust.
4. In the case of informal savings and credit groups and other income generation activities flowing therefrom, the trust provides inter alia revolving fund grants & working capital loans, as per the mandate of the donors to the beneficiaries and the same are separately accounted for through the Balance Sheet, held in trust and administered. All other grants, including capital grants, are taken as revenue receipts of the trust in the year of receipt.
5. The trust follows cash basis of accounting.
6. Fixed assets are written off in the year of acquisition as an expenditure in the income and expenditure account.

However to present a more realistic picture of the value of assets appearing in the balance sheet, depreciation at the rates provided in the Income Tax Act, 1961 is being reduced from the cost of the fixed assets on the written down value method. Written down value of assets so arrived at is shown as contra on both the assets & liabilities side of the Balance Sheet.

No depreciation has however been provided on staff vehicles as they are deleted when transferred to the employees at cost on their repayment of the loan taken to acquire the vehicle.

7. Fixed Assets include Rs.30,46,703/- consisting of Motor Vehicle Rs.1,78,008/-, Furniture and Fixtures Rs.1,31,888/- Office equipments Rs.96,751/-. Electrical fittings Rs.11,538/- Professional equipments Rs.80,218/- Plant & Machinery Rs.13,23,300/- and Land & Building Rs.12,25,000/- being assets acquired out of grants received from the United Nations Development Programme (UNDP), for a programme titled 'Promotion of alternative livelihoods for the poor in the biosphere of Gulf of Mannar' through the Ministry of Rural Development, Government of India (executing agency) and the M.S. Swaminathan Research Foundation, Chennai (implementing agency). These assets remain the property of UNDP and disposal / transfer would take place at the end of the project. The project has ended and in the absence of any specific instructions from UNDP the assets are still held by DHAN Foundation. Depreciation has been provided as explained in paragraph 6 above these assets also.
8. Consequent to the enrolment of the employees under the government provident fund scheme (Government scheme), the funds of the DHAN Foundation Staff Provident Fund, a recognised provident fund trust (Staff provident fund) had to be transferred to the government scheme in the year ended March 31, 2004. To provide liquidity to the staff provident fund to do so, some of their investments were acquired for consideration by the Trust. Deposit of Rs.5,74,340/- (Previous year Rs.5,74,340) so accrued is held jointly by the Trust with the Staff Provident Fund Trust with the prior approval of HUDCO.
9. Fixed Deposits of Rs.1,11,830/- (Previous year Rs.1,11,830) are under lien with State Bank of India as 100% margin for the bank guarantee issued by them in favour of CAPART.

Fixed deposits with bank of Rs.41,30,315 (previous year Nil) are under lien with banks as security for bank guarantees issued by them in favour of the Ministry of Water Resources, Govt. of India and Collector, Ramanathapuram.
10. Previous year's figures have been regrouped / reclassified wherever necessary.

Sd/-
Chairman

Sd/-
Executive Director

Sd/-
Treasurer

Madurai

Dated: July 8, 2008

Acknowledgement

Acknowledgement

We are deeply indebted to the contributions and continued support being rendered by Sir Ratan Tata Trust, Mumbai, Oxfam Novib, the Netherlands, Sir Dorabji Tata Trust, Mumbai as major partners in the progress of DHAN Collective.

We gratefully acknowledge the support from Oxfam America, to setup ACEDRR in Tata Dhan Academy. We thank our new partner Karunai Illam Trust, Newzealand for their support to run the DHAN Karunai Illam, Westberg Foundation for their support to educational initiatives in DHAN.

We also thank ICICI Bank, Arghyam Trust, Bangalore, Hindustan Unilever Limited, ITC Rural Development Trust and Indian Association of Zurich, Switzerland for jointly working with us on specific themes. We thank Stchting Variendan Van DHAN (Friends of DHAN), The Netherlands for their support to various philanthropy activities in DHAN.

We thank Rabo Bank Foundation, the Netherlands, ACTED India, ABN AMRO Foundation, American Indian Foundation, Care Today Foundation, Oxfam (India) Trust for their support during the year in restoration of livelihoods initiatives in the Tsunami affected locations.

We express thanks to NABARD, SIDBI, Canara Bank, Indian Bank, Bank of India, State Bank of India, Indian Overseas Bank, Punjab National Bank, for their continued partnership with DHAN and the Institutions promoted by it. We also thank Andhra Bank, Central Bank of India, Karnataka Bank, State Bank of Hyderabad, State Bank of Mysore, Union Bank of India, United Commercial Bank, Vijaya Bank, UCO Bank; Regional Rural Banks such as Deccan Grameena Bank, Kalpatharu Grameena Bank, Pandyan Grama Bank, Saptagiri Grameena Bank, Andhra Pradesh Grameen Vikas Bank and

Cooperative Banks in the Tumkur and Kanakapura District of Karnataka, Tanjore District of Tamil Nadu for their support through SHG Bank Linkage.

We sincerely acknowledge the contributions of Insurance companies such as Life Insurance Corporation of India, Birla Sun Life, Metlife India Insurance, HDFC Standard Life Insurance, United India Insurance, National Insurance Company, New India Assurance, ICICI Lombard and Agriculture Insurance Company for their continued support in providing social security initiatives of DHAN.

We thank the entire academic and research institutions that have collaborated with us during the year.

We gratefully acknowledge all the individuals and Non Resident Indians, who responded swiftly to our appeal to support a number of development initiatives taken up by the Peoples' Organisations.

Our thanks are also due to CAPART, New Delhi and the District Rural Development Agencies of the districts in Tamil Nadu, Andhra Pradesh, Karnataka and Pondicherry where we are working, Agriculture Department, Government of Tamil Nadu for their support through NWDPR, Department of Health, Government of Tamil Nadu for their support in health initiatives, Jala Samvardhane Yojana Sangha of Government of Karnataka, UNDP and United Nations Team for Tsunami Recovery, Integrated Tribal Development Programme of Government of Andhra Pradesh and DPAP, Nellore. We thank the JnNURM and Ministry of Water Resources, GoI for their collaborative works with DHAN.

Above all, we acknowledge with high gratitude, the contributions by the community with whom we are working, for their commitment, ownership and responsibility in all our collective efforts in achieving the mission of poverty reduction.

Board of Trustees

Board of Trustees

Mr. B.T. Bangera

Mr. B.T. Bangera, [Chairperson, DHAN Foundation] an MBA from IIM(A), is currently the Managing Director of M/s Hi-Tech Arai Ltd., an Indo-Japanese joint venture at Madurai. He has over 30 years experience holding senior management positions in reputed companies in India. He has been an office-bearer in the Management Associations and Confederation of Indian Industries at different levels. He is keenly interested in education and is a member on the Board of Governors and Board of Studies of a number of management and engineering institutions.

Ms. K. Noorjehan

Ms. K. Noorjehan, [Vice Chairperson, DHAN Foundation] is formerly the Indian Postal Service Board member, under the Ministry of Communication & IT, Govt. of India. She has over 30 years experience in different parts of the country. She was instrumental in computerising postal operations in the southern region, and in creating own infrastructure for several post offices. She is interested in women development, especially the poor and the disadvantaged.

Mr. R.D. Thulsiraj

Mr. R.D. Thulsiraj, [Treasurer, DHAN Foundation] an MBA from IIM(C), is Executive Director of LAICO-Aravind Eye Care System. For almost 20 years he has been the Administrator of Aravind Eye Hospitals. He is also the South East Asia Regional Chair for the IAPB (International Agency for the Prevention of Blindness). He worked with Seva Foundation's (a U.S.-based NGO) Board for more than 15 years. He has a number of published papers to his credit, and he has presented papers at international conferences on eye care.

Ms. Uzramma

Ms. Uzramma from Hyderabad, Andhra Pradesh is the Founding Trustee of Dastkar Andhra Trust (1995) that works for safeguarding the interests of handloom weavers in Andhra Pradesh by promoting and preserving the age-old practices of using natural dyes, and traditional designs. Dastkar provides marketing support for handloom products by direct and retail marketing, eliminating middlemen. She has served as an advisory member for Khadi and Village Industries Commission (KVIC), Indian Institutes of Handloom Technology and other development organizations in the handloom sector.

Dr. Nirmala Murthy

Dr. Nirmala Murthy is currently the President for the Foundation for Research in Health Systems. She holds a Doctorate from the Harvard School of Public Health. She has over three decades of rich experience in public health, involving, monitoring and evaluation, research and health information systems. She has taught at the Indian Institute of Management Ahmedabad. She has worked at Massachusetts Institute of Technology, Massachusetts and Management Sciences for Health, Boston. She has been a consultant for various national and international health related programmes of the Government of India and the World Bank. She has a number of papers and publications related to health, health policies, programmes and research to her credit. Her areas of interest are health information systems, monitoring and evaluation of health and welfare programmes.

Dr. Priscilla Daniel

Dr. Priscilla Daniel is Programme Executive, ECLOF International, a microfinance unit in Geneva, Switzerland and monitors 13 National ECLOF committees (NECs), including India, Sri Lanka, Myanmar and some African countries. She appraises large loan proposals, trains the staff and Boards of NECs. She worked as an educationist for more than 20 years and was the Founder President of two NGOs (SUEB – Society for the Upliftment of the Economically Backward - and SIRPI – Social Initiative for Rural Peoples' Integration) and a Board member of ECLOF India. Now she is in the Board of Management of Friends of India at Geneva, Switzerland. She was awarded the Ashoka Fellowship for Public Innovators in 1991 for her contribution in the field of development.

Dr. V. Abhai Kumar

Dr. V. Abhai Kumar, Ph.D from IIT Chennai, is a Communication Engineer, and the Principal, Thiagarajar College of Engineering, Madurai. Technology-based social work is his area of interest. He has more than two decades of research and teaching experience in microwaves, remote sensing, digital signal processing and image processing. He was sponsored by MHRD, DRDO, and DST to do research. IE (India) awarded him as an 'Outstanding Engineer' by IEEE, USA awarded him a senior membership and he has been certified 'A' Grade by AICTE, New Delhi. He has written many articles, and presented papers at national and international conferences on communication engineering.

Mr. Narender Kande

Mr. Narender Kande is a post graduate from the Institute of Rural Management, Anand (IRMA). He is the Chief Executive of Kalanjiam Foundation. He has over 13 years of experience in microfinance and was instrumental in initiating the Sri Padmavathy Mahila Abhyudaya Sangam (SPMS), one of the first federation of SHGs in India at Tirupati, Andhra Pradesh. He now looks after strategic management, collaboration with mainstream development institutions, resource mobilisation, networking with national and international agencies, training and capacity building of various stakeholders and policy advocacy. He is serving in the board of the SIDBI Foundation for Micro Credit and many other development organisations. His areas of interests are building people's organizations, microfinance and leadership development.

Ms. A. Umarani

Ms. A Umarani is a post graduate in Personnel Management. She worked in the Kalanjiam Community Banking Programme of DHAN Foundation for eight years and was instrumental in promoting a rural federation of women's SHGs, the 'Vaigai Vattara Kalanjiam', the first of its kind in Tamil Nadu. She has designed and offered capacity-building programmes for Government officials, bank officers and NGO staff from in India and abroad. She has handled Human Resource Development for DHAN Foundation for more than four years and has offered her services to many international development agencies. Presently, she is the Director of the Tata-Dhan Academy and Chairperson of PDM. Her areas of interest are Counseling, developing HR processes and HRD for people's organisations and Microfinance.

Mr. M.P. Vasimalai

Mr. M.P. Vasimalai, [Executive Director, DHAN Foundation] is a post-graduate in Agriculture and a management graduate from the Indian Institute of Management, Ahmedabad. He has over three decades of experience in development work; he is one of the key people in setting up PRADAN. He was instrumental in setting up DHAN Foundation in 1997. He has specialised in community organisation, designing development interventions in the fields of natural resource management and livelihood promotion, institutional development etc. He has traveled widely within and outside India and has participated / presented papers on these themes. He is also holding various positions in national and international forums, working groups, task forces and missions of central and state government on these themes. He was instrumental in promoting various network organisations. His areas of interest are institution building, leadership development and promoting various development themes for poverty reduction.