

Annual Report 2009



DHAN Foundation
Madurai

Contents

Abbreviations & Acronyms

Introduction to DHAN Foundation	1
--	----------

Heritage Matters	3
-------------------------------	----------

Annual Report 2008-09	23
------------------------------------	-----------

Kalanjiam Community Banking	27
-----------------------------------	----

Vayalagam Tankfed Agriculture Development	33
---	----

Emerging Programmes

Coastal Conservation & Livelihoods Programme	38
--	----

Tata-Dhan Academy	42
-------------------------	----

ICT for Poor	45
--------------------	----

Rainfed Farming Development	48
-----------------------------------	----

Working with Panchayats	51
-------------------------------	----

Tourism for Development	53
-------------------------------	----

Centres for Integration	55
--------------------------------------	-----------

Impact	65
---------------------	-----------

Financial Statements	91
-----------------------------------	-----------

Acknowledgement	105
------------------------------	------------

Board of Trustees	109
--------------------------------	------------

Abbreviations & Acronyms

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
NWDPRA	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

Introduction to DHAN Foundation

Development of Humane Action (DHAN) Foundation, a professional development organisation, was initiated on October 2, 1997. It brings highly motivated, educated young women and men to the development sector. They would make new innovations in 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. *Mothering 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.

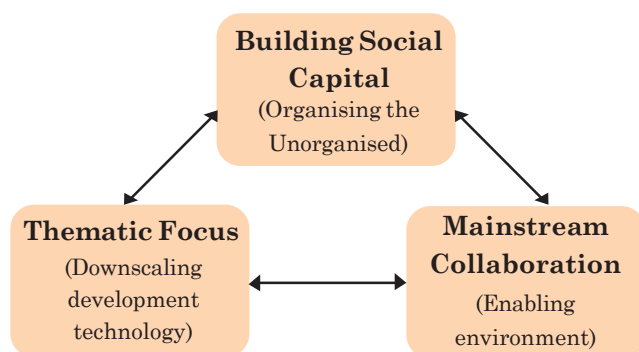
It will be occupying its legitimate space in policy making forums to shape the macro environment to the realities of grassroots and serving development community by disseminating good practices. It will shape thousands of development professionals to make millions of poor lives different with dignity 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.

DEVELOPMENT APPROACH



DHAN Foundation's development approach entails a system of inter-linked components. There is a three-way link between thematic focus, social capital and mainstream collaboration to promote sustainable development for the poor.

DHAN lays high emphasis on thematic focus. It builds social capital by organising the unorganised poor communities around the themes of water, microfinance, rainfed farming information and communication technologies, and local governance. Localised Peoples' Organisations are built in urban, rural, tribal and coastal contexts. It is the most critical step in building the capabilities of the communities to handle the development processes and its outcomes for ensuring their entitlements by acquiring bargaining power.

These Peoples' Organisations provide platform for nurturing innovations at the grassroots, scale-down technologies and contextualizing those technologies for addressing the issues of poverty, which are highly complex and contextual.

The third factor, the mainstream collaboration is critical for creating enabling environment for the other two factors to perform. 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 institutions closer to the communities. They evolve and nurture the principle of sustainable partnership between the

People's Organisations and the mainstream institutions. The collaboration process educates both People's Organisations and mainstream institutions about their roles and responsibilities in sustaining their collaborations.

Conceptually, the interaction among these three factors put the primary institutions at the centre, which are ideal platforms for practicing participatory democracy and ensuring collective empowerment.

DHAN plays a promotional role in initiating a theme, building Peoples' Organisations around them, establishing linkages with mainstream institutions and sustaining them. The promotional role keeps evolving over a period. As the local capacity is built, the roles get transferred to people. Simultaneously DHAN as a mothering institution promotes thematic organisations as subsidiaries to upscale the matured themes to continue the promotional role to sustain the Peoples' Organisations in the specific theme. The thematic institutions would take up the work of upscaling and deepening of the themes.

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.



Tanks are the living heritages

Tank is a vital resource, having economic, ecological, social and spiritual functions. Due to its fundamental role in village life, they have a strong cultural dimension. Without understanding and considering the cultural aspects of tanks, no sustainable solutions can be found.

Heritage Matters: Sustaining Development

Perspectives, Principles and Practices in DHAN Collective



Heritage Matters: Sustaining Development

Perspectives, Principles and Practices in DHAN Collective

DHAN Foundation views heritage as very much a living idea - it is about the present and the future as much as the past. DHAN believes that the past would give, in some way, a lesson for the present and future. The heritage that survives from the past is often irreplaceable, which places the responsibility of preservation on the present generation. Heritage is all the qualities, traditions, or features of life there that have continued over many years and have been passed on from one generation to another.

- it is constantly built by communities, in response to their environment, their interaction with nature, and their history;
- it provides communities, groups and individuals with a sense of identity and continuity;
- it promotes respect for cultural diversity and human creativity;
- it forms the basis of humans rights and of sustainable development.

Heritage may include immovable features such as natural and manmade structures, sites including archaeological localities and habitats; areas including lakes, rivers and other natural and cultural landscapes. Heritage may include movable features, such as artifacts, specimens and documents, which can be transported from place to place. Heritage may also be intangible and include traditional beliefs and values, attitudes, behaviours, skills, narratives, events and ceremonies.

The Heritage is broadly defined as intangible aspects of a particular culture, often maintained by social customs during a specific period in history. These include social values and traditions, customs and practices, aesthetic and spiritual beliefs, artistic expression, language and other aspects of human activity. The heritage significance can be interpreted against the backdrop of socioeconomic, political, ethnic, religious and philosophical values of a

particular community. Naturally, intangible cultural heritage is more difficult to preserve than physical objects.

Types of Heritages

Natural Heritage

Natural heritage refers to outstanding physical, biological and geological formations, habitats of threatened species of animals and plants and areas with scientific, conservation or aesthetic value. Natural heritage is also an important part of a culture, encompassing the natural environment, scientifically known as biodiversity.

Cultural Heritage

Cultural heritage is the legacy of physical artifacts and intangible attributes of a group or society that are inherited from past generations, maintained in the present and bestowed for the benefit of future generations. Physical or “tangible cultural heritage” includes buildings and historic places, monuments and artifacts that are considered worthy of preservation for the future. These include objects significant to the archaeology, architecture, science or technology of a specific culture.

Cultural heritage also include living persons possess special skills or talents such as craftsmen, musicians, or artists. Similarly traditions, songs, sayings and ways of life can also be considered as heritage though they are non-tangible.

Identifying and Qualifying Heritage

Understanding heritage significance requires a systematic and consistent process, which is appropriate to the purpose of the assessment. These processes can be applied not only to heritages already identified as significant, but also to those having potential for becoming a heritage.

Understand the evolution of the heritage structure or practice

Understanding the values of cultural and natural heritages includes its origins, how and why it has changed over time, the form and condition of its constituent elements, the technology, and comparison with similar heritages. Historical and archaeological archives always help in understanding historical and communal values of such heritages. Often published research materials would help understand particular aspects of evidential value or potential. Mapping, description and characterization would help people recognise how the past has shaped the present, and how it can shape the future. For example, DHAN values Tanks as heritage structures as many of the tanks several centuries ago. The historic research carried out by DHAN on the Tanks is an effort towards establishing historic and technological uniqueness of these manmade miracles still survive and support the millions of farming families in south India.

Identify the communities related to such heritages

In order to provide foundation for heritage management, the people and communities who are attached with the heritage structure or practices should be identified. This involves working with communities and experts with a sufficient amount of knowledge on the heritages. Different communities may attach different weight to the same heritage values at the same time. Understanding the history of a heritage structure or practice does not necessarily make it significant; but the process of understanding often generates and helps to define perceptions of heritage value. Through the endogenous tourism project DHAN has identified a number of artisanal groups involved in making specialized Athangudi tiles, weaving Kandangi sarees, preparing delicious Chettinad cuisines and carving stone sculptures in Karaikudi area in Tamil Nadu. This exploration helped in designing livelihood interventions suiting to the needs and interests of the communities involved in such activities.

Consider the relative importance of those identified values

It is normally desirable to sustain all the identified heritage values of a structure or practice identified

worthy of preservation either cultural or natural. Understanding the relative contribution of each identified heritage value to the overall value of the heritage structure or practice – its significance – will be essential to objective decision-making. A balanced view is best arrived at through enabling all interested communities to appreciate all the perspectives and priorities. Eliminating or mitigating negative characteristics may help to reveal or reinforce heritage values of a place and thus its significance. While the traditional forms of exchanging gifts and helping the families in distress like *'Moi'* or *'Seimurai'* still exist among the rural communities in Tamil Nadu are worth preserving, the exploitative elements in such systems must be understood to propagate only the positive aspects of such systems.

Articulate the significance of the heritage structure or practice

A 'statement of significance' of a heritage structure or practice should be a summary of the cultural and natural heritage values currently attached to it and how they inter-relate, which distils the particular character of the structure or practice. So far as possible, it should be agreed by all who have an interest in that heritage structure or practice. A statement of significance is an informed and inclusive judgment made on a particular set of data, applying prevailing perceptions of value, primarily to inform the management of a significant heritage structure or practice. The statement will therefore need review in the light of new information, and periodically to reflect evolving perceptions of value. The traditional rainfed farming practices in India are highly contextual and specific to a particular area. The Rainfed Farming Development theme lays emphasis on documenting, validating and disseminating successful intercultural operations in rainfed agriculture to the similar agro-climatic conditions. Often it involves rigorous enquiry and research.

Principles of Heritage Conservation and Development

Heritage is a shared resource

DHAN values heritage as a unique and dynamic collection of natural and manmade structures and

activities. It has been shaped by people responding to the environment they inherit, and embodies the aspirations, skills and efforts of successive generations. Every community values its cultural and natural heritage. It reflects the knowledge, beliefs and traditions of diverse communities. It gives distinctiveness, meaning and quality to the places in which they live, providing a sense of continuity and a source of identity. It is a collective social and economic asset and a resource; therefore it has to be conserved.

Everyone should participate in heritage conservation

DHAN believes that the local communities are the primary stakeholders of conserving their heritage and their active participation in identification, assessment and management is integral to the effective protection of heritage values. Everyone in the community should have the opportunity to contribute his or her knowledge of the value of the heritages, and to participate in decisions about their future. Conservation of heritages requires people's awareness and understanding of their heritage, including the varied ways in which its values are perceived by different generations and communities. Therefore it is essential to develop, maintain and pass on the specialised knowledge and skills necessary to sustain the heritages.

Understanding the significance of heritages is vital

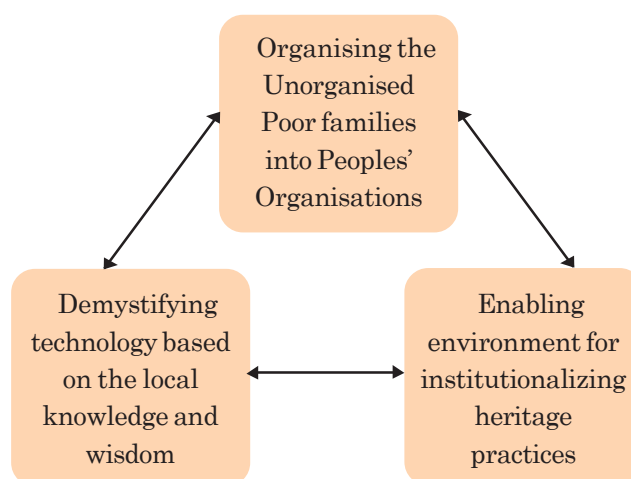
DHAN lays high emphasis on understanding the significance of a heritage. It is necessary first to understand its basics, and how and why it has changed over time. Also it is critical to understand who values the heritage, and why they do so, how those values relate to its foundation, their relative importance, how the heritage compares with others sharing similar values. Therefore understanding and articulating the values and significance of a heritage is necessary to design and work on strategies to conserve them.

Heritage should be managed to sustain their values

DHAN considers that change in the heritages is inevitable, caused by natural processes, and people's

responses to social, economic and technological change. Conservation is the process of managing change to a significant place in its setting in ways that will best sustain its heritage values, while recognising opportunities to reveal or reinforce those values for present and future generations. Conservation can be achieved by all concerned with a heritage. Efforts to counter harmful effects of natural and manmade change should be timely, proportionate to the severity and likelihood of the consequences, and should be sustainable. Conservation efforts should increase understanding of the past, reveal or reinforce particular heritage values to sustain those values for present and future generations.

DHAN's Heritage Approach



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

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.

One of the key development approaches followed by DHAN Foundation is to start anything from what the communities already have. All the thematic interventions of DHAN have been built on native practices, native solutions and native wisdom of the local communities. The Foundation is formalizing them with institutional mechanisms making it practicable and replicable. The Kalanjiam Community Banking programme has formalized the indigenous savings and lending practices followed by the communities. The Vayalagam Tankfed Agriculture Development programme works towards reviving the traditional practice of *Kudimaramath*, where the communities maintained water bodies by offering their labour. The Rainfed Farming Development Programme repackages all the traditional and relevant agricultural practices through the Peoples Organisations promoted among the small and marginal farmers involved in monsoon dependent farming. The Coastal Conservation and Livelihoods Programme is encouraging traditional fishing gears, crafts and fishing methods to promote conservation of marine resources.

Social Capital and Heritage

DHAN organises the poor families into primary groups of SHGs, Water Users Associations and Rainfed farmers’ groups. They come into existence to address the issue of poverty through savings and credit, rehabilitation of small-scale water bodies called tanks and rainfed farming development. The Peoples’ Organisations at each level have a unique system of organising and managing as an independent institution. They are promoted at hamlet, cluster/cascade and at block/district levels, which operate on the principles of self-help, mutual trust, and co-operation. It is self-evident that organising Peoples’ Organisations and building their nested institutions is a long-term and organic process. The Peoples’ Organisations take care of not only the present, but also the future. In other words they achieve the goals to better people’s lives in the present but strengthen institutional systems to take up future issues and broader challenges. The

Peoples’ Organisations have nurtured and developed various products and services to their members to enable them to come out of poverty.

DHAN strongly believes that the poor families are lacking resource and opportunities. But, they possess a rich life experience, and wisdom that led them to survive despite hardships, external challenges, both manmade and natural. If they are provided with an enabling environment they would be able to unleash their potential and come out of poverty. For example the Rainfed farmers’ knowledge and wisdom on farming with an uncertain rainfall is something they inherit from their ancestors. The programme documents the indigenous knowledge and practices, validates with structured experimentations and disseminates the proven indigenous practices to the farmers in the similar agro-ecological contexts. The organised social platform helps them unleash the potential of local heritage practices by articulating the significance of such heritages and meaningfully deploy them in the process of development.

Heritage and Development Technology

Technologies are usually adapted not adopted. DHAN Foundation promotes Peoples’ Organisations Communities and local organisations that are exposed to a wide range of available local best practices evolved from the indigenous knowledge and practices can locate which ones are relevant to their particular situations. Knowing the principles behind a technology and improving capacities to innovate helps communities cope with changing environments and new problems. Therefore, to achieve scale and to also ensure sustainability in the programs of technological enhancement, the strengthening of local capacities to innovate may often just as or even more important than the technologies themselves.

For example, every community has a number of ways by which families save individually as well as a group, exchange gifts and support each other. Indigenous forms of savings and credit form part of this complex of livelihood strategies. DHAN’s development interventions are founded on the basis of the close inter-relations between peoples’ diverse livelihoods and the institutions, mainly informal, with which they interact, in order to have any deep

or lasting impacts. The Kalanjiam Federations carefully study the informal savings and credit institutions or arrangements, range and frequency of consumption and investment needs in a village, and access to such arrangements. Based on such understanding they design suitable savings and credit products taking into account these interdependencies, role of livelihoods and social networks that can make made significant impact on the poor families' access to credit and well-being. However, the range of products would vary according to the socio, economic and cultural contexts. Therefore it necessitates contextualizing the design to suit to the needs of the local communities.

Enabling Environment

This enabling approach forms the basis of all the development intervention designs evolved by the Peoples' Organisations. Ultimately the people and Peoples' Organisations with the guidance of DHAN would handle all activities by building their internal capabilities and would become a strong demand system and able to work for their entitlement and empowerment. DHAN helps the Peoples' Organisations to build their identity and enable them to build internal capabilities to run the organizations for generations through collective action. DHAN lays high emphasis on enabling the poor communities to celebrate and explore their own heritage through a collaborative discovery of the evolution, change and characteristics of the heritages.

DHAN is concerned about the eroding cultural heritage, arts, traditions and indigenous knowledge. Also it believes that developing on existing cultural values and traditions enhances opportunities for communities. DHAN intends to revive the traditional value system and encourages conservation of cultural heritage at all levels. There are certain communities in the rural, tribal and coastal contexts function as custodians of heritage, culture and tradition. DHAN enables the Peoples' Organisations to integrate the heritage elements from such communities within its structure, processes and systems to conserve, preserve and develop our cultural heritage, traditions and arts. The Tourism for Development initiative of DHAN

works on the heritage resources to make it a driver of poverty reduction. While the heritage resources provide the content for product development, tourism enables the promotion and marketing of these products. DHAN enables the local artisans to get organised and become a key stakeholder in the tourism development as well as tapping potential of emerging tourism industry for their wellbeing.

DHAN's Way of Heritage Conservation

Restoration

Restoration is an attempt to return a heritage structure or activity to a known earlier state, on the basis of compelling evidence, without any assumption. Restoration is made with the deliberate intention of recovering a known element of heritage and utility value that has been eroded, obscured or previously removed, rather than simply maintaining the status quo. It may also achieve other conservation benefits, for example restoring traditional water harvesting structures created by our forefathers may make it both physically and economically usable and sustainable in the long term.

Promotion

Artisans are traditional creators and caretakers of the community's artistic heritage. Documentation of artisanal skills and the communities involved in it is critical for transmission of those skills to the future generation. Ensuring the survival and continued social economic relevance of the traditional system of arts and crafts would provide economic benefits to the communities in which the heritage is imbedded. DHAN's Tourism for Development theme intends to harness the omnipresent economic potential of tourism for the conservation of the local arts and crafts. Similarly the poor families organised into SHGs of farmers, women and fishermen, who are involved in arts and crafts making are organized into Primary Producer Groups (PPGs). These PPGs fulfill their capital requirements; link them with markets, making improvements in the arts and crafts to suit to the changing consumer needs.

Revival

Heritage revival is recreating a culture that is inspired from historical periods. There are many fascinating elements of historic periods, collective community action in the villages to protect water bodies (*kudimaramath*), traditional water management systems by appointing water managers (*neerkatti*), expressing sense of togetherness towards their neighborhoods faced with bereavement in the family, with emotional support and financial contribution in the form of cash and kind, during and after the funeral rites (*katta moi*) and so on. While historic cultures provide a rich array of customs, DHAN adapts such traditional practices and gives an institutional framework for the activities to integrate them with the products and services offered by the Peoples' Organisations promoted by it. Instead of trying to imitate what people did in the past, DHAN takes the past as inspiration to develop, innovate and adapt traditions to the present

Strengthening

All the traditional farming / production systems are less energy intensive, dependent on local resources and their recycling. Indian farmers, particularly the farmers surviving on rainfed farming are skilled in indigenous method of soil classification, fertility management, soil and water conservation through selected plants / trees / shrubs and cultural practices, creating micro-environment, seed selection and conservation, planting methods, weed control, maintaining the indigenous crop varieties, cropping systems and local techniques of insect pest management. DHAN's Rainfed Farming Development Theme lays emphasis on documenting the indigenous practices of the farmers and repackaging it to disseminate to farmers in similar ecological conditions.

Product design

Innovation is essential for sustaining values of a heritage structure or practice to benefit present and future generations, but should not be achieved at the cost of established value of that structure or practice. The traditional mutuality practices of the local

communities in the form of savings, exchanges, philanthropic support to the needy families have been used by the Peoples' Organisations promoted by DHAN to design savings, credit and insurance products to benefit their member families. Similarly the philanthropic works of the past have been useful in designing philanthropic products such as creating endowments for the water bodies, adopting drinking water ponds to provide drinking water to the village communities were some of the philanthropic products designed by DHAN to provide meaningful giving opportunities to the individuals and institutions.

Principles in Practice: Building on Heritage

Heritage of Collective action

India, a South Asian tropical country, has historical evidences of its human interventions in the management of water for agriculture from village water bodies. One such intervention is an irrigation tank. A tank is a simple rainwater harvesting structure designed by early settlers using indigenous wisdom and constructed with the generous support of native rulers and chieftains. There exist 500,000 irrigation tanks in the country, of which 150,000 tanks are located in the semi arid region of Deccan plateau. They are located in hydrologically favourable sites, some of them in sequential chains or cascades, effectively capturing the rainfall and serving multiple uses with irrigation having the major share. Tank irrigation systems are simple but fragile structures. They have to be constantly maintained, monitored and conserved.

The customary water rights enjoyed by community were indeed gained by them due to their hard work in construction as well as in maintenance. The stone inscriptions found on some of the age old tanks throw light on public participation in maintenance and renovation. The communities followed a unique system of *Kudimaramath* where each family would contribute their labour for the repair and maintenance works. But after the introduction of Ryotwari settlements by the middle of 19th century,

Water unites Communities



Kudimaramath refers to the traditional system of tank management widely practiced before independence. Kudi means the villagers, maramath means maintenance work. A village elder, assisted by a committee, would coordinate and motivate the local community to maintain the irrigation structures. Villagers provide their labour freely. The Vayalagam tank farmers' organisations have revived the practice of Kudimaramath in all the conservation works taken up by them.

the effectiveness of the traditional system deteriorated progressively, resulted in decay of local management. After independence their management functions also come under the different line departments with neither integral approach nor common purpose. This has resulted in the steady decline of the performance efficiency and degradation of these precious small scale water bodies. DHAN

Foundation has therefore chosen to intervene to restore these multipurpose tanks to their designed standard and performance efficiency, by mobilizing the users, organizing them into associations and undertaking the restoration work through them, thereby reviving the traditional local management.

DHAN's efforts in working with the small and marginal landholders for the restoration of tank irrigation and regeneration of farmers' management have met with success. The farmers are organised around the tanks to conserve the tanks and improve their performance. Through the years, DHAN Foundation has undertaken more than 1500 units of development works such as tank rehabilitation, community well construction, drinking water development works and watershed development works covering nearly 1,60,655 farmers and benefiting their small holdings in the dry areas of South India to an extent of 57,541 hectares. These works have been carried out through more than 2,150 Tank Farmers' Associations (Vayalagams) and 31 Federal Associations in the states of Tamil Nadu, Andhra Pradesh, Karnataka and Union Territory of Puducherry. The communities have contributed more than 20 percent in the total cost of development works, which includes predominantly their physical labour.

Heritage of Savings practice

The rural communities in India have a rich heritage of saving resources in various forms. Appropriate systems suiting to the local context and practices can help the poor communities to leverage their savings for a better future. DHAN's Kalanjiam Community Banking programme has formalized the informal savings and lending practices with an institutional framework, transparent and accountable administration. The Kalanjiam view savings as a powerful tool to build the stakes of the poor women in their groups. It builds the self respect of the people involved and integrates them into the financial system. Mobilisation of need based savings catering to the diversified needs build the trust of the members on the system.

Heritage of Savings practice

The culture of saving has long history in Indian society. The saving practices are mostly decided by the status and level of the community. In Solapur, Beed and Osmanabad districts of Maharashtra certain old saving practices are found even today. These practices are as followed.

Lucky Bhishi: This practice of saving money is very much popular among the families living in slums in the suburbs and small towns. In this kind of saving, 15 to 20 members of a particular area form themselves in to an informal group. The quantum of the monthly share is collected by one of the members in a particular period. Each member will go to nominated leaders house to pay the amount. The collection is not on a fixed date, collected in the first week of a month. Once all members' contribution is collected on the last day all members will sit together and prepare each members chit and pick up one from the lot. The person whose chit is drawn is entitled to get the whole amount without any commission. The next time in subsequent month benefited members name will not appear in chit box but she or he will have to pay his share till each one get the lot. In this kind of saving very minimum record is kept. The record consists of small note book. However the peer pressure is very high in lucky Bhishi. It has been observed and heard that all women remains present on the last day to ensure as who has got the lot. Another thing is that at any cost each member pays her/his respective share.

Auction Bhishi: This saving practice is more or less same with the above practice. The major difference is that this collection is auctioned. The member who auctions the collected amount has to lose certain amount as auction. Those who are in urgent need of money they go for auction. The amount of auction increases with the increased number of members in

need of money. The auctioned amount is shared by other members on equal basis as bonus to them. The benefit of this practice is that the last members need not to lose a single rupee to get his turn. The disadvantage of the later system is that the person in need of money has to lose some amount as auction. The drawback of this system is that more the number of offer for auction greater the amount of auction.

Gupta Bachat: This kind of saving is almost not in existence now days. It was practiced in olden days. The family used to keep money/jewelry or wealth under the ground. They used to keep the money in metal pot or box under the ground. This kind of saving is motivated to prevent loot from the Dakaiti or invaders from the outside. Now days we cannot see this kind of saving practices in our villages.

Pew: The Pew is the **underground grain storage structure** alike a mud pot which is used to store the excess grain harvested during the harvest. This kind of grain saving was in practice till late 80s. However these structures are not used now days. But the structures are there in the villages. The capacity storage of one structure varies from 20 quintal to 100 quintals. The farmers were used to keep the excess grain in this structure. Grain use to absorb the water content and quantity of the grain used to get increased. The advantage of this structure was that the grain was kept unaffected by the cockroaches and rats.

Galla: The Galla is a small structure of mud or metal with whole on its top. This is very much popular in towns. The middle class or wives of employees will put Galla in house somewhere. Whenever they get money to purchase household things they will save some money out of it and put in the galla. The amount saved in this kind of practice is used for some family function or to purchase household articles.

Heritage of Water bodies

Water is elixir if life. It has economic, social, ecological and spiritual functions. It was on the banks of rivers and water bodies, human civilization flourished. The hydrological characteristics of the Indian monsoon necessitated the creation of storage facilities to hold the rainwater of the monsoon. With extraordinary engineering, managerial and social skills, an extensive system of rainwater harvesting

structures like tanks and ponds had been built and maintained by the people for centuries. Behind these existing indigenous systems of irrigation, there are thousands of years of tradition.

DHAN's Vayalagam Tankfed Agriculture Development programme is involved in renovation and upkeep of these tanks in the peninsular India through the farmers' organisations and their federations promoted by it.

Temple Tanks

Madurai, the Athens of the East and the city of temples is the oldest inhabited city in the Indian peninsula. It is located on the banks of river Vaigai in Tamil Nadu. The festivals and celebrations in Madurai signify the deeper relationship between water and the people. Historic evidence shows that tank irrigation prevailed in Madurai in as early as 300 A.D. during the Pandya period. Many villages were named after the tanks abutting them.

When Madurai became a municipality in 1866, it was well served by a network of tanks; surplus water from Vaigai and Kiruthumal rivers were stored in these tanks which served the irrigation and drinking water needs of about 42,000 people. Today, the population of the city has grown by about 26 times, and most of the water bodies have vanished. Ingeniously designed by native rulers and managed by local communities for centuries, the tanks and channels have fallen into neglect mainly due to fast paced urbanization. The tanks that are owned legally by the state were taken over for construction of Government offices, housing colonies, bus depots, and other utilities. The tank ayacuts were converted into settlements by the people. The Krishnarao tank, Naina (Maina) teppakulam, Ezhukadal teppakulam and Valaiveesi teppakulam are confined to the pages of history. The Vandiyur tank, Madakulam and Mariamman teppakulam are the visible remnants of a glorious past.

DHAN Foundation has organised Madurai Marathon on the theme of 'Run for Heritage Water bodies' in 2008 to sensitize the citizens of Madurai on the importance of conserving the existing water bodies. Besides raising awareness, this Marathon raised resources for renovation of water bodies and temple tanks in Madurai through innovative ways and through partnerships between various agencies in Madurai.

Immayil Nanmai Tharuvar Temple-Tank Renovation



The temple tank – Potramarai Kulam is located inside Immayil Nanmai Tharuvar Temple in Madurai City. This tank was constructed in the year 1,200 AD during the period of Pandyas. The tank capacity is about 1.2 lakh cubic-feet. The tank was previously fed by Kiruthumal River and is now being fed by rainwater. The tank was in a neglected condition and used as a dumping receptacle for solid waste and wastewater. No fresh



water was stored in the tank and the tank became the breeding ground for mosquitoes and nuisances due to bad odour. Nearly 2,000 litres of wastewater let into the tank every day and the tank was silted up with debris up to 10 feet. With the resources raised from Madurai Marathon, DHAN in association with Madurai Corporation took up rehabilitation works in the tank. The silts were removed completely. Due to diversion of wastewater, the tank is protected from pollution and it is used for rainwater harvesting. Through this conservation work, the water recharge has increased in the bore wells of surrounding areas, which would satisfy the water need during summer.

Kochadai Tank Supply Channel Renovation

The Pothigai Vattara Kalanjiam, adopted the Kochadai Tank located in the outskirts of the Madurai City as resolved by them in the Madurai Marathon. The Federation gave its contribution of Rs. 50,000 for renovating the channel that previously supplied water from the river Vaiagai. With the help of PWD and the Revenue Department the channel was demarked and the encroachment was evicted. Besides that, the renovation works included jungle clearance and desilting of the tank supply channel. The work started in January 2009. Throughout the project, coconut trees, walls, shops, households and neem trees were removed. As an outcome of this project, wells in the vicinity of the Kochadai Tank would be benefited from improved groundwater recharge.

Heritage of Artisanal skills

In traditional Indian society, the artisans and craftsmen fashioned all the things that are part and parcel of life, be it a ritual object or a product of utility. They ingeniously imbibed the village customs, personal care, aesthetics and eco-friendly materials. With hundreds of art forms at stake, and

livelihoods abandoned due to meager earnings, the artisan has lost his patronage in Indian society, and skill sets are halted, instead of being passed down generations. DHAN views that heritage and tourism industries have a responsibility to present and future generations in ensuring the preservation, continuation, interpretation and management of heritage resources of significance.

Karaikudi



Chettinad is the homeland of the Nattukottai Chettians, a prosperous banking and business community. Karaikudi lies in the heart of Chettinad, 85 km from the famous temple town of Madurai. The palatial buildings and temples spread over 74 villages in the Chettinad speak volumes of the quality and lifestyle of its owners and the skilled workforce. Almost all houses in the villages stand out with their front elevation, beautifully-carved pillars, meticulously planned interiors and colorfully-painted buildings.

The Chettiyar Community provided patronage to a variety of arts and crafts in this area. The Kandangi cotton sari is unique in the dramatic and spontaneous use of colour and pattern with bold checks, stripes and contrasting hues. Athankudi tiles named after their place of manufacture in Chettinad are handmade in myriad colours and patterns by a unique process using local soil. The wooden sculptures and artifacts made by the wood-carving artisans can be seen on the doorways, pillars and furniture. The Chettinad style food is famous for its varied spicy, delicious and colorful varieties.

Kazhugumalai

Kazhugumalai, one of the ancient temple towns in Tamil Nadu is known for the monolithic rock cut temple dating back to 8th Century and decorated with sculptured panels, pillars and Jain carvings. Kazhugumalai not only was a Jain centre of worship but had a monastery and

a college, where both men and women taught students. There is a rock face with three rows of bas-reliefs of Jain Tirthankaras. Vettuvan Koil, the temple of lord Shiva, carved out of a single rock is as an impressive work of the Pandya architecture. It has a lot of similarities to the Ellora in the West of India.

The traditional folk dances such as Oyillattam, Thappattam, Kummi, Villupattu, Karagattam and Kavadiattam are the familiar folks of this area which portrays the lifestyle of this area. *Kottan*-weaving is a popular activity in and around Kazhugumalai. *Kottans* were originally baskets used as packaging and as containers for gifts and offerings during Family rituals. Weaving colourful hand-dyed *kottans* was a leisure craft for the women here.



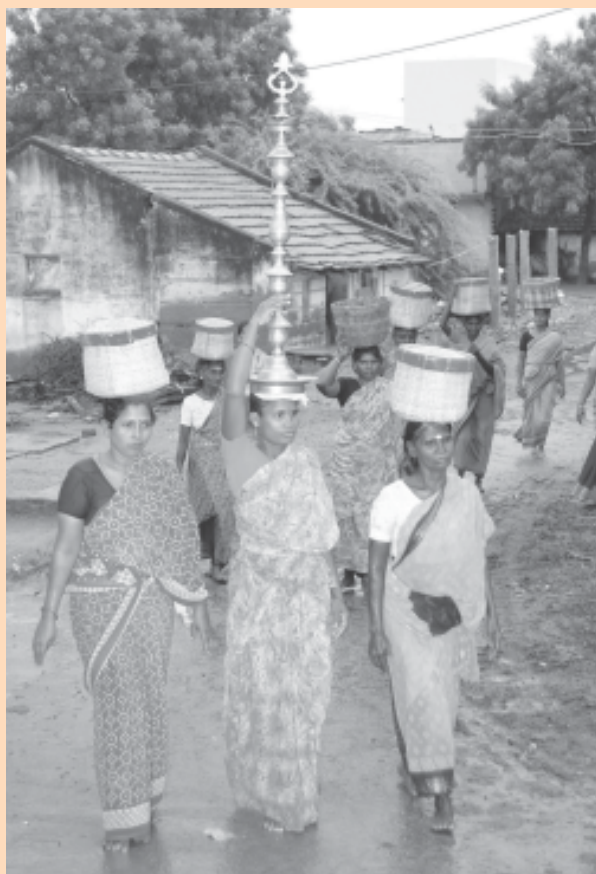
DHAN's Heritage Centered Tourism Initiatives

As a result of the 'Endogenous Tourism' project piloted in Karaikudi and Kazhugumalai with the support of the Government of India and United Nations Development Programme, DHAN Foundation has come out with community-led heritage tourism model for strengthening the livelihoods of the rural artisans. The poor women and artisans who are dependent on the tourism related activities have been organised into Self Help Groups and their networks. These groups facilitate skill building, creation of market linkages, building and strengthening of private and common assets. The local youths trained as tourist guides attend the tourists with special care the internet based tourism information centres setup in the villages provide them needed guidance to plan their visit.

Heritage of Mutuality

One of the unique characteristics of Indian societies is social interdependence. From birth to death, people are deeply involved with others through a closely knitted social fabric. Economic activities, too, are intensely imbedded in a social nexus. Various crucial horizontal linkages connect each village with many others and with urban areas both near and far. In daily life and at colorful festivals and rituals, members of various groups provide essential goods and services for one another.

Mutuality strengthens social security



The rural communities express their sense of togetherness towards their neighborhoods faced with bereavement in the family, with emotional support and financial contribution in the form of cash and kind, during and after the funeral rites.

These social systems and traditions have many lessons for shaping and modeling modern institutions and practices. There was spontaneous solidarity of kinship which has since then been replaced by organized assistance between groups of people with common interests. Such organized mutual assistance systems are recognized and revered by the entire community. Often the religious or community organisations in the villages ensure such practices and they are deeply integrated in the social systems.

Mutual sharing mechanisms are conspicuous in times of pleasures as well as in times of a disaster or risk are prevalent in the rural and tribal communities. For example in the Ponnakkaneri village of Ramanathapuram District, Tamilnadu, the village community organisation takes care of the entire responsibility of carrying out funeral rites in the aggrieved family and meets the expenses from its funds. Once the family returns normal, it asks the family to pay it back in easy installments without interest. At the burial ground, people from each household would contribute amounts as they wish but not less than Rs.5, which would be used for immediate expenses of the family. Similarly in the nearby Kavanur village in Ramanathapuram, at times of death, they collect Rs. 20 and half liter of rice from each family and give it to the aggrieved family. When 'Village Pachai' (a custom) is carried, each family would carry and give banana, soft drinks and paddy. This helps the aggrieved family to feed the outsiders who are coming to the funeral.

With the principles drawn from such local practices, which maintain these social fabrics intact, the Peoples Organisations promoted by DHAN Foundation are implementing scientifically designed mutual insurance solutions by themselves. People Mutuals, a social security initiative of DHAN Foundation documents such indigenous systems of social security exist in the communities in the event of risk to integrate such systems and practices within the Peoples' Organisations promoted by it. Such principles are integrated in the mutual insurance products evolved by the Federation Mutuals promoted within the Federations of SHGs.

Heritage of Rainfed Farming

The rainfed farmers of India have a rich heritage of agricultural wisdom on crop and livestock husbandry. They have a deep knowledge of their own varieties of crops, their environmental and nutritional requirements, properties and peculiarities. This enabled farmers to sustain their livelihoods even under the most severe stress situation. Rainfed Farming in India is complex, diverse and risk prone and is characterised by low levels of productivity. It accounts for 40 per cent of the total geographical area and more than 60 per cent of the area under cultivation. Delayed monsoon affects sowing of the crops, or long spell of dry period damages the standing crops and at times heavy rains in a few hours can cause enormous damage to the crops. Rainfed farming is vulnerable not only to rainfall related risks but also liberalisation led market risks.

Uncertainties of rain fall behaviour is not a recent phenomenon but is as old as agriculture. This has led the farmers to evolve their own mechanisms to enable them to cope with bad periods. Many rainfed farm families cannot survive from their land alone and therefore have to look for additional sources of income. Migration is a common phenomenon in these areas. Most of the rainfed farmers are very poor.

Despite such a constraining environment, there are signs of hope. DHAN Foundation has taken up rainfed farming as a theme for intervention. The belief is that rainfed farms can be made viable provided a package of practices, a combination of land and allied activities and systematically managing risks related to it are available to the farmers. This will help stem the decline that is taking place in rainfed farming today. The theme is being piloted in three distinct rainfed conditions in Tamil Nadu - Thirumangalam for black cotton soil, Natrampalli for red soil, Vedharanyam for coastal area, Pudurnadu for hilly tribal context.

Sustaining livelihoods with native wisdom



Diversity is the key to sustainability. In rainfed farming, farmers are adopting location specific agronomic practices and judiciously designed mixed cropping system to cope up with vagaries of monsoon.

Rainfed farmers are organised into Farmers Groups and into Watershed Associations at the next level. Interventions in agriculture, horticulture, livestock and land development are the major components. Context specific savings, credit and insurance products are designed and implemented. Local best practices of farmers in rainfed farming, both indigenous and exogenous are documented, standardised and disseminated.

Heritage of Tribal Culture

Over many centuries the tribal communities in India have built in unique customs, traditions and festivals that signify their identities, solidarity and community living. The diversity of celebrations; beauty, grace and wisdom embodied in the festivals enrich their social life and make their life colourful. These traditions help them to fortify enduring bonds within the communities and between the villages. Their life was not just celebrations and festivities. Despite working hard, the tribal communities had always been at the receiving end. Amidst the vulnerabilities of their traditional means of livelihood, continued exploitation by the middlemen and moneylenders has drowned them into indebtedness, starvation and malnutrition.

Understanding the lifestyle, culture and socio-economic reality of the tribal people, also their unique strengths are critical for creating favorable environment for sustainable development of tribes. DHAN has started working with the tribal communities of Indervelly Mandal of Adilabad district in Andhra Pradesh since 1997 in partnership with Integrated Tribal Development Authority (ITDA). Tribal youths were identified and groomed to work on the issues of their own communities by organising Kalanjams of tribal women, creating networks of Kalanjams to make the women interact with the women in other villages, introducing savings, credit and insurance services. Strengthening traditional livelihoods was given high emphasis in all the groups. Later the Kalanjams have joined together and promoted “Sri Indrayi Mahila Kalanjia Samakhya”, a federation of women Self Help Groups in 2002, with 3140 members, organised into 240 groups. Based on the experience from Indervelly, DHAN has expanded its tribal development programme in the tribal locations in the district – Triyani and Azifabad. The Federations apart from savings and credit activities implement agriculture development, watershed activities through renovation of water bodies and providing input supply and marketing linkages. Farmers have purchased input collectively and arranged to establish market linkages through promoting exclusive producer groups for soya bean and minor forest produce.

With almost a decade of intensive work in the tribal areas of Andhra Pradesh, DHAN Foundation has come out with a package of microfinance plus strategies such as; freeing the tribal communities from financial bondedness of exploitative traders, creating and strengthening forest based livelihoods, water resource development and building health and educational services from the inception. The Kalanjiam Programme has been expanded to other states such as Madhya Pradesh, Rajasthan, Orissa and Tamil Nadu. Currently, the Programme is working with 16,404 tribal families from five states of India across 13 locations covering 16,404 members organised into 1134 groups.

Development to preserve cultural identities



The institutional mechanisms of imparting education, extending health services, and development interventions should enable the tribal communities to preserve their identities, traditional knowledge and culture.

Heritage of Local governance

Democratic systems are nothing new to Indian villages. In South India, the '*Kudavolai*' system practiced by imperial Cholas, as far back as 900 AD, points to the existence of well-organised representative institutions. The *Uttiramerur* inscriptions give information about the village administration, taxation and land revenue.

Taking the principles of functional groups (Variyam) detailed in the system, DHAN Foundation conceived a new theme 'Working with Panchayats' to bring vibrant democratic practices in the Panchayat system. The Programme lays high emphasis on participatory governance, which calls for involvement of people, in decision-making processes, based on the use of good governance principles such as accountability, transparency, self regulation. The programme has taken up a number of experiments towards creating new type of democratic village institutions which would expand the process of participative democracy by directly including all the people in the decision-making process at various levels.

The programme organises functional groups in villages generated by the rich web of non-political associations, which are social in nature. These groups provide basis for democracy and have the habits of exchange and collaboration on the basis of which co-operation for the public good. These informal groups are trained for better participation in local governance and in the gram sabha meetings. It advocates for legitimate space for such groups in planning and implementation of development works. Taking principles from traditional Panchayat meetings as well as the modern parliamentary system, the Programme has designed a system called 'Panchayat Parliament' after an intensive piloting.

The purpose of Panchayat parliament is to simulate the experience of our Parliamentary system at Panchayat level. The outcome of the forum is to facilitate better participation of the community in local governance and bring vibrancy in the gram sabha meetings. The informal associations and traditional Panchayat bodies in the Panchayat would become institutional members of the forum, so that they would get integrated with legitimate bodies to

foster synergy. This system works well and it strengthens the democratic systems and inculcates how to participate in the Panchayat affairs. Intensive and meaningful discussion happening in the meeting would clarify many of the doubts of the people and set a tone for transparent administration.

Heritage of Water management

Observations of Great Civilizations show that their development was directly related to the extent to which they could control and manage water resources. The hydrological characteristic of the Indian monsoon necessitated the creation of storage facilities to hold the rainwater of the monsoon and utilize the same at a later date. With extraordinary engineering, managerial and social skills, an extensive system of rainwater harvesting structures like tanks and ponds had been built and maintained by the people for centuries.

Before the advent of British rule, the local communities had the complete control over water bodies. The village organizations had well laid out rules and fixed responsibilities to manage water efficiently. They employed persons to operate sluices (Madaiyaans), distribution of water (Neerani, Neerkatti or Kanduvetti). There were village accountants, village watchmen (Kaval). All these persons and the village artisans were paid from the total produce of the village. Inscriptions of Sangam period contain wealth of information on water sharing, distribution, water rights and responsibilities - the key elements of water management. The traditional water managers played a key role in effective water management

Most of the tanks in south India had water guides / managers to effectively manage the water distribution. Each tank had one or more *Neerkattis*. There are no accurate estimates as to how many *Neerkattis* would have been involved in such tank management in the region. One of the estimates says there are around 4000 Neerkattis in Gundar Basin, one of the dry river basins measuring around 5,500 sq km of geographical area with around 2500 small and big tanks. They are still working in the tanks providing irrigation and other services to the dependent farming communities.

The *Neerkattis* had several functions to perform ranging from supply of water to every field at the farm level to safeguarding the tank structures from all natural and manmade calamities. He is a mobiliser of the village labour, he undertakes watch and ward of tank assets, he ensures water management according to the available water and need of the crop, he would forecast the monsoon and water availability, and he manages the water at times of scarcity and demand.

DHAN's Vayalagam Tankfed Agriculture Development programme works on reviving and strengthening such systems by encouraging Vayalagams to appoint *Neerkattis* for equitable water distribution. Exclusive savings and credit groups have been promoted with the *Neerkattis* to provide them social and financial safety-nets, so that they continue to contribute in water management, which is very critical in maintaining just distribution of water and avoidance of conflicts related to water sharing by the local communities.

Heritage of Festivities

India offers astounding variety in virtually every aspect of social life. Diversities of ethnic, linguistic and regional groups crosscut Indian society, which is also permeated with immense differences in celebrating festivals with family and community. The People's Organisations promoted by DHAN respect the diversity of celebrations and draws inspiration from the beauty, grace and wisdom embodied in the various festivals. They have built in such unique customs, traditions and goodness of festivals in the solidarity and culture building events of Peoples Organisations. These traditions help them create new and enduring bonds with communities other than their own.

The People draw strength from each other. Breaking caste and religious barriers, the Kalanjiam women celebrate and adore their success in the public by lighting lamps and vocalizing their commitments in a secular fashion. Mulaipari and Kummi are the popular expressions of the members in the Kalanjiam events in Tamil Nadu. Mulaipari is a very important ritual which takes place at almost every village celebration. The women would go on

procession carrying earthen pots with grown grains (nine different types of grains) inside on their heads and walk towards a river where the content is dissolved. The original meaning of the ritual performance is a request to the village Goddess for rain for fertility of land, in order to secure a rich harvest. The women are involved in large groups significantly implying the prosperity, peace and harmony through empowered women. Similarly in Kummi, the women stand in a circle and dance clapping their hands rhythmically to lifting songs.

These celebrations are followed in different ways in other parts of the country. The connecting thread is the purpose for which they are done. The members have brought in a number of such indigenous expressions of togetherness and solidarity through these celebrations and their different forms and expressions. With greater emphasis on the values of self-help, mutuality, and self-regulation, the Kalanjiam Movement is working towards integrating festivals and celebrations to establish their identities within their societies.

Building solidarity through celebrations



The members of Kalanjiam Federations meet once in a year to celebrate their successes, share their experiences, and plan for the next year. They will perform their traditional prayers and dances as part of their celebrations.

Heritage of Philanthropy

Eradication of poverty requires collaborative efforts and resources. If we take India as a country with rich and varied heritage of giving and the same we could see with other countries too. In India especially there are various kinds of *dhan* (donations).

Shramdhan is giving labour, *Annadhan* is giving food and *Vidhyadhan* is giving knowledge. These were the various ways available in the past. But today and for the future, especially in the present context there exist a need for various ways of giving. DHAN is working on promoting a sharing culture among the poor communities with whom it is working, the general public both in India and abroad, corporates through creating meaningful opportunities and partnerships.

Kings, noblemen or the villagers for the purpose of maintenance of tanks made endowments in the form of gold or land. The income from these endowments was utilised for the maintenance of tanks. The *Pallava* period (600 AD to 900 AD) epigraphs extensively mention the '*Eri Variyam*' (Tank management committee). The members of the committee were elected every year, which enabled fresh members to get in and serve the committee. The *Erivariyam* took up the responsibility of regular maintenance, failing which the members of the assembly were liable for fine and punishment. The committee employed persons to operate sluices and distribution of water. There were village accountants, and village watchmen. All these persons and the village artisans were paid from the total produce of the village. The remaining was shared between state and villagers.

DHAN firmly believes that the effective management and sustainability of people's institutions over the years are the solutions to conserve and develop the endangered tanks. Endowment fund or corpus funds are maintained in each Tank association for the sustainability of the association and for the future maintenance. Sir Ratan Tata Trust (SRTT), Mumbai pioneered in this aspect by providing Rs 5.00 Million as Endowment/Corpus grant to 500 Tank Farmers organisation for four years from January 2001. Endowment fund is created at every Tank Association level for ensuring future maintenance and institutional sustainability.

The association mobilizes corpus fund with matching grants given by government agencies, philanthropic institutions. Only the interest portion of the corpus can be utilized for future maintenance activities of institutions concerned and not any part of the corpus whether contributed by the people or by the philanthropic institutions.

Heritage of Marine conservation

Many traditional societies view physical as well as biological components of the environment and the human population as being linked together in a web of relationships. For thousands of years, these communities around the world have used knowledge of their local environment to sustain themselves and to maintain their cultural identity. The fishing community in India, with their traditional knowledge of the sea and its environment harvested the resources in a moderate scale and recognise the sea as their common property.

Tamil Nadu is one of the important Maritime States with rich Inland and Marine resources. It has a

Conserving for future generations



The craft and gears such as catamarans, small canoes, big canoes deployed by the traditional fishing communities were the most appropriate to suit the environment. Fish workers themselves developed these over centuries of experience and skill, keeping in mind the dynamics of tropical waters, multi-species, fish behaviour and seasonal changes. Building on their belief system, DHAN Foundation, after the Tsunami devastation, organised such communities along the Southern coastal villages to build lasting disaster coping mechanisms with high emphasis on conserving marine resources.

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 Tamil Nadu.

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 and it produces about 20 percent 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. 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.

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. The tsunami is only the latest misery in the lives of fishermen in the coastal Tamil Nadu. The grip that traders, moneylenders and other vested interests have on these people has always kept them downtrodden and powerless. 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.

Kalanjia Meenavar Sangam in Conservation:

DHAN Foundation started conservation and development works in this area from 1992 onwards. The UNDP-GEF project on "Promotion of Alternative Livelihoods for the Poor in the Biosphere of the Gulf of Mannar", between 2000 and 2002, was the first project towards empowerment of communities for poverty alleviation in the region. This was a sub-programme to the main project on "Conservation and Sustainable Use of Gulf of Mannar Biosphere Reserve's Coastal Biodiversity", which was endorsed in 1999 by UNDP-GEF, and inaugurated in 2002. DHAN Foundation took up implementation for the sub-programme on promotion of alternative livelihoods.

After Tsunami in 2006 DHAN has intensified its works among the coastal communities to enable them to restore their livelihood activities by organizing savings, credit and business support services. DHAN has promoted Kalanjia Meenavar Sangam (KMS), Primary Producer cum Marketing Groups 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. 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.

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 and releasing endangered species caught into nets back to the sea. Also they employ laborers to clean the sea shore at periodic intervals.

Way forward

DHAN Foundation took up the year 2008-09 as a 'Year of Heritage'. A yearlong celebration of heritages and works around such heritages have resulted in creating an understanding on the importance of identifying and documenting local heritages and integrating them into the development works being carried out by the programmes and institutions in DHAN Collective. However the local communities are yet to be sensitized on their own heritage significance, which needs a continuous processes and mechanisms for reinforcement. Instilling the values of local heritages among the youths is an important task for the Peoples' Organisations to ensure their conservation and development. The Peoples' Organisations have resolved to take up Heritage Conservation as an agenda in their development plans and strategies. 'Tourism for Development' has emerged as a crosscutting theme in DHAN Collective to integrate the local heritages in the existing programmes. The social infrastructure has already been created by all the programmes would form foundation for integrating heritage conservation and development as a potential and scalable livelihood opportunity for the poor families.



Savings build equity with ownership rights

A rural woman saves the grains in the Kalanjiam (granary in Tamil). There were diverse forms of indigenous savings systems followed by the rural communities, mainly to cope up with the seasonality of employment and income in farming. The Kalanjiam groups have just formalized such systems.



DHAN Foundation at a Glance

Particulars	March 2007	March 2008	March 2009
Cumulative figures			
Reach			
No. of Families	6,11,888	6,49,389	7,35,501
No. of Primary Groups	27,030	28,027	29,326
No. of Clusters	1,679	1,638	1,367*
No. of Federations	128	116	164
No. of Villages	8,775	9,148	9,531
No. of Districts	37	41	41
No. of States	9	11	11
Staff			
No. of Professionals	363	330	314
No. of Programme Staff	367	316	347
No. of People Functionaries	2,919	2,340	1,904
Finances (Rs. in million)			
a. Programme Funds			
People	1,299	1,444	1,637
Banks	2,239	3,011	3,368
Government and Donors (for the year)	256	93	486
Sub Total	3,793	4,548	5,491
b. Programme Management (for the year)			
People	81	65	52
Government	5	13	8
Donors	128	253	240
Sub Total	214	331	300
Grand Total	4,007	4,879	5,791

* Reduction in number of Cluster Development Associations (CDAs) were due to merger of adjacent CDAs in few federations for operational convenience

Annual Report 2008-09

The year 2008-09 was a year of advancement in the themes and institutions with greater integration and diversification. The existing poverty reduction themes in DHAN have started assimilating the crosscutting themes such as gender and disaster risk reduction, through localising the Millennium Development Goals (MDGs).

The Kalanjiam Programme intensified its model building efforts on civic interventions such as health, education, sanitation and safe drinking water, and electricity. The Kalanjiam Reproductive and Child Health programme is set to upscale and on the similar line, malaria and HIV AIDS interventions are being piloted by the programme.

A Development Information System has been created in the Kalanjiam Programme to track the impact of its poverty reduction measures closely at the family level. This would help monitor the graduation of families from survival and subsistence state to self-employed and self-reliant state.

Innovative inroads have been made for integrating primary education in the development agenda of the Federations. The concept of Federation managed model community school with an activity based learning system has been operationalised in two places.

The Vayalagam Programmes has geared up to for upscaling geographically as well as deepening through diversified interventions in agricultural production and marketing. The Programme expanded its reach to the Eastern India to work on the ahar-pyne system of indigenous irrigation. There has been an overwhelming response for our call to support our water initiatives from the individuals within and outside India.

The action research programme carried out with the farmers participation sponsored by the Central Water Commission has brought us a lot of lessons

for deepening the agricultural interventions within the programme. Inland fisheries has been demonstrated on a scale and proved to be a potential activity for livelihoods enhancement and food security.

All the programmes, institutions and centres in the DHAN Collective were successful in building new partnerships and strengthening the existing partnerships on various forms such as resource generation and sharing, capacity building, building and sharing knowledge and expertise, networking for advocacy, capacity and awareness building and so on.

Partnership with HUL to enhance livelihoods of about 75000 women as part of celebrating its 75th year in India made a remarkable contribution to the Peoples' Organisations promoted by DHAN during the year. It helped us to innovate areas for livelihoods intervention.

The Rainfed Farming Development Programme completed its experimentation phase and set to upscale in other places. With a full-fledged programme design and components the programme gets into integrated and crosscutting approach with the Federations promoted by other themes.

The pilot projects carried out with the facilitation of the Advanced Centre for Disaster Risk Reduction housed in the Tata-Dhan Academy reinforced the need for mainstreaming disaster preparedness and management strategies within the Peoples' Organisations to cope up with the adverse effects of the climate change. Similarly the 'Advanced Centre for Skill and Knowledge on Mutual Insurance (ASKMI)' undertook a number of pilots and research assignments in association with the themes and institutions in the DHAN Collective. Both the Centres could build an identity in the respective fields through networking and advocacy within a short time.

The Working with Panchayats theme has expanded its horizons into urban governance and microfinance. Visibility for the theme in the sector has started to grow. Conceptual and contextual refinements were taken up on the key programme components such as micro-planning, capacity building and networking.

Tourism has emerged as a potential crosscutting theme for fast-pacing the poverty reduction programmes implemented in the areas of tourism potential. The experience gained from the Endogenous Tourism Project with UNDP support gave us a lot of insights on the design and implementation.

Dhan People Academy came out with an expansion design for the 'Livelihoods Initiative with Functional Education' by integrating with the Peoples' Organisations to respond to the needs of the poor youths to pickup employable skills.

The memorandum of understanding made with the Indira Gandhi National Open University (IGNOU) for implementing community college concept across Tamil Nadu has opened up livelihoods oriented higher education opportunities in rural areas.

Enhancing the quality of governance was given much emphasis through leadership rotation, appraisals and handholding support for the board of governance in the federations, visioning exercises and capacity building for field workers.

Contribution and stake of the poor communities in the poverty reduction initiatives were amazing and incomparable. They continue to maintain a stake of one third of the total programme funds through their savings and financial contributions. In the last year alone they contributed Rs. 52 million for the staff

and programme implementation. Though the Federations have built in a lot of goodwill locally, raising localised resources is still an area of concern and continued focus for the Peoples' Organisations to deepen their works.

The annual Madurai Marathon was organized on the theme of "Run to be free from Anaemia" in collaboration with the Tamil Nadu State Health Society, Madurai corporation and various other agencies. The event attracted over 40 thousand participants and the half marathon was organized as a competitive event which attracted a lot of participants as compared to the previous year.

DHAN as an HRD organisation provided space for the professionals to expand their horizons and helped them find their identity with the community and grow in terms of professional competency, commitment to the cause and contribution to the community. However getting and retaining high quality human resources to work at the grassroots is continued to be a challenge.

The specialised centres working on human resource development, development communication, finance, philanthropy, research, policy and planning have played a greater integration role across the programmes through various products and services for enhancing the field action. In addition they have started contributing in their respective fields through research, consultancy and advocacy.

The permanent working groups constituted with the senior professionals in DHAN, have made remarkable contributions in terms of advancing the thinking process and synthesizing knowledge from the available experiences on gender, livelihoods, and mentoring.



Kalanjiam Community Banking Programme

DHAN Foundation initiated the Kalanjiam Community Banking Program in 1990. Over the last decade these efforts resulted in developing an 'enabling model' of microfinance, emphasizing member ownership, self-help, and mutuality. The models primary aim is to empower women and address poverty. The programme focuses on women and believes that localised financial institutions owned and controlled by women are an effective way to alleviate poverty and address gender issues. The DHAN Kalanjiam Foundation has been promoted for upscaling the Kalanjiam nested institutions model. The approaches of the programme are:

- Organising Kalanjiam Self Help Groups for the poor women and networking them to become independent and interdependent secondary institutions called Cluster Development Associations and Federations at the Panchayat and block level.
- Promoting creative financial products such as savings, credit and insurance by formalizing the existing indigenous practices and mutuality mechanisms among the poor.
- Facilitating the Peoples' Organisations to build linkages with banks and formal financial institutions to meet the multiple credit needs of members, collaborate with other development agencies such as the Government to get their entitlements, implement civic programmes in health and education.
- Strengthening existing livelihoods and creating new livelihoods opportunities through skill building and market linkages.
- Building replicable intervention designs through research and pilots on the social and development needs of the members such as drinking water, health, education, sanitation, access to basic infrastructure, alcoholism and gender issues.
- Identifying and nurturing the latent leadership potential among poor women to make them as dynamic grassroots leaders to manage and sustain their organisations.
- Enabling the Peoples' Organisations to setup fool-proof and transparent financial management by evolving policies, setting up systems, rules and procedures, ensuring quality of accounts through auditing.
- The programme has become a movement called the 'Kalanjia Iyyakam' – to bring more women into Kalanjiams.

Reaching out to Poor Communities

The Kalanjiam programme has been expanded to six new locations during the year and 46,731 poor families have been organised into 1,580 Kalanjiams. As on March 2009, the Programme has reached out to 434,419 poor women by promoting 25,049 Kalanjiams in 164 locations spread over 11 states.

Facilitating financial services

Efforts were made on increasing the quantum of savings by the members. Intensive interactions with the members and counseling helped in increase of savings rate in the groups. During the year all the

members have saved Rs.237 million, reaching the accumulated savings of Rs. 1,368 million. The Kalanjiams issued loans to their members to the tune of Rs. 1748 million for various consumption and production purposes. The Programme has ensured life insurance cover to 385,146 members through the private and government insurance companies.

SHG-Bank Linkage

The Programme has made efforts to strengthen relationship with the commercial banks with whom the groups have been linked. Currently 194 branches of 30 commercial banks are involved in SHG Bank linkages with the Kalanjiam groups. During the

year 7,691 groups were linked with the banks and mobilised Rs.855 million as loans. So far 21,482 groups have been linked with the banks and availed 66,626 loans to the tune of Rs.3521.10 million.

Wherever the groups faced difficulties in getting linkages, the Programme facilitated linkage with the Kalanjiam Development Financial Services to mobilise bridge finance until getting linkages. During the year alone the Programme has facilitated bridge finance to the tune of Rs.120 million. With rigorous monitoring and follow-up the Programme could ensure timely linkages and proper repayment to the banks. The loans outstanding with the apex banks were cleared with the available funds to make the federation out of direct financial linkages with the groups and concentrate on other development agenda.

Federations achieving self-management

Common fund investment

The Programme continued to focus on educating the members, leaders and the staff on the need for securing common-fund within the group. Instead of re-lending the 'common fund' the groups were explained on the importance of creating corpus, mutuality fund and social development fund. The groups have taken resolutions to create these funds, and invest in fixed deposits in banks. Monthly allocation of the common fund and depositing the same in the bank was emphasised.

Self growth for sustainability

Achieving self-management through financial self sufficiency by the Kalanjiam Federations was given more thrust. The members were educated on the significance of cost coverage by the people to achieve sustainability. As a result of these, the locations were able to mobilise service charges from the members run their institutions to the tune of Rs.41.90 million against the actual spending of Rs.109 million by the federations during the year. At present 21 out of 99 registered federations, which are of more than six-year old were able to meet all their expenses on their own. Another 41 Federations meet 40 to 80 percent of their costs.

Cost reduction and control

The Federations have made special efforts to reduce the cost of operations at least by 10 percent. The federations finalised their budgets at the start of the financial year with the involvement of people leaders. They have taken efforts to reduce expenses in many areas such as optimizing human resources at the Cluster Development Associations, reducing cost of travel and meetings, bulk purchase of stationeries and do on. As a result of all these efforts, the cost of Programme operations has been reduced by 16 percent during the year.

Business Correspondent and Business Facilitator models of banking

A major partnership has been made with State Bank of India to implement business correspondence and business facilitator models of banking by the Kalanjiam Federation. A series of deliberations with the officials of the Bank were held to finalise modalities. The KDFS will facilitate the implementation through the Federations. The role of federations would be identification of borrowers, collection and preliminary processing of loan applications, creating awareness about savings and other products offered by the Banks and education and advice on managing money and debt counseling, promotion, nurturing, monitoring and handholding of SHGs and others, post sanction monitoring in case loans granted by the Bank, follow up of recovery, disbursement of small value credit, recovery of principal and interest from the borrowers, collection of small value deposits, and sale of micro insurance and pension products.

Civic interventions

As part of deepening microfinance activities, the Kalanjiam Programme has undertaken civic interventions on reproductive and child health, curative care, malaria control, programme on HIV/AIDS, sanitation, safe drinking water, electricity and housing.

Kalanjiam Reproductive and Child Health Programme (KRCH)

The KRCH Programme implemented in eight advanced Kalanjiam federations with the support of

ICICI bank was concluded. The programme was aimed at promoting health seeking behaviour among member families through behavioral change communication approaches and people managed health systems and structures, linking with mainstream institutions for reducing the healthcare expenditures.

An end line survey on hemoglobin count and Knowledge, Attitude and Practice (KAP) was undertaken. The results of evaluation of hemoglobin level among adolescent girls and ante-natal mothers showed that there was a significant reduction in prevalence of anaemia after the interventions. An interim assessment on the practice changes related to anaemia has brought out the facts that the institutional delivery rose from 78 percent to 99 percent. 38.8 percent of adolescent girls and 36.4 percent of pregnant mothers have come out of anaemia.

The intervention on childhood malnutrition was initiated during the year. A baseline on anthropometric measures namely underweight, stunting and wasting was created for the 1,294 children below five years old in the eight project locations. Besides, a baseline on KAP for 1,198 post-natal mothers was created. Based on the findings from the baselines, behavioral change communication strategies were evolved with the support of experts. Breast feeding, colostrums feeding, complementary feeding, immunisation, balanced diet were taken as focus areas of the intervention. Messages for behavioral change communication were prepared for dissemination.

The programme also focused on the Reproductive Tract Infections and Sexually Transmitted Infections (RTI/STI) during the year. As many as 18 special camps on RTI/STI were organised in the project locations for early detection of ailments. A baseline on knowledge and practice related to reproductive health for men and women was created. With the experience gained on the RCH, the Programme has been able to standardise intervention design. The project has been expanded into five new locations in Madurai, Chinnamanur and Salem in Tamil Nadu, Kanakapura in Karnataka, Kuppam in Andhra Pradesh.

SUHAM Hospitals for Curative care

The second unit of SUHAM hospitals has been initiated in Madurai to serve to members of Kalanjiam, Vayalagam and rainfed farmer groups in Madurai district. The experience gained from Theni SHUAM Hospital was useful in setting up the second one. People processes were followed at every stage of establishing this hospital. Rs.1.25 million has been mobilised as equity contribution from the Federations. SUHAM Madurai is a 40 bedded hospital with facilities such intensive care unit, pharmacy and operation theatre. Public and private hospitals and diagnostic centres in Madurai have been identified for referral services. So far 257 persons and 4565 persons have availed inpatient and outpatient services respectively from the hospital.

HIV/AIDS and Malaria control project

Preliminary screening for HIV–AIDS in three Kalanjiam Federations in Tamil Nadu was taken up. Promotion of self health governance, linkage with mainstream for addressing the issue and integrating health agenda with microfinance activities are the expected outcomes of the HIV–AIDS Control Project. The Programme has initiated Malaria Control project in four tribal locations namely Sailana and Piplotha in Madhya Pradesh, Koraput and Borigumma in Orissa with an objective of increasing awareness about malaria prevention and treatment among the tribal people and improving the service delivery by the public health department. The preliminary screening revealed the gaps in the existing public healthcare system. Baseline on behavioral aspects related to malaria has been created. The other civic initiative – sanitation and safe drinking water programme has been initiated in 54 blocks in Tamil Nadu, Andhra Pradesh and Karnataka.

Integrating education programme in tribal locations

The Programme has introduced remedial education concept to bridge the gap in quality of education the tribal locations Borigumma, Betnoti and Latehar locations. Fourteen remedial educational centres have been initiated during the year. Primary

standard students have been enrolled in these centres. Basic language skills for reading and writing, and arithmetic skills are taught to the students. Youths passed 10th-12th standard from among the local community have been recruited as animators. Basic infrastructure facilities like blackboard, stationery and furniture have been provided to the centres. The parents have been motivated to pay for this service to make it sustainable.

Ensuring Community Participation in JnNURM

Three Kalanjiam Federations in Madurai city raised Community Participation Fund from the Jawaharlal Nehru National Urban Renewal Mission (JnNURM) to the tune of Rs. 2.85 million. The Federations facilitate the implementation of integrated low cost sanitation programme. In partnership with the Municipal Corporation of Madurai, the Federations have conducted awareness camp on the Basic Services for Urban Poor (BSUP) scheme in four slums. As a follow up of the camps, 200 families have enrolled in BSUP construction process by satisfying the eligibility criteria. The Federations would play a key role in setting up of Madurai City Resource Centre.

Business intermediation

The Programme facilitated technical and strategic support from Kalanjiam Thozhilagam Limited (KTL) to the Kalanjiam Federations to identify and intervene in the potential business activities. The activities such as dairy, medicinal plants marketing and charcoal making initiated already were strengthened in terms of systems, volume of business and linkages with market agencies. In addition, pilots on livelihoods promotion such as rainfed farming, *sal* leaf-cup production and lac cultivation in tribal areas of North India.

Strengthening the existing business activities

The federations in 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). In addition to marketing of milk, the members of these groups got different services like collective purchase of cattle feed, collective hire of technical labour, produce quality management, insurance for the cattle, and veterinary care for the animals. All the members in these federations market around 5,000 litre of milk every day and supply to various private and corporate dairies.

The federations in Kadamalai and Vathalagundu have promoted PPGs for collection and cultivation of medicinal and aromatic plants. Nearly 1700 families are involved in the activity, and they collect and market 20 types of medical plants. The turnover in the activity during the year was Rs.5.90 million earned through marketing 420 metric tonnes of medicinal plants with leading corporate agencies such as Natural Remedies and Himalayas Drug Company. The federations at Kamudhi and Mudhukulathur have organised 185 members into 31 PPGs for the Charcoal production.

Implementation and market linkage arrangements for this activity have been strengthened. The Producer Company on charcoal making could achieve a turnover of Rs.17.70 million during the year.

Integrating Rainfed Farming with microfinance

A pilot project for integrating the natural resource based interventions with microfinance support is being tried out in Koraput, Orissa. So far, 36 rainfed farmers groups have been initiated with a membership of 502 farmers in 26 villages. The location team undertook a study on disaster preparedness of rainfed farmers in Koraput district. The findings were useful for the Programme to understand risks and vulnerability of the rainfed farmers and also the coping mechanisms adopted by the farmers in the project area. Major focus was given on piloting activities such as installation of treadle pump in low lands, zero budget farming and System of Rice Intensification.

Piloting on livelihoods interventions in tribal areas

In Betnoti location, an activity grant was given to 40 members of 15 groups to support Sal leaf cup and plate making activity. The raw material collected from the forest is processed manually to produce cups and plates. With the activity grant, they purchased a machine for making the products. Due to the intervention, income of these members was observed to increase from Rs.20 to 60 per day.

Similarly, in Latehar location, credit support at low interest rates was made available to the 140 members of 10 groups for the *lac* processing activity. A training programme was given to 10 of these members on new technologies of *lac* cultivation and processing activities in Indian Institute of Natural Resins and Gums (IINRG), Ranchi. Though the resources involved in these interventions very less, they have created a significant change in the level of returns of the group members who are the primary producers.

The location teams at Koraput and Borigumma made arrangement to partner with the ORMAR Society, Orissa state government aided agency which provides skill building and marketing support for the tribal and rural people.

Collaboration with the Government

The Programme works with the public health department of Tamil Nadu for implementing anaemia control programme in five blocks along with district and block level public health departments. Project inception report was prepared after assessing the status of prevalence anaemia in the locations, present interventions on anaemia and knowledge, attitude and practice of people in the locations on anaemia.

The Programme also entered in partnership with the MAVIM, a livelihood promotional initiative by the Government of Maharashtra to provide resource support to its implementation teams on social mobilisation and microfinance. Similarly, the programme engaged in a partnership with the Women Development Corporation of Government of

Tamil Nadu to extend resource support on microfinance. The Corporation consented to extend linkage support to all the eligible groups the Kalanjiam Programme under the Swarnajayanti Gram Swarozgar Yojana. About 6,000 Kalanjiam groups have been linked so far and availed revolving fund assistance to the tune of Rs.360 million.

Strengthening Kalanjiam Peoples' Organisations

Major thrust was given to conduct CDA and federation level Mahasabhas with the full participation of leaders. In many federations, the people leaders showed their ownership through taking charge in planning for the event, mobilising resources, relating with resource persons, coordinating logistics and anchoring the stage events. The Federations in Madurai and Salem regions have published their annual reports.

Enhancing effectiveness of governance

The Programme undertook a few pilots to strengthen the governance system in the Kalanjiam Federations in view of achieving institutional sustainability in a faster pace. The results were positive particularly for reduction of cost and effective use of human resources available. The idea of constituting core groups in the Kalanjiam Federations with the senior leaders formerly occupied leadership space in the federation has been mooted to ensure their continued contribution in the governance. The Programme could ensure increase in number of board members in the federation from seven to 13 per federation during the year. Major focus was given for rotation of board members and appraisal for them in all the Kalanjiam Federations.

Ensuring Financial Systems

The Programme organised capacity building and technical support to computerise the accounts and reporting. Full-fledged computerisation has strengthened internal control mechanisms at all levels and ensured transparency. It has enabled the locations in timely completion of audit of groups. Computerisation has also improved the skills of the people's institutions making effective management decisions.

Ensuring quality of accounting systems was given high emphasis. Internal auditing done by the Programme team has helped in ensuring quality of accounting in the Peoples' Organisations and efficiency of audit process. The Programme evolved a guideline for auditing of accounts of people's

institutions and ensured appointment of auditors for all the location. A one-day workshop was organised on accounting policies for Peoples' Organisations involving the Chartered Accountants from various parts of India.

Status of Kalanjiam Community Banking Programme

(Cumulative figures)

Particulars	March 2007	March 2008	March 2009
Spread of the programme			
a) No. of States	9	11	11
b) No. of Districts	33	36	36
c) No. of Blocks	157	157	164
d) No. of Kalanjiams	23,987	24,469	26,049
e) No. of Clusters	1,527	1,451	1,143
f) No. of Federations	70	73	99
g) No. of Members	3,80,517	4,01,688	434,419
h) No. of villages	7,209	7,311	7,615
Finance (Rs.in million)			
a) Total own funds	1,210	1,405	1,670
b) Savings	942	1,131	1,368
c) Reserves & Surplus	268	2,74	302
SHG Bank Linkage			
a) No. of branches involved	183	192	194
b) No. of banks involved	29	29	30
c) No. of loans	44,895	56,092	66,626
d) Amount mobilized	1,876	2,666	3,521
e) Loan outstanding with members	1,923	2,190	2,595
f) Total credit generated	5,016	6,629	8,377



Vayalagam Tankfed Agriculture Development Programme

There are numerous small irrigation tank structures spread over the entire Deccan Plateau, which serve several lakh small and marginal families in South India. The tanks deteriorated because of neglect and need urgent renovation and good management. The Vayalagam Tankfed Agriculture Development Programme was initiated in the year 1992 to work on these small water bodies with the participation of the farmers. The programme believes that local management of the tank system can be the only solution to the problem in the long run. The programme has moved from working on isolated tanks, to cascade-watershed, small scale water bodies, basin and now 'Water' as a unique tool for alleviating poverty. The key components of the programme are:

- Organising the farmers around the tanks and later on at the level of cascades, blocks and districts.
- Rehabilitating water harvesting structures with farmers' contribution and participation to improve the acquisition of water by restoring the system efficiency and increase water use efficiency.
- Promoting tank-based watershed development by including tank rehabilitation as a component of watershed development for harvesting all the rain water within each watershed boundary.
- Organising Micro Finance Groups to provide access to savings, credit and insurance services to the farmers.
- Establishing Vayalagam Agriculture Development Centres to enhance productivity of tankfed agriculture by creating awareness about new farming and irrigation management practices.
- Promoting producer and marketing groups to undertake bulk purchase of farm inputs and collective marketing of farm produces to get the benefits of economy of scale.
- Collaborating with relevant academic and research institutions at national and international levels to do research on tank systems and tankfed agriculture.
- Advocating for supportive policies to aid community action in conservation and development by interacting with the local, State and Central Governments.

Promotion of People's Organisations for Water Conservation

The Vayalagam programme has reached out to 11,885 farm families in 192 villages by organising them in to 182 Vayalagams. So far the Programme has reached out to 161,307 farm families through promoting 2,164 Vayalagams and 161 Cascade associations. The programme has made an entry into the Eastern India. Explorations were made in five new locations for expanding the conservation and development of traditional water bodies and livelihoods around them. Based on the scope and potential, a study for the tank rehabilitation potential has been undertaken at Dhenkanal district in Orissa.

Conservation and development of Water Resources

The productivity from tank command area primarily depends on the adequacy of number of irrigation given from the tanks to the crops cultivated. The programme with the funding support of mainstream agencies like government, corporate and individual philanthropies has taken up and completed conservation and development works worth of Rs. 42.26 million in the water bodies. In addition, Rs.20 million worth of physical works were in different stages of completion.

These conservation and development works were carried out in the tanks, ooranis, community wells,

farm ponds, mini percolation tanks with the farmers' contribution ranging from 12 to 50 percent depending on the nature of the work. As a result of these conservation works the water bodies have become efficient and effective to store the enough fresh water during the monsoon which in turn helped the small and marginal farm families to stabilize their agriculture and livelihood.

Partnerships for Conservation and Development

The programme was successful in strengthening existing relationship with the partner agencies both private and public for mobilising resources to take up conservation and development works. The contribution from various schemes of National Watershed Development Programme for Rainfed Areas (NWDPA), National Bank for Agriculture and Rural Development (NABARD), Andhra Pradesh Community Based Tank Management Project (APCBTMP), Jala Samvardhane Yojana Sangha (JSYS), UNDP–Global Environment Facility (*GEF*) were very significant. Support from the individual donors and the corporates like ITC and Hindustan Unilever Limited were also timely and very critical for undertaking works.

One of the significant partnerships made during the year was Farmers Participatory Action Research Programme (FPARP) of Central Water Commission, under the Ministry of Water Resources of Government of India. The project aimed at promoting farmers' participatory action research towards achieving "More Crop and Income per Drop". The Vayalagam Programme implemented this project in seven districts by taking up 98 demonstrations encompassing five proven water management technologies.

Similarly, the philanthropic support by the PAN-IIT alumni initiatives to renovate 10 water resources and the Corporate Social Responsibility initiative by the ITC and Hindustan Unilever Limited to support tank based watershed development and drinking water pond development were noteworthy. About 55,000 families have been directly benefited through all these partnership projects.

Micro finance for Agricultural Development

The Microfinance Groups (MFGs) are the vehicle to address the credit needs of the farming community for various purposes as integral component of the Vayalagams promoted around the water bodies. During the year 6,287 members were organised into MFGs totalling up to 41,287 members. These members have saved Rs. 14.73 million reaching the cumulative savings of Rs. 27.18 million.

The MFGs have mobilised Rs. 35.36 million through the SGH Bank linkages and from the Kalanjiam Development Financial Services as bridge finance. The MFGs predominantly with the men farmers and landless labourers have proved beyond doubt that they are creditworthy with their repayment performance. Seeing their performance many banks including State bank of India, Canara bank, Union Bank of India and Regional rural banks came forward overwhelmingly to extend credit support setting aside the myths about men SHGs.

The farmers and landless labourers, who are the members in these MFGs availed credit facilities for various production as well as consumption purposes. The MFGs have issued loans to the tune of Rs. --51 million during this year making the cumulative loan outstanding as Rs. 76.50 million.

Under Swarnajayanti Gram Swaroggar Yojana (SGSY) linkage the 41 MFGs have received revolving fund assistance from the Government of Tamil Nadu to the tune of Rs. 2.07 million.

Sustaining tankfed agriculture for livelihoods

System of Rice Intensification (SRI) is a set of new farming practices developed to increase the productivity of land, water, and other farm input. Being advocated widely across the world, the experience shows that the SRI plants develop strong roots and stalks, and more tillers, with higher yields and even better rice quality— all with less input of water, seeds and other inputs. Paddy cultivation under SRI methods has shown better resistance against drought, water logging and wind damages.

The Vayalagam programme through its Vayalagam Agriculture Development Centres (VADCs) established at cascade level advocated the SRI method in Chittoor, Tumkur, Madurai and Hyderabad regions. The results were encouraging and the farmers accepted to continue this method in the coming years.

The Vayalagam Federation at Pavagada, Karnataka and the federations in Ramanathapuram, Kottampatti federations have helped the farmers to get inputs such as fertilisers and seeds in time at fair prices. Through this input supply services about 12,000 members got benefited and about Rs. 12.61 million worth of inputs were supplied to them.

Singampuneri Federation awarded the best farmers with an award and citation for their achievements in the yield, organic practices, use of manual labour and water use efficiency. Similarly the Federation in Thiruvallur undertook a mass signature campaign against conversion of cultivable lands into housing plots and other non agricultural purposes. They collected signatures from over 3000 farmers and hand over with a petition to the District Collector to stall the process.

The practice of organic farming was promoted as part of farm production system in the last of year of NWDPRA implementation through involving farmers in application of tank silt, earth worms, farmyard manure and Panchakavya for paddy crop cultivation in the watershed villages.

Agricultural marketing through value chain model was piloted with a seed-capital. Vayalagam members organised into eight Primary Procurement groups and two Primary Marketing Groups tried out collective purchase and marketing of paddy, maize, bajra, sorghum and medicinal plants in bulk from farmers and sold the commodities for Rs.4.00 million.

Safe Drinking Water

The 'Water Expertise and Training Centre (WETC)' promoted by the Vayalagam Programme has been trying out a variety of household water treatment options for ensuring safe drinking water. Capacity

development to create awareness on Bio sand filters, Community Health Promotion, Water Quality Testing, Household Rainwater harvesting, Project Planning and training to Masons have been organised with the support of Rotary Club International and three year project sanctioned by Canadian International Development Agency.

The Centre has organised 17 training programmes benefiting 221 development professionals working at the grassroots level Peoples' Organisations. They were trained on safe drinking water, community health, water quality testing and household rainwater harvesting. WETC ensured production of 233 bio-sand filters and installation of 471 filters in 16 locations in Tamil Nadu and Andhra Pradesh. 236 filters were installed in 92 schools in Madurai, Nellore, Karaikudi and Virudhunagar.

During the year, the WETC mobilised Rs.0.20 million from Rotary International Karaikudi and Virudhunagar to deploy 200 Bio-sand filters in schools. The Centre got a sanction for the joint proposal submitted by it with Centre for Affordable Water and Sanitation Technology (CAWST) to Canadian International Development Agency (CIDA). This 3-year capacity development project would scale up the safe drinking water initiative of the Centre for providing education, training and on going technical support.

Centre for Urban water Resources (CURE)

With the resources raised from the Madurai Marathon 2008 the CURE team completed the pilot urban water resources development works at *Inmayil Nanmai Tharuvar* temple tank as well as Kochadai tank supply channel. Encroachment eviction in Kochadai supply channel was done completely with the support of Government and the local communities. This experience has given a lot of lessons in encroachment eviction in the big cities like Madurai.

Two waste water treatment systems under Decentralised Waste Water Recycling Technique (DEWATS) have been installed on experimental

basis. The Centre has become a member in the Covenant of Dissemination of DEWATS (CDD) Society, a network agency promoted by BORDA, Germany and GTZ. The team members from CURE took part in the BORDA Country strategy work shop in Bangalore.

Promoting Freshwater Fisheries

There exist a greater scope for undertaking pisciculture in the water bodies, both public and private such as tanks and farm ponds. Pisciculture was taken up in 927 water bodies in Madurai, Sivagangai, Ramnad, Kanchipuram and Thiruvallur districts in Tamilnadu, Adilabad, Chitoor in Andhra Pradesh and Tumkur and Yadagiri in Karnataka. It was done in 44 tanks, 25 Ooranis, 858 farm ponds. Since these districts receive rainfall during either of the southwest or northeast monsoons, fish seed stocking is done during August to February depending on water availability. Trainings and field visits were facilitated to promote pisciculture. Existing fish growers and experts from the fishery institutes trained the field associates and farmers on the technology of pisciculture. They were taken to the fields to interact with the community and clarify their doubts.

Policy Advocacy as a Resource Centre

With more than a decade of intensive work experience in conservation and development of small scale water resources with community participation and ownership, the Vayalagam Programme is approached by many NGOs and Government agencies for consultation. The Programme takes part in many national and international forums on water theme to share its experience.

The Vayalagam Programme helped the Nalgonda District Rural Water Supply Department, Andhra Pradesh to identify the potential drinking water ponds to overcome the issue of dental fluorosis caused due to excessive fluoride in the drinking water. It has organised an exposure programme for the Programme Officers of Oxfam-India on Community Managed Tank Irrigation Systems to

sustain food security by enhanced tankfed agriculture. The Programme also shared its experiences in participatory field research methodology with the centre for Water Resources, Anna University. Similarly the Programme team has shared its experiences in conjunctive use of water resources and legal aspects of encroachment eviction in water bodies to the Irrigation Management Training Institute, Trichy.

On the request of Integrated Tribal Development Agency, Adilabad in Andhra Pradesh the Programme has undertaken an assignment to prepare tank memoirs for five Irrigation Divisions. Also, the Programme housed as Project Secretariat for 2-year project on Nodal NGOs sponsored by CAPART in South Tamil Nadu. The MANAGE, Hyderabad as well as Central Soil and Water Conservation Institute, Ooty invited the Programme team to share its experiences in water conservation and integration of microfinance for sustainability.

The Programme also presented a thematic paper on Climate Change Adaptation and Safe Water-Multiple Use system for Food security in 5th World Water Forum in Istanbul, Turkey. DHAN Foundation was invited at the World Water Council's pavilion to share implementer's perspective on safe drinking water at household level in India as part of the side event organised by UN-HABITAT and CAWST.

Studies and Documentation

The Vayalagam programme team conducted a pilot study at Thirumanimuthar sub basin and mapped the vulnerable tanks and set up the early warning system during floods. The study has brought in new knowledge to the programme and helped in evolving policy for integrating the Disaster Risk Reduction as a core component of the programme. Similarly a study on the capacity building needs for the DRR for different calamity situations was facilitated by the team.

Programme Management

The Professionals involved in programme implementation at the ground level have undergone 'Executive Development Programme' to get equipped

the skills of the financial management. Financial policy and manual were prepared and shared with the Vayalagam Federations to ensure uniform financial management systems. Special sessions were organised to the staff for orienting them on Gender Policies of DHAN Foundation. Appraisals were organised for the Board of Directors of the Federations to reorient them towards governance practices at the federation level.

Vayalagam Movement to spearhead tank conservation

The annual general body of the movement was organised at Madurai, where 100 leaders from all the Vayalagam Federations attended and shared the achievement in last year. Resolutions insisting on addressing issues related to conservation and

development of water bodies were made by the general body. The Movement leaders facilitated the Board Appraisals and monitored leadership rotation. In few places the Movement demonstrated the use of Right to Information Act to obtain information required for addressing issues related to conservation.

The Vayalagam Movement also motivated the Vayalagam Institutions to take up *Shramadhan* activities. About 250 *shramadhan* works were carried out by the farmers as part of celebrating the Vayalagam Movement Day on March 7th. To work with entire village for reinforcing its native culture and heritage, the Movement promoted a Village-level Value Integration Forum in Kumarachittanpatti village of Pudur location in Tuticorin District on a pilot basis.

Status of Vayalagam Agriculture Development Programme

(Cumulative figures)

Sl. No.	Particulars	As on March '07	As on March '08	As on March '09
1	Spread of the programme			
	a) No. of States	4	4	4
	b) No. of Districts	18	22	22
	c) No. of Vayalagams	1,197	1,982	2,164
	d) No. of Cascade including watershed associations	96	140	161
	e) No. of Federations	14	31	31
	f) No. of Members	1,02,266	1,48,770	1,60,655
	g) Command area benefited (in ha.)	34,683	52,081	57,541
2	Value of Physical works implemented during (Rs.in million)			
	a) Through Farmers' Contribution	6.5	14.6	8.6
	b) Through Govt. and other agencies	25.9	44.8	33.7
	c) Agriculture Credit support through MFGs	18.8	36.3	51.1



Coastal Conservation and Livelihood Programme

DHAN Foundation responded immediately after the tsunami in 2004 and took up relief works. To identify and address the needs, the local community was asked to identify what they needed. After the relief phase, DHAN took up role of enabling the restoration of livelihood activities in the affected regions. It has become a full-fledged and area based programme. The programme follows an integrated and holistic approach to address the issues in livelihoods and conservation of coastal ecosystem. Without upsetting the social fabric and cultural identities, the following programme components have been designed.

- Promoting Peoples' Organisations among the most vulnerable communities: marginalized fishing communities, affected coastal farmers, affected women and families involved in allied activities. They get access to savings, credit and insurance services in addition to support for their livelihoods activities
- Conserving natural resources such as coastal eco-system, marine bio-system, water bodies and coastal farms to reduce poverty and vulnerability and to make fisheries and coastal agriculture sustainable.
- Building business-based people's organisations and their networks to strengthen their existing livelihoods and encourage them to take up alternative livelihoods.
- Establishing disaster mitigation strategies through disaster management committees, early warning systems through networked VICs, creating corpus funds at the People's Organisations for facing future disasters.
- Working in partnership with the Panchayat and District level mainstream agencies to coordinate effectively under any emergency situations.

Community Organisation for Coastal Conservation

The Coastal Conservation and Livelihoods Programme (CALL) consolidated all its experiences gained during the livelihoods restoration phase and initiated the conservation phase of its implementation with a demarcation of coastal area and buffer zone. Since the families living in the buffer zone have an equal opportunity as well as threats, they have an equal stake in conserving the resources as well. During this year 5,151 poor families were organised into 307 SHGs, making the total number of families organised by the Programme to 73,065.

During this year two federations were promoted in Thirunallaru location in Karaikal district in the Union Territory of Puducherry and Kullanchavadi location in Cuddalore district, Tamil Nadu. So far 39 SHG federations have been promoted in the coastal

area. Seven SHG federations have organized *mahasabha* events in Pondicherry and Ramnad district. More than 14,000 women members participated in the event. Officials from the district administration and banks participated in the event.

Resource Mobilisation

The poor families in the SHGs have saved Rs. 142 million by adding Rs.37 million during the year. The communities have mobilised Rs.500 million through their savings and loans and grants from other institutions. With these funds the SHGs have extended credit facilities to their members for various needs such as consumption, livelihood, health, and education. Under SHG Bank linkage 1,115 SHGs were linked with banks and mobilised Rs.89 million as loans. Another 821 groups were linked under SGSY and other schemes and mobilised Rs.49 million.

Livelihood Interventions

The families involved in salt-pan works, traditional activities, small and petty trades and landless labourers were supported to strengthen their existing activities and initiate new activities. They were supported to initiate livestock, small and petty trades, vending, fishing and agriculture activities. The farmers, fisher folks and women were organized into producer and marketing groups and they have collectively marketed to an extent of Rs.22 million. Livelihood infrastructures were established to enhance the income of poor families. During the year alone 3,497 families were supported for various livelihood activities.

During this year 658 salt farmers were supported for the initiating alternative livelihood activities. Goat rearing was the major activity chosen by the community. Families having limited experience on alternative livelihood activities were supported to take salt farms on lease. Through this initiative 291 landless families were able to acquire a piece of land and earn income out of it. Similarly 822 poor families involved in traditional marine based activities were supported to strengthen their farm and sea based activities.

Collective Marketing

The farming families in Nagapattinam district were organized into primary agriculture producer group, fisher folks in Nagapattinam, Cuddalore, Ramnad and Pudukkottai districts were organized in primary marketing groups and women involved in dairy activities were organized in milk producer groups. Fifty nine PPGs and PMGs were promoted during the year with 750 families. All these families were able to achieve better market price for the produce sold directly to the merchants after evading the intermediary. They have received quality inputs at fair price and they were able to bargain on the price for their produces. These business based people's organisations have collectively made a turnover of Rs.22 million during the year.

Two fish kiosks have been promoted during the year in Cuddalore district with the support of FAO and United Nations Team for Tsunami Recovery

Support. Similarly mud crab fattening was found to be a profitable livelihood alternative. This activity generates better income and provides better return to the community. The activity requires minimum time and skill for monitoring and feeding. The seed (Juvenile crab) for this activity is naturally available in the coastal villages. This year, two PPGs were promoted around this activity.

Infrastructures for Livelihood Development

Milk Processing Unit: The milk processing unit has been set up in Ayeekuppam village of Cuddalore district. The unit has the capacity to process 25,000 liters of milk and is equipped with machineries and tool for processing, chilling and packing. An exclusive professional team has been placed to run the unit. Presently this unit is processing 10,000 litres of milk per day, supporting around 2000 dairy farming families. All the families supported could earn an additional income of Rs. 1–2 per liter of milk.

Warehouse for farmers: A warehouse was established in Nagapattinam district for the use of the farmers with the support of Care Today. Three more warehouses are under construction. Through the warehouse, the poor and marginal farming families were able to store their produces and sell it where there was a hike in the market price.

Fish Meal Plant: A fish meal plant was established in Cuddalore district to support the fisher folks and add value to the produces. The unit established would support 300 families in the coastal villages. The dried fish taken from the fishermen are pulverized, packed and sold to the merchants in different districts of Tamil Nadu. Through this initiative the fisher folk were able to receive 5 – 8 percent as additional income.

Technology and Development

The Village Information Centres and Community Colleges served the information needs of about 150,000 users. The Kalanjiam Samuga Vanoli (Community Radio) promoted under the UNDP project, with an objective to provide early warning

information and awareness to the coastal community obtained its broadcast license. The Kalanjia Samuga Vanoli received Manthon award for the best e-content of the year under community broadcasting. The station has produced 3,201 audio programmes and started broadcasting.

Local Governance

DHAN Foundation launched its Panchayat theme in the 10 coastal Panchayats to promote community centered and development oriented local governance. The programme had exclusive focus on effective implementation of NREGA activities and linking the people institution with the local government. Participation of the people in the Gramasabha meetings and multi-year micro plan at village level were given adequate attention during this year. The villagers were oriented on social audit and exclusive referendum was also organized to rate the services of the local Panchayats.

Disaster Management

The recent cyclone Nisha, caused 86 deaths and rendered thousands homeless. The cyclone which crossed the coast near Karaikal in the union territory of Puducherry, wreaked havoc in a number of places, including Karaikal, Nagapattinam, Cuddalore, Tiruvarur and Ramnad districts, submerging standing crops in over one lakh acres. The fishing boats anchored near the shore and the fishing equipments were also severely damaged. The incessant rain caused extensive damage to roads and many villages were isolated in terms of road and communication.

The cyclone tested the capacity of recently promoted institutions and disaster management committees. In Pudhupalli village of Keelayur block in Nagapattinam district, the disaster management committee actively diverted the flood water and prevented the damages to the village. The committee members removed the fallen trees and facilitated quick restoration. The federations in the coastal area reacted swiftly to the damages caused by the disaster. They formulated federation level teams to assess the damages and channelise the resources from the mainstream institutions. The details of

damages were shared with the Village Administrative Officer and the district administration. The information shared by a federation in Thalainayiru block has been used as baseline information by the district administration for relief work.

The Kalanjiam federation in Ramnad district supported the affected families to renovate the 11 damaged houses. Leaders directly went to the field and assessed the damages and provided moral support to the affected communities. The community radio established in Nagapattinam district updated the coastal community with early warning information. Further it also documented the community level initiatives.

Health and HIV AIDS awareness

To address the health related issues and occupational hazards faced by the salt-pan workers, exclusive medical camps were organized. The health camps organized in different villages indicated that, salt pan workers suffer from thyroid, dermatological disease, body pain and abdomen pain. About 300 people got benefited through these camps.

Awareness and orientation events were organized for the school children, general public and SHG members on HIV AIDS. Blood test camps were organized to identify the victims and link them with the positive network. Events like processions and cultural events were organized to reach the community in a mass scale.

Workshops and Seminars

A district level workshop on conservation was organized in Ramnad district with the participation of more than 200 fisher folks. Community leaders and fisher folks representing different coastal villages of Ramnad took part in the event. The participants discussed on existing livelihood and conservation related issues. The participants felt that banned practices must be avoided to secure the coastal livelihoods and juvenile fishes must not be caught. Coastal pollution must be controlled and natural resources like coral reefs and sea grass must be conserved. Coastal plantation should be done to

avoid soil erosion and a detailed atlas on various resources and livelihoods can be prepared and shared with the community.

Collaboration and Convergence

The IFAD assisted Post Tsunami Sustainable Livelihood Programme has been launched in Tamil Nadu. DHAN Foundation has become a resource institution for training the local development organization. Under UNDP- Tsunami Economic Assistance Project 18 primary marketing groups and two fish kiosks were promoted to strengthen the livelihoods of about 294 families.

With the support of Oxfam Novib the Programme has reached out to the unreached fringe communities to strengthen their livelihoods. Through this project, 4046 families were organised and supported through capacity building events.

To address the price fluctuation issue and to enable the farming community to earn better price, three

warehouses are being established in the coastal villages of Nagapattinam district with the collaboration of Care Today Foundation. This initiative would support 1200 farm families.

With the support of district administration in Ramnad, the Programme facilitated construction of 2,875 new houses in the tsunami affected coastal areas with an estimate of Rs. 2.38 lakhs each. The Programme played a key role in mobilising the community, identifying the members and to support the community to select the suitable design of the house.

The European Union supported project “Increased Water Harvesting and Diminished Desertification” to support the farming community is implemented in five tsunami affected coastal districts of Tamil Nadu. The project aims to renovate 100 minor water bodies for irrigation and drinking and to create 1500 farm ponds benefiting 7,500 farm families.





Tata-Dhan Academy

The Tata-Dhan Academy, an institution for Development Management is the result of a partnership between the DHAN Foundation and Sir Ratan Tata Trust, Mumbai. The Academy was begun in December 2000 and aims at becoming a Centre of Excellence in Development Management. The core purposes of the Academy are inducting and grooming fresh graduates as Development Professionals through specially designed programmes, and building capacity of the development practitioners. The key activities taken up by the Academy are;

- A two-year postgraduate programme in development management (PDM) for building development professionals with high quality techno-managerial competence supported by appropriate motivations, values and attitudes to work with people, particularly the disadvantaged.
- A number of short duration management development programmes such as Social Development Research Capacity Building, LEAD: Future Search for NGOs, Advanced Reflective Training on upscaling Microfinance, Micro insurance and Development Management Appreciation Programme for the NGO staff, academicians, researchers and government agencies.
- Researches for generating case studies and teaching materials are coordinated by the faculty members and supported by Research Associates.
- The 'Advanced Centre for Skill and Knowledge on Mutual Insurance (ASKMI)' promoted in the Academy works for advancing the practice of micro insurance and the 'Advanced Centre for Enabling Disaster Risk Reduction (ACE DRR)' works on enhancing the knowledge and practice on disaster risk reduction. These Centres take up researches, pilot projects, training and education, documentation and publication, networking and consultancy, and policy advocacy in the respective fields.

Post-Graduate Programme in Development Management

To date, about 100 students have graduated from the Academy's PDM. These graduates—equipped with a multi-disciplinary set of skills relevant to the development context—are now working at designated NGOs throughout India. For the seventh batch of PDM students, all 21 students received placements after a rigorous campus placement process. Of these students, about half of them were placed in NGOs other than DHAN. There has been good response from these NGOs, and many of them have also extended field support to the eighth batch of PDM students during their field studies. PDM 7 students completed their days at the Academy with a formal four-day programme consolidation workshop, the outcomes of which also help strengthen the PDM's design.

During 2008–2009, the 17 students in the eighth PDM batch had completed up to the end of their

second development practice segment and were entering their final term. During their fourth term, they had a chance to participate in elective courses in analytical decision making, audio/visual production, and specialised writing. In the fifth term, they were offered elective courses in micro insurance, disaster risk management, and gender and practice. The eight students in the ninth PDM batch had completed their inauguration and their first term and were undergoing their first fieldwork in various states under the guidance of DHANites.

Among the new activities for the year, a film club has been started, online courses have been introduced to the PDM students, a student website has been established, and a "village adoption" concept has been organised. In the film club, students screen and discuss development-related films and documentaries. The online courses focus on developing their English communication skills. The student website offers students a place to share some of their work and their experiences at the

Academy. The village adoption programme will help to reinforce the relationship between the students and the community.

Advanced Centre for Enabling Disaster Risk Reduction (ACEDRR)

The Advanced Centre for Enabling Disaster Risk Reduction (ACEDRR) focused on institution building initiatives and on implementing activities such as research, training and education, and policy advocacy. ACEDRR evolved its vision, mission, principles, and core values and developed a perspective and strategic plan document to guide the Centre's growth. A website was developed for the Centre; this will eventually be developed as a knowledge portal on disaster risk reduction (DRR). Publicity materials such as a brochure and a 2009 desktop calendar were also developed.

Three of ACEDRR's four research projects—which were designed to link DRR with recent development paradigms and themes like climate change and adaptation, participatory design and implementation, natural resource management, microfinance and micro insurance—have been completed. Fourteen pilots in ten thematic areas spread in three geographical contexts (tribal, rural and coastal) and five disaster contexts (flood, cyclone, tsunami, drought and epidemics) were undertaken during this reporting period.

ACEDRR is currently working to publish the findings of the research and pilot projects in the form of briefs and a compendium. *Nangooram* (meaning anchor), a compilation of lyrics to 35 songs on awareness building in disaster preparedness and risk reduction, was published by the Centre. *A Primer on Linking Disaster Risk Reduction with Development Efforts* is a publication (under printing) based on the discussions and outputs of ACEDRR's workshop on disaster risk reduction conducted during the 2007 Madurai Symposium.

ACEDRR offered an elective course on disaster management to the students of the Academy and offered training to Project Executives on community-based DRR. The Centre has also begun exploration for collaboration with the World Bank Institute to offer online courses in DRR. Capacity has also been developed within the ACEDRR team: this year, team



members had the opportunity to partake in national and international training programmes.

Advanced Centre for Skill and Knowledge on Mutual Insurance (ASKMI)

ASKMI completed international and national training programmes on micro insurance and was able to build the capacity of 28 participants on different aspects of micro insurance. An elective course on micro insurance was offered to the students of PDM 8. ASKMI staff also attended two international training programmes on micro insurance.

The Centre has worked on 7 research projects during 2008–2009: (1) risks and vulnerabilities of rural and tribal poor; (2) risks and vulnerabilities of dairy farmers; (3) tank-based index insurance; (4) indigenous technologies of risk management; (5) microfinance and micro insurance tools in disaster management in India, Sri Lanka and Bangladesh (with ACEDRR); (6) community empowerment through traditional folk media on risk and vulnerability; and (7) backwater and its impact on livelihood.

Two documents, one on piloting deficit rainfall insurance with small rainfed farmers, and a case study on agriculture insurance were documented and published. Additionally, a case writing workshop on micro insurance was held to generate and collect cases to build the capacity of practitioners.

Consultancy, Publications, and Faculty Development

Four field studies were undertaken with Indian Bank involving PDM 8 students. A dissemination project is in progress for the two District Human Development Reports of Tiruvannamalai and Sivagangai districts which were prepared for the State Planning Commission.

The Academy has begun to release a series of internal thematic publications. The first two publications—the *Style Manual of the Tata-Dhan Academy* and *Fieldwork Diary Writing, Process Documentation, and Journal Writing*—were written primarily with the PDM students in mind. The Academy has also taken efforts to strengthen its internal design capacity with respect to designing brochures and other promotional materials.

Systematic efforts have been made with respect to faculty development to improve the teaching ability, research and documentation ability, and the curriculum at the Tata-Dhan Academy. During

2008–2009, two faculty attended IIMA's Faculty Development Programme. One faculty completed a course on disaster risk management which was conducted half in Switzerland and half in India. One faculty attended a four-day case teaching workshop, and a few attended seminars and workshops relevant to their subject areas.

Development Management Programmes

The *Advanced Reflective Education and Training on Development Finance, Micro Insurance and Business Development* (ART), a two-week international course, was conducted for about 30 participants. The participants were exposed to different community models of microfinance, different micro insurance products and business interventions to enhance economic development and address the sustainability issues. Three courses on micro insurance was offered by ASKMI of the Academy for the practitioners of national level NGOs.



Information and Communication Technology for Poor

There exists a great divide between the access to and use of information and communication technology (ICT) between urban and rural, rich and poor, for profits and charities. DHAN Foundation has taken up ICT for the poor as a new theme to experiment, develop and implement socially-relevant ICT programmes through the ICT based people's organisations built at the grassroots. It has become a cross cutting theme to complement the microfinance, water, rainfed farming themes. The programme is involved in the following activities.

- Promoting Thagavalagam Groups to provide ICT based livelihoods, Village Information Centres in rural areas as well as urban slums to provide various e-services such as e-mail, e-Post, computer aided school education, e-Governance.
- Facilitating the rural poor to get connected with the resources and expertise located distantly through online consultations for eye care, health, agriculture, legal, education and animal husbandry and fishery.
- Enabling the aged and illiterate women and men to learn reading and writing through computer-aided adult literacy centres setup for the Kalanjiam and Vayalagam members.
- Establishing Community Colleges to offer a number of ICT related and job oriented courses to the poor youths and helping them to get employed in the nearby towns and cities.
- Developing content for educational use, software for agriculture and animal husbandry services being used by farmers in VIC's.
- Promoting partnership with the other stakeholders such as ICT based academic, research and business organisations to channelise resources and expertise to the grassroots

The ICT for Poor theme has developed a Thagavalagam model of ICT based poverty reduction initiative with a 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 the new phase of upscaling with fullest integration with various DHAN programmes.

ICT based People's Organisations

The primary unit of the ICT intervention is Village Information Centre (VIC), known as Thagavalagam in Tamil. VIC is basically is an information 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. 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. There are 112 VICs in

operation extending about 32 types of ICT services to the villagers.

Thagavalagam Community College (TCC) acts a resource, training and integration centre for these VICs. These Community Colleges will be 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 all these VICs to ensure their self management through cost coverage, enhancing quality of service and coordination.

ICT Products and Services

Content Development

The content development teams constituted with the VIC operators have prepared nearly 100 hours of contents in the areas of agriculture, livestock management, fisheries, education, women and health, and legal awareness. The teams undertook need assessment workshops with the community for

generating areas of content to be made. In addition to collating the locally available content, the teams have also organised content from other sources as well. These contents were presented as power point shows, flash movies and audio programmes.

Content dissemination

The number of people accessing the services of the VICs has been increasing over the years. The operators in the VICs invite the villagers to attend the screening sessions planned for farmers, women, children and youths as per the timetable displayed already in the village. The services are provided in two ways. In the scheduled days, sessions are organised in the VICs with the invited participants. If needed public screenings are organised in the village common yard using LCD projectors. During this year 6214 such sessions were organised in 143 topics benefiting 58,522 users.

Computer Education

Providing computer literacy for earning livelihoods is a flagship activity of the programme. It intends to build technical knowledge of the youths on various ICT applications. Also the e-School builds the subject knowledge of the school going students. The self-learning tools, workbooks, and supportive materials in local language help the poor youths to get a sound practical knowledge with sound theoretical orientation. While undergoing the course itself the students are helped to get job-works from the local private and government institutions. During the year 1032 students have undergone short-term diploma courses, 55 percent of them were girl students.

Awareness camps

To reach out to the targeted users the Centres have organised a series of camps and events with the support of government departments, universities and government hospitals on various themes such as farming, animal husbandry, health and relevant government schemes. The people benefited out of these camps have become potential users of the VICs for accessing further resources on the areas of their interest. During this year 242 camps were organised on the above themes benefiting 11, 706 users.

Software development

The programme has developed a number of software for the use of other programmes and institutions in the DHAN Collective to improve their information management, analysis and reporting systems. The first version of Social Security Software for health and life insurance for the People Mutuals was finalised and put into use.

Community Radio

The programme played a key role in setting up of Vayalagam Samuga Vanoli (Vayalagam Community Radio) at Kottampatti in Madurai District. While the management of the Station is with the Madurai District Tank Farmer's Federation, the ICT programme handles the technical coordination. The Station has made 120 hours of programme on various subjects as demanded by the users. The Station is waiting for its broadcast license from the Ministry of Information and Broadcasting. In the meanwhile the Station has started playing all these programmes through the public address systems fitted over VICs in 20 villages in Kottampatti.

Collaborations

DHAN Foundation has signed a memorandum of understanding with the Indira Gandhi National Open University (IGNOU) for implementing community college concept across Tamil Nadu in order to provide higher education opportunities in rural areas. The ICT programme played a key role in making this partnership and it has prepared all the 15 Community Colleges and 162 VIC being run



by it to offer the Associated Degree Programme offered by the IGNOU. Through this collaboration for the dropouts (minimum 18 years of age) who could not pursue after Tenth class, IGNOU would equate a six-month diploma/certificate course offered by the Community Colleges with Plus Two and from thereon candidates can go for further education.

The curriculum focuses on vocational skills and preparation for employment. It also gives flexible timings to candidates. One hundred students enrolled in the course and 52 have completed the course and the examination. The remaining 48 students are expected to appear for the exam in April-May 2009. The programme has finalised teaching method, course material preparation and translation in to Tamil, conducting examinations and printing of certificates. The programme has also partnered with the Indian Space Research Organisation (ISRO) on Village Resource Centre project. ISRO provides equipments and connectivity. The VRCs have started providing services like tele-education, tele-medicine, tele-agriculture,



interactive advisory on watershed planning, weather information, fisheries, land and water resources management, and e-governance. Similarly the Programme has also got a sanction for setting up of 10 Village Knowledge Centres (VKCs) from the Council for Advancement of People's Action and Rural Technology (CAPART).



Rainfed Farming Development

The rainfed agriculture plays a crucial role in India, covering 68 per cent of the total net sown area in 177 districts. Uncertainty in production due to fluctuations in rainfall and its distribution, decrease in relative productivity in rainfed lands affect the livelihoods of the poor and marginalised farmers. DHAN foundation has launched Rainfed Farming Development Programme to make the rainfed farming viable by improving the total factor productivity through location specific interventions. The programme is involved in the following activities:

- Organising farmers into Uzhavar Kuzhu (Farmers' Group) building nested institutions of Rainfed Watershed Association, Uzhavar Mandram and federating them into Uzhavar Mamandram.
- Building on the local best practices of farmers in rainfed farming, both indigenous and exogenous by documenting, standardizing and disseminating information.
- Designing and implementing context specific, multiple and interrelated interventions across sub sectors like agriculture, livestock and horticulture through land development, organic matter build up, crop production enhancement and livestock development.
- Developing and offering a package of social security products such as deficit rainfall insurance, cattle insurance and human insurance to mitigate the risks and vulnerabilities of rainfed farmers.
- Creating access to savings and credit services for farmers through their groups.
- Build the capacity of farmers in the areas of proven rainfed farming technology, leadership development, and change in attitude of farmers towards rainfed farming to lead to significant changes.

Building Rainfed Farmers' Organisations

The Rainfed Farming Development Programme has been initiated in Gudiyatham Taluk of Vellore district with the support of RaboBank–Maas en Waal during the year. Community organisation model of RFDP involves promoting *Uzhavar kuzhu* (Farmers group) among deprived rainfed farmers, both men and women having land adjacent to each other. Farmers' groups are federated subsequently into Rainfed farmers association and Rainfed farmer's federation at village and block level, respectively. Common Interest Groups (CIGs) are formed to promote specific interventions. This year 179 Farmers' groups have been added, thereby reaching out to a total of 550 Groups with 9089 members. General body meetings were conducted in all the watersheds, legal compliances have been ensured and auditing has been completed in all the 12 watershed associations. The systems related to accounts, group meetings, and cost coverage were streamlined.

Land capability improvement

The Programme placed high emphasis on improving the capability of land for supporting crop production, besides soil and water conservation. Priority was given to activities, which can lead to increased productivity in rainfed lands at the earliest. As this approach was found to be effective due to its alignment with the perspective of the farmers and has the advantage of accommodating wide number of activities, mostly indigenous and unconventional.

Considerable amount of investment was made to evolve context specific program components and activities, through continuous interaction with community and by taking up trials. The examples of unconventional activities supported include *Prosopis* jungle (*Veli mul*) clearance, *Cynodon dactylon* (*Arugam pul*) clearance and conversion of uncultivable land into cultivable land. The programme followed 'Repeat work' concept since it was able to attract large scale private investment in farming in response to public investment. An impact

study conducted in Nattarampalli, showed that the actual contribution from farmers was above fifty percent.

Under NWDPRA, the program has mobilised Rs. 3.20 million for various natural resource management works during the year. Land development activities for 3.72 million were taken up for 442 members in all the locations. Sixteen farm ponds were newly constructed; 25 farm ponds and 11 Ooranis were renovated. Forty one acres of waste lands have been converted into cultivable land through *Prosopis* jungle clearance, *Cynodon dactylon* clearance, rock removal and land levelling. Experimentation was taken up for *Prosopis* jungle clearance, silt application and farm pond along with fish rearing.

Soil health enhancement

To enhance the organic matter content of the soil, farmers were motivated to increase application of manure and compost by providing support for compost pit construction or restoring the existing compost pit, introducing aerobic composting, and providing soft loans for sheep/goat penning and FYM application. Seventy five percent of the cost of compost pit making was given as support and Rs.100 was provided as support for raking up aerobic composting.

During the year, 356 member farmers were supported to apply FYM to 526 acres; 28 farmers were supported for sheep penning. In Nattarampalli, humic acid was distributed to large number of families and 27 members were supported for preparation of compost under aerobic conditions. In Tirumangalam 200 kg Azospirillum and 200 kg Phospho bacteria were distributed besides neem oil and Geran oil. Farmers were supported for preparation of vermi-compost.

Crop production enhancement

Zero Budget Natural Farming (ZBNF), a comprehensive agricultural system evolved by assimilating traditional farming knowledge was introduced among farmers. A common interest group (CIG) focusing on ZBNF was promoted in Nattarampalli. The farmers were facilitated through

training, motivation and input supply, to try new crops like wheat and maize for livestock feed. Maize was introduced as an alternative crop to paddy as it requires less number of irrigation, less amount of care and less investment and as it enjoys good market demand throughout the year.

This year, 108 farmers were supplied with 1265 kg of maize seeds; 42 farmers with 100 kg of KM-2 variety of Greengram; 21 farmers with 60 kg of Vamban-3 Blackgram. Besides these 2,800 kg of groundnut seeds was supplied in two locations. Forty members were trained on Zero Budget Natural Farming and 90 farmers have initiated the same. About 19,570 seedlings were supplied to 180 farmers, besides supply of 4,000 Jatropha seedlings. Farmers were taken for an exposure visit on rope pump usage for irrigation.

Livestock development

Animal health camps were conducted once in three months for vaccination and de-worming. Thirty six such camps were conducted benefiting 7,283 sheep and goats and 627 milch animals. Slips of CO4 Cumbu Napier grass was supplied to 110 farmers and 28 farmers were supported for Azolla cultivation. Support was given to four farmers for converting the mud floor of the cattle shed to cement floor. Specific loan products were offered for purchase of livestock by the members, benefiting 63 members.

Microfinance for rainfed farming

Based on the needs of the member, the groups have provided loan for different activities related to rainfed farming such as plough animal purchase. This credit service also helped the member to tide over the cash flow problem at times of yield loss. During the year, 145 members took loan for leasing 159 acres land for cultivation; three members took loan for redeeming their three acres of land. Members have availed Rs. 1.8 million loan from the groups for undertaking various farming related activities. Sprayers were supplied on loan basis to twenty farmers.

Reducing vulnerabilities

Mutual crop insurance was well received by the members as it was owned and run by the

community themselves. The Programme has evolved two products such as mutual deficit rainfall insurance and mutual crop income insurance.

Mutual deficit rainfall insurance was piloted by the rainfed farmers in Madurai district of Tamil Nadu for cotton, maize and black gram. The rainfall data during different stages of the crop period was used as a proxy for assessing the rainfed crop yield loss. Similarly the Mutual Crop Income Insurance was piloted based on the actual loss in income, with loss assessment and price monitoring done by the community. Mutual Crop Income Insurance for groundnut crop for addressing both yield and price risks was piloted in the Vellore district for the first time in India.

In Tirumangalam, 158 Blackgram and Greengram farmers covered their 158 acres under mutual deficit rainfall insurance during the year. Their crops were affected due to deficit rainfall in the first phase of the crop and have received Rs. 400 per acre as compensation. In the same way 38 maize farmers covered their 28.5 acres under mutual deficit rainfall insurance. Maize yield was affected by poor seed germination due to deficit rainfall and farmers received Rs. 2000 per acre as compensation. In Nattarampalli 50 farmers insured their groundnut crop under mutual crop income insurance and 41 of them have received compensation due to poor yield.

In Nattarampalli, 52 farmers were facilitated to enrol in the Government sponsored milch animal insurance scheme. Fifty two members have enrolled

their livestock the Mutual livestock insurance and four members received compensation. In all the locations 1159 members enrolled themselves in various life insurance products.

Research and Documentation

Three pilot projects and one research projects were taken up under ACEDRR of Tata DHAN Academy namely, 1) Coping with disasters- Participatory designing of efficient cropping patterns for rainfed locations, 2) A study on Disaster mitigation measures among tribal rainfed farmers of Pudurnadu, 3) Disaster preparedness for the tribal rainfed farmers of Koraput district, Orissa and 4) Disaster preparedness and drought mitigation in the Malaipatti village of Tuticorin district. These studies and pilot projects offer significant insights on changes in rainfall pattern over the years, their impact on farming, and various coping mechanisms of farmers and leads for action.

An impact study was taken up in Kothur middle watershed in Nattarampalli and Sengapadai watershed in Tirumangalam. Farmer participatory action research program on farm pond with fish rearing, silt application and *Prosopis juliflora* clearance were taken in Peraiyur location. PRA and baseline data collection was taken up for Gudiyatham villages as part of eleventh plan NWDPR scheme. All these studies offered a lot of insights for deepening of the program. A film was prepared on RFDP in Nattarampalli location.



Working with Panchayats

The history of the village-level Panchayat institutions in India goes back hundreds of years. After independence, the Panchayat system was neglected. DHAN Foundation has realised that these institutions need to be vibrant and responsive to the needs of the people to bring about lasting progress, benefiting all. DHAN Foundation has launched a programme 'Working with Panchayats' to promote and strengthen the informal functional groups in the village to get involved in the Panchayat affairs. The programme integrates the existing traditional systems with the Panchayats to enhance the participation of the people and achieve synergy.

- Promoting functional groups and village development forums, strengthening and guiding working committees to integrate with the Panchayat system.
- Facilitating preparation of multi year micro planning for Panchayat Development by the community and make the working committees responsible for executing those plans.
- Advocating for enabling policies for effective decentralization through studies and publications, seminars and workshops.
- Promoting network of Panchayat Raj representatives at the Block and District level, and building their capacity in good governance.
- Creating awareness among the voters, youths, students on PRI, and ensuring benefits of the development programmes to reach the poor and vulnerable communities
- Strengthening the Gram Saba and making it a forum for performing social audit, and introducing e-Panchayats for open and transparent administrative system
- Enhancing the revenue for Panchayats through building corpus and undertaking income generating activities at village level.

The 'Working with Panchayats' theme is implemented in 25 Panchayats spread over five backward districts of Tamil Nadu, namely Cuddalore, Dindigul, Madurai, Nagapattinam and Theni. In addition to field locations, the programme coordinates a resource center, C-PAD (Center for Panchayat Affairs and Development) for enabling leadership capacities, thematic research, knowledge sharing, policy advocacy and networking.

Strengthening governance practices

The Programme focused on strengthening the institutions at Village Panchayats level during the year. Efforts were taken for ensuring community participation in the Gramasabhas, Panchayat council and working committee meetings. Leadership development in the primary level functional groups was given high emphasis. People's plan - 2009 was facilitated in all the Panchayats. This year, the respective Panchayat Administration

took up the responsibility for plan preparation and met the cost of preparation themselves.

As part of leadership development in working Panchayats, the Panchayat leaders were taken to model Gram Panchayats in Kerala for exposure visit. The experience was very much useful and enriching for the leaders. As a follow up of the exposure visit, in each village, the Panchayat council undertook special projects on development priorities such as "100 percent social security", "Hutless Panchayat", "100 percent electrified Panchayat", "Clean and Green Panchayat" and the like. Every village Panchayat has taken up one special project and the programme team helps them to achieve it.

Building Partnerships

The Programme made efforts to strengthen the relationship initiated already with the institutions working on Panchayat affairs. With RGNIYD, the

Panchayat team is involved in national level research project on 'Understanding Knowledge, Attitude and Practice of youth in Panchayat Raj Institutions'. In association with Rural Development department of Tamil Nadu, the Program has taken up training program on 'Role of NGOs in Development' to ten batches of village Panchayat presidents. With this initiative, the Panchayat theme would be able to develop relationship with more than 500 better performing Panchayat leaders and.

In addition, the Programme works jointly with the Rural Development Department to demonstrate National Rural Employment Guarantee Scheme in five selected village Panchayats in Tamil Nadu. Along with NIRD, the Programme has taken up an impact study of NREGS in Tamil Nadu in four districts of Tamil Nadu.

Experimentation

Referendum at hamlet level was tried out in Cuddalore district. Developing labor associations of NREGS workers was taken up. Also, the team has initiated the promotion of "Village Panchayat level Development associations", which comprises of all functional and primary groups within the village Panchayat boundary to serve as complimentary people institution to Panchayat council for effective administration of services. The Panchayat theme has initiated its works in an urban context. An exclusive project location to work with Madurai Municipal Corporation has been initiated.

Introduction of micro finance activity in all working locations created an opportunity to develop a Panchayat driven microfinance model. So far 65 microfinance groups have been promoted by the team.



Tourism for Development

DHAN Foundation's Tourism for Development theme is an outcome of the four-year pilot project 'Endogenous Tourism for Rural Livelihoods' implemented by it in Karaikudi and Kazhugumalai in Tamil Nadu with the support of United Nations Development Programme and Government of India. One of the key learnings of the project was that the diversified livelihood opportunities exist in the tourism sector can contribute in poverty reduction. 'Tourism for Development' would be a crosscutting theme to facilitate DHAN's programmes working in the locations of tourism importance to capitalize the emerging opportunities in the tourism sector. It would be a multi-stakeholder and inclusive approach with all the stakeholders in tourism including the poor communities. The key programme strategies are

- Organising the poor families into tourism based Peoples' Organisations and introducing savings, credit and insurance services.
- Conserving and promoting heritage and artisanal skills by organising the artisans and service providers into Primary producer and marketing groups and federating them into a Producer cum Marketing Company.
- Strengthening existing skills and building new skills in production, servicing and marketing related to tourism.
- Linking the Peoples' Organisations with commercial banks, markets and resource institutions for mobilizing resources, production and marketing of quality products.
- Facilitating research and development in the Peoples' Organisations for product innovation, packaging and marketing.
- Ensuring responsible tourism through promoting tourism literacy and capacity building.

The four-year Endogenous Tourism Project implemented at Karaikudi and Kazhugumalai in Tamil Nadu was concluded in December 2008. As an outcome of the project tourism development model has been worked out keeping the poor communities at the centre.

The team at Karaikudi has organized 1550 poor women into 105 tourism-based Kalanjiam SHGs. They were able to save to the tune of Rs. 24.4 lakhs and issue loans to the tune of Rs. 53 lakhs. In addition, six Primary Producer Groups (PPGs) with 410 members involved in different tourism linked activities such as wood-carving, stone carving, Athangudi tiles making, Chettinad cuisine preparation, Kandangi Saree making, kottan (palm leaf basket) making, and egg-plastering has been promoted.

Athanakudi Heritage Tiles Association has been promoted during the year with the artisans involved in Athangudi tiles made up of specialized variety of sand available in this area, which is known for its colour, texture and elegance. A 22 member tourism

development committee has been constituted with the representatives from different tourism linked industries to steer the promotion of tourism activities in Karaikudi.

Out of 34000 tourists visited Karaikudi site 4000 tourists stayed in the mansions with home stay arrangement.

The Kazhugumalai team has organized 1742 poor women into 107 tourism-based Kalanjiam SHGs. The members saved Rs. 25 lakhs and availed loans to the tune of Rs. 37 lakhs for various consumption and production purposes. The team has also promoted 20 activity groups with 280 members involved in different tourism linked activities. A 11-member tourism development committee has been set here to steer the tourism development. Around 38000 domestic and foreign tourists visited the Kazhugumalai site.

Development Tourism

A development tour was organized for 13 participants from the Netherlands to provide

opportunities for them to understand the culture, tradition, and community led development initiatives in India. The team visited various development programmes being implemented by DHAN Foundation and other NGOs in south India. A similar village cultural immersion programme was organised for a nine-member team from Rabobank Foundation, the Netherlands and six-member team from Sweden. Eighteen students and six teachers from France visited Tirupudaimarudur village (Tirunelveli district) to have the experience of village life and understand the culture and heritage.

Exploration of New Heritage Sites

The Programme team in Madurai undertook an elaborate exercise to explore heritage sites in and around Madurai. As a result of their exploration, heritage sites namely, Perumalmalai, Thenparankundram, Aritapatti, Keelakuilkudi, Meenashipuram in Madurai district and Tirumalai in Sivaganaga district have been studied to promote them as potential tourism sites and to conserve the heritage of Jainism that flourished in these areas. Potential for promoting tourism based livelihoods for the host communities were also explored.

Promotion of Tourism Literacy

One day heritage awareness programme was organised for 100 volunteers from National Service Scheme of Madurai Kamaraj University to impart the importance of conserving local heritages by taking them to the Keelakuilkudi village where the Jain sculpture and caves constructed during 2nd Century B.C were in a need of conservation.

Similarly one-day orientation on recent developments in tourism and their positive effects on local communities was organised for the Sri.Parasakthi, Arts College, Courtralam as part of a state level seminar on “Recent Development in Tourism” Organised by them with 200 students. An

awareness programme for the tourism stakeholders in Tirunelveli district, Tamil Nadu was organised jointly with the Department of Tourism on Code of Ethics for responsible tourism. Similar programmes were organised in Madurai as well.

Collaboration

The team attended the regional workshop on eco-tourism governance organised by the Yes Bank and Ministry of Tourism, GoI and made a presentation on the DHAN experience in tourism promotion. Presentations were also made in the Workshop on Institution Building, Rural Tourism and Sustainable Livelihoods organised by the Institute of Rural Management Anand and UNDP in partnership with the GoI. A presentation was given to the Director of Tourism; Government of India on the vision of DHAN Foundation in promoting tourism based livelihood activities. Participation in the Regional Workshop on Responsible Tourism—Corporate Responsibilities organised at Cochin by the Ministry of Tourism, GoI resulted provided a lot of insights on collaborations for tourism promotion.

Documentation

A media tour was organised jointly with the Ministry of Tourism, GoI and UNDP to show case rural tourism initiatives in Karaikudi. A video documentation to consolidate the experiences of implementing ETP in Karaikudi and Kazhugumalai were facilitated by the programme team. A set of leaflets, brochures, posters, calendars, hand books were made for both the locations to promote tourism awareness. Web pages for both the sites were developed and uploaded. Tourism information centers have been setup at Pallathur, Ariyakudi and Athangudi villages. A community college focusing on the ICT oriented skill building has also been set up in both the sites. The artisans attended a number of exhibitions across India and displayed their products for sale.

Centres for Integration

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 and legal compliances. 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. DHAN Foundation 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 Programme leaders, Regional Coordinators and anchors of the Centres 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 has 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 eleventh Annual Retreat was organized at Adilabad, with the Tribal Communities. DHANites stayed in the villages understood the heritage of tribal culture and reflected on their self, institutional growth and achievements.

Centre for Human Resource Development

DHAN Foundation's core purpose is to attract and groom high quality professionals for development work. The Foundation creates opportunities to learn, grow and occupy leadership spaces and anchor new themes.

The Centre for Human Resource Development created to steer the HRD practices in the DHAN Collective works with a select academic institutes to identify and place socially concerned professionals in the grassroots work. The focus is on building up the needed motivation, values, attitudes and competence.

The Centre ensures growth of staff with well designed professional development programmes on managerial and communication skills, village studies, poverty and livelihood studies, leadership development, institution building and so on.

The Centre facilitates Mentor–Mentee mechanisms among the staff to align both individual and organisational purpose for each other's benefit and to enhance personal and professional growth in an individual. The Centre works towards building a culture of self–regulation by providing supportive environment for the staff to reflect on their self and the institution in the annual retreats, and to reflect on their achievements and learnings in the annual performance enabling programmes.

The Center for Human Resource Development placed high emphasis on strengthening relationship with the 100 plus academic institutions including Agricultural Universities with whom it has been working for attracting professionals to work with DHAN Foundation. During the year alone the Centre identified and placed 189 staff with various programmes. Instruments used by the Centre to assess and understand the motivation level of the individuals at the entry level were revisited and developed a new set of instruments to enhance the quality of selection.

Building Capacity of the Practitioners

A wide range of capacity building programmes were organised for the newly inducted staff to enhance their perspectives in development and acquire implementation skills. The staffs under probation and apprenticeship have undergone induction programme to understand the development sector, issues of poverty and development, DHAN's way of poverty reduction and programmes being implemented for achieving this purpose. They were facilitated to meet periodically and share their experiences to learn from each other. In the final appraisals, they were helped to chalk out their life plan, reflecting their commitment for the cause of poverty reduction.

The session on gender in development organised as part of induction programme to the newly inducted staff helped them enhance their understanding on the gender concepts and practices in the workplace. Freshly engaged community accountants were oriented on the basics of accounts, cost control and cost reduction strategies, auditing, and analysis and accounts.

A three-day micro-lab on counseling was organized for team leaders to provide them step-by-step guide in counseling by enhancing their skills in building and managing relationships in workplace situations, listening, responding, probing and caring confrontations. The programme encouraged participants to develop competencies in counseling and developed their confidence in interpersonal communication.

DHAN Development Professional Programme

A 15-months distance learning programme 'DHAN Development Professional Programme' was launched for the newly placed development professionals to provide structured guidance and learning opportunities to learn and tryout new ideas with poor communities during field programmes. This Programme has been designed to enhance their ability to conceptualize, practice in field and mentor their teams. The Action-Reflection-Action mode of teaching and learning would help them bring clarity in their 'self' to become 'Development Missionaries'

In the first trimester, a 10-day session 'Reflection on Practice' was organised, which included a two weeks village stay, one week classroom segment followed by a two and a half months of field work. This session helped them build their knowledge, perspectives in subjects like management, development and value orientations to enhance the creative, critical and analytic skills.

Online course in communication skills

An e-learning course 'Advancing Communication Skills for Team Leaders (ACT)' was launched to strengthen the writing capabilities of the team leaders. There was an overwhelming response from the team leaders to learn and equip themselves in written communication. The first batch for this course was enrolled and they have started learning effective and persuasive writing.

Mentoring in DHAN Collective

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. In this programme, both mentors and mentee reviewed progress in the mentoring process, and set goals for the ensuing year. Mentoring workshops were organised for the staff to help them gain deeper insights, reflect their personal experiences and define their own directions in mentoring. They were helped to workout mentoring action plan to set mechanisms and processes for effective mentoring. Training of Trainers programme on Mentoring was organized for the senior Executives to build capacities of the staff in their regions and locations in mentoring.

Dhan People Academy

DHAN Foundation's community organising strategies are centred on building capacities of leaders, members and staff. The Foundation invests substantial resources to promote the leadership in collective bodies of people.

Dhan People Academy (DPA) was initiated to provide learning environment for the staff and peoples' leaders. With the well furnished training infrastructure, the Academy devises appropriate pedagogy to facilitate learning, building on the experience available, and participant-centered education. The Academy works in partnership with academic and training institutes on common interests.

The DPA organises exposure visits to encourage cross learning of best practices, conflict resolution, workshops and seminars help the people's leaders to share their experiences and build their perspective.

Need-based certificate programmes and distance learning programmes are designed and offered by the DPA. Trainers Trainings are organized on various themes. Customized trainings are also offered to the other NGOs and Peoples' Organisations on demand.

The DPA facilitates setting up of Community Colleges – Livelihood Initiative with Functional Education (LIFE) to provide a variety of location specific and tailor-made livelihood skill building programmes for the youths from the poor families.

Building capacity of the field staff, leaders and members of the Peoples' Organisations promoted by DHAN Foundation is the core activity of Dhan People Academy (DPA). The Academy organises a variety of pre-designed and tailor-made capacity building programmes for them. During the year, the Academy extended support to the programmes and the Peoples' Organisations of DHAN Collective to organise 162 programmes for about 5100 participants.

The DPA conducted trainings to two batches of participants from Tamil Nadu *Vazhndhu Kattuvom* Project on accounting and financial management of Panchayat Level Federations. Two exposure programmes were organized for IFAD funded government projects in Bangladesh and Vietnam.

Apart from training programmes, the DPA offered field support to Peoples' Organisations based on the need for conducting workshops, Federation retreats, Federation appraisals, federation Mahasabha, conducting field level training programmes and other events.

Diploma in Panchayat Management

Dhan People Academy together with Working with Panchayat Programme of DHAN Foundation has been offering a one year distance learning programme 'Diploma in Panchayat Management' for the public. Seminar classes for third batch of DPM were conducted and final evaluation was done

through written examination. In the third batch 519 students completed and got their diplomas. The first convocation function of the Academy was conducted. The Vice Chancellor of IGNOU presided over the function and awarded the students with the Diploma. The admission for DPM batch-IV has been initiated and 75 students have been enrolled. The text books used for DPM are getting converted into Self Learning Materials. An expert team was constituted to work on this.

Partnership with IGNOU

The Academy has been taking efforts for jointly working with IGNOU for the past few years. The first action towards this got materialized through offering Computer Literacy Programme of IGNOU. DPA collaborates with Information Communication Technology for Poor Theme of DHAN Foundation in offering CLP. The CLP is a 40-hour programme running for 30 days and 55 members have enrolled for it. It will be conducted at Dhan Community Colleges. The first batch of CLP started with the enrollment of 67 students in Thagavalagam Community Colleges in Melur, Kottampatti and Palamedu.

Livelihoods Initiative with Functional Education

The Livelihoods Initiative with Functional Education (LIFE), the vocational education division in the Academy coordinates the Madurai centre in

association with the Kalanjiam federations in the Madurai district. During the year, 363 students, both boys and girls have undergone the short-term skill building programmes in computer hardware and software, tailoring and fashion designing, beautician, mobile phone servicing and simple chemicals preparation.

The LIFE also coordinates such Centres in 10 Federations in offering similar vocational education programmes. Through these vocational centers of Federations, 1,326 persons got trained in various trades. Together with the Slum Clearance Board, the LIFE offered the mobile phone servicing course. Youth from urban slums of Madurai got benefited out of this initiative. The progress in the Madurai Centre has led to the creation of LIFE Centre at Maraimalainagar, near Chennai. A market survey to understand the need for skill building in the community was carried out and trainings in a few vocational trades have been initiated.

Studies and Research

During the year three research studies were taken up by the Academy. A pilot study on establishing Regional Resource Center for Disaster Management at Nagapattinam with the support of ACEDRR was taken up. The study focused on preparing resource materials related to disaster preparedness and management and also on conducting trainings and demonstrations for building the capacities of local field functionaries. The DPA also took up a research study on identifying disaster risks and vulnerabilities of 10 villages in Nagapattinam district with the support of ACEDRR. A training manual cum resource book on disaster preparedness and management was prepared as an outcome of the research and pilot studies.

An evaluation study of Canara Bank Centenary Rural Development Trust was taken up and the field investigation and reporting were done during the year. This study helped in understanding the vocational education initiatives of many institutions in the country.

Centre for Development Communication

DHAN Foundation strongly believes that community provides a powerful learning opportunity and it views communication as a human factor in development. Also the Foundation believes that media can be used as a means for education, for motivation in the spheres of development action.

The Centre for Development Communication facilitates documentation and dissemination of field learning within and outside the organisation and promotes the application of the traditional and modern media in development action.

The Centre documents and publishes the field experiences of the programmes and Institutions of the DHAN Collective in both print and audio visual formats for information sharing and advocacy.

The Centre supports the People's Organisations to setup and run community media centres with the combination of community radio, video and web based technologies. It has also promoted a Forum for Development Journalists to discuss and write on the community initiatives that would reflect grassroots realities.

The Centre undertakes thematic campaigns combining digital and folk media for fostering BCC. The Development Film Festival is an exciting annual feature organised by this Centre on a development theme.

Documentation and dissemination of experiences

The Centre has prepared a film 'Build People to Build People' highlighting DHAN's way of nurturing development professionals and their contribution in changing the lives and livelihoods of the poor communities. The centre also made visual documentation of a few of the development projects implemented by the Programmes such as Water-for-life supported household water filter project, Pan-IIT

Alumni supported drinking water pond project, and the federation adoption projects by Rabobanks, the Netherlands. Documentation of events and filed projects were taken up by the Centre in audio visual format.

Facilitating information sharing

The monthly magazine 'Development Matters' published by the Centre has created a platform for the DHANites to write their experiences,

innovations, best practices and their impacts, learnings from implementation and so on. The Centre has also published a booklet titled 'Gender Matters' that elucidates the gender principles, philosophies and practices followed by DHAN Foundation.

The Centre maintained the website of DHAN Foundation with needed updation in addition to managing the websites of the associated institutions such as INAFI India, INFOS, and event promoting website for Madurai Marathon.

Media relations were facilitated through press meets, media tours and press releases. Reporters were taken to field to showcase the interventions and impacts. Interviews were facilitated with selected professionals of DHAN to highlight the works, feature products and announce events. Senior professionals in DHAN were encouraged to write about development issues and our interventions in the Tamil dailies.

Community media

The Kalanjiam Samuga Vanoli (Kalanjiam Community Radio) setup at Nagapattinam in Tamil Nadu with the support of has taken a shape of Community Media Centre with the mix of community radio, video and internet technology. The Centre focuses on disaster preparedness and gender development. Though the station started its operation from August 2006 by narrowcasting audio contents made by the local community volunteers, the Government of India has issued a Broadcast license by earmarking 90.8 FM. The local communities with the support of local volunteers have made 125 hours of audio programme and 12 Documentaries and 16 events-based audio visual products.

The Centre has earned the Manthan Awards for the year 2008 for the best e-content in the area of community broadcasting. Many NGOs have visited the Centre to learn about Community Radio. In the Trainer's Training organised by the World Association of Community Radio Broadcasters (AMARC) in Indonesia, the Kalanjiam Samuga Vanoli shared its experience.

Journalism for development

The Centre performed as secretariat for the Development Journalists Forum launched with a

core group of journalists, NGOs and Academic institutes in Madurai. Programmes for media professionals were organised on the themes of causes and consequences of inflation, issues of migrant workers, pollution in rivers of Tamil Nadu, and the issues of run away children in partnership with academic institutes and NGOs. Journalism students, academicians and the public attended these events. Outcomes of the workshops were published as a newsletter in Tamil.

Development film festival

The Development Film Festival organised every year on a selected theme in development by the Centre intends 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. This year the Centre has organised IV Development Film Festival on Culture and Heritage. A jury comprising film makers, academicians, researchers and journalists selected three films for award. Although all the films were extremely engaging, three films "Missing Colors", "Chedi", and "Elumalai Jama" were those that told stories that were thought provoking that told stories that were thought provoking, cinematographically advanced, and left the audience seeing many perspectives on the issues.

Awareness campaigns

The mobile theatre has served federations and programmes for screening development films to the community for creating awareness on various issues. The folklore resource team from the Centre organised campaigns to support field-action of the peoples' Organisations in DHAN Collective by promoting community participation in the water projects in Villupuram district, creating awareness on anaemia as part of Madurai Marathon 2009, motivating dairy farmers for collective marketing in Cuddalore district.

A pilot project focusing on the application of traditional communication methods in disaster management was taken up by the Centre with the support of ACEDRR of Tata-Dhan Academy. A package of traditional art forms to understand and communicate disaster management strategies was prepared and rolled out in ten coastal villages. The reflections of the community were documented and studied for the usefulness of the traditional folk arts in disaster preparedness.

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 places greater emphasis on building a transparent and foolproof financial management system at all levels.

The Centre evolves financial policies for the Foundation and other Institutions in DHAN Collective and Peoples Organisations. The Centre ensures online accounting system with the support of accounting software packages and builds capacity of accountants and finance managers for it.

The Centre facilitates the audit process and statutory compliances of DHAN Collective institutions and People Organisations promoted by it. With a sound internal auditing system and continued interaction with the panel of Chartered Accountants constituted for these institutions, the Centre ensures regular appraisal and feedback for the quality of books and expenses.

The Centre develops operational accounting manuals and provides ICAI-formulated accounting guidelines for quality audit standards to ensure uniformity in programmes and institutions of the DHAN Collective.

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 medical 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

DHAN Foundation is working on promoting a sharing culture among the poor communities with whom it is working, the general public both in India and abroad, corporates through creating meaningful opportunities and partnerships.

The Centre for Facilitating Philanthropy develops context specific philanthropic products and sophisticated forms of giving in consultation with the community. It works with the Corporates and Indian Diaspora with a long term perspective and on a partnership mode that seeks to build on each other's competencies and areas of interest to bring about an enduring and lasting benefit to the poor communities. Also it establishes friends of DHAN Chapters to aid development work in India in select countries.

The Centre builds awareness among the individuals or a group of individuals to understand the development work through field visits, and motivates them to provide support for such works, which would be mutually beneficial to both the givers, and the poor community. With the resources raised from the individuals and institutions the Centre supports small community projects that have the elements of community contribution, collective action and sustainability.

The significant achievements during the year are building a partnership with Hindustan Unilever India, support for promotion of two federations by two Rabobanks in the Netherlands and a partnership with the PanIIT Alumni for the cause of water. The project with Hindustan Unilever was to enhance the livelihoods of 75,000 women as part of their 75 years in India celebrations. The women are from among the members of the federations promoted by DHAN. The Rabobank Foundation, the Netherlands facilitated two of their member Rabobanks to adopt two federations in India by extending support for cost of its promotion. A small group of Pan IIT alumni came forward to support the water initiatives of DHAN to demonstrate that individuals can make a difference and a way in which the alumni could meaningfully contribute to the development efforts in India.

The Friends of DHAN Foundation in the Netherlands continued their support for the various health and education initiatives of DHAN. They could expand their support to set up a vocational training centre for the disabled in one of the federations, support for school building for the school promoted by one of the federations.

The centre could extend support to the DHAN Karunai Illam for setting up a Livelihoods Initiatives with Functional Education centre for equipping the youth and women with vocational skills, setting up a

model community school to offer quality English medium education for children from low income families with support from the New Zealand High Commission, New Delhi. The water projects especially the drinking water ponds were supported by many individuals and their friends. Many of them are repeat supporters for this initiative. The Huguenin Ralapalli foundation extended support for a second set of five drinking water ponds during the year.

The centre works closely with the programmes to understand the needs of the community and match them with the interests of the donors. It also provides the donor with the feedback on how their contribution has been used and the difference it could make. This is done through periodical reporting to the donors and through the website.

The annual Madurai Marathon was organized on the theme of "Run to be free from Anaemia" in collaboration with the Tamil Nadu State Health Society, Madurai corporation and various other agencies. The event attracted over 40 thousand participants and the half marathon was organized as a competitive event which attracted a lot of participants as compared to the previous year. The Centre could raise about Rs.35.00 million for various initiatives of which 60% has been received during the year and the remaining will be received in the next financial year.

Centre for Policy and Planning

DHAN Foundation 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.

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 plans to fulfill their aims. It provides frameworks and tool kits to the programmes in planning, review and monitoring performance in line with the corporate plan.

The Centre works with the programmes for advocating pro-poor policies in the fields of microfinance, water, rainfed farming, Panchayat Raj institutions and disaster mitigation. It helps the programmes in undertaking studies and policy research, organising policy seminars, publishing policy briefs and policy notes on specific issues related to these themes.

The Centre also ensures gender mainstreaming in the DHAN Collective by building gender perspectives among the staff through capacity building programmes, evolving and assessing gender policies in practice.

Policy Advocacy

Towards advocating pro-poor policies the Centre for Policy and Planning organised policy consultations and seminars to document the experiences of DHAN

Foundation in some of the key areas of microfinance and water programmes. Outcomes of those events were published as policy briefs and disseminated to relevant stakeholders to make changes in the policy and practice.

DHAN Foundation's experiences in resolving pre-existing conflicts for making interventions to conserve and develop tanks and other small scale water bodies were synthesised and published as a policy brief titled 'Conflict resolution in conservation and management of tanks'.

The Centre has brought out a policy brief on 'Financial inclusion – savings and its relevance to poor: issues and solutions' based on the experiences of DHAN Foundation in implementing enabling model of microfinance. This policy brief elucidated diverse financial service required for the poor and their ability to save. The recommendations emerged out of practices were shared with the Reserve Bank of India, National Bank for Agriculture and Rural Development (NABARD), and commercial banks.

The policy brief on 'Resource mobilisation for rehabilitation of tanks involving people' focused on the causes for degeneration of water bodies and experiences of DHAN Foundation in resource mobilisation for rehabilitation of these water bodies with people participation. It was shared with relevant line departments in Tamil Nadu State Government, Finance and Water Resources ministries of Government of India and NABARD. Presentation was made to the Special Secretary, Planning and Development Department, Government of Tamil Nadu and recommendations were made for allocating resources for minor irrigation and involving people institutions in implementation.

A policy seminar on 'Tank based Watersheds for Sustaining Farmer's Livelihoods' was organised in association with Government of Andhra Pradesh. The seminar stressed on the relevance and importance for the inclusion of tanks in watershed

development. As a follow-up of the seminar a policy brief was published. The Centre in association with the Indian Network of Federations of Microfinance Self Help Groups (INFOS) organised national level workshops on financial Inclusion.

Shaping Institutional Policies of DHAN Collective

The Centre has organised a workshop on 'Enabling policy making in DHAN Collective' for the senior professionals of the Foundation. Existing policies of the programmes were reviewed and inputs were given to refine the policies. A note on DHAN Collective's policies and practices was developed and shared. The Centre could ensure perspective building exercise on planning in all the regions by the programmes. Annual planning and review exercises were facilitated by the programmes. Mainstreaming gender and disaster risk reduction were given focus in planning.

Studies and assignments

The Centre has taken up 'Gender Impact Study' for the State Planning Commission, Government of Tamil Nadu to study the impact of Swarnajayanti Gram Swarojghar Yojana (SGSY) and Dr. Muthulakshmi Reddy Maternity Scheme. A draft report was submitted to the Commission with recommendations. As part of International Fund for Agriculture Development (IFAD) assisted Post Tsunami Sustainable Livelihood Programme (PTSLP) by Government of Tamil Nadu, the Centre for Policy and Planning has taken up an assignment to provide resource and knowledge support for implementation. The Centre has organised district level planning workshop to evolve gender action plan for the project by inviting communities and stakeholders from the districts, blocks, and villages.

Centre for Research

DHAN Foundation nurtures development innovations which can transform the lives of the poor on a larger scale. The Foundation encourages reflective practices among the professionals and the communities with whom they are working to bring out the best possible solutions for the issues that would suit to the local contexts.

The Centre for Research facilitates field-based research on issues common to the sector and the Foundation. It undertakes sectoral research on microfinance, tankfed agriculture and other rural and urban development issues in addition to taking up impact studies of DHAN projects in order to build up a knowledge base for the sector

The Centre facilitates the professionals working at the grassroots to take up micro studies and action researches on the issues concerning them to come out with operational solutions to improve the performance.

The Centre collaborates with educational institutions, research organisations and universities on common research interests to exchange expertise and to bring academic rigour to the research outcomes.

Micro Studies

The Centre for Research undertakes micro studies on the themes of common interest and those can contribute in the development interventions made by the development institutions like DHAN. The Centre has taken up 'study on value chain of Madurai Mali' to document the features of *Madurai Malli* a special fragrant flower popular in Madurai. The study brought out the potential of expanding the production, marketing and product diversification that would impact the livelihoods of a large number of growers, flower weavers and vendors. As a follow up of value chain study of *Madurai Malli*, efforts were made for linking Kalanjiam members weaving flowers with the hoteliers, big flower vendors and decorators.

A similar study on heritage value of Perumal Malai created a bigger impact in the media. The threat faced by the hill from quarrying activities around the hill was brought out, which attracted the media attention. Efforts were also made to represent this issue to the Government. As a result of all these attempts, the District collector ordered revenue officials to stop the quarry activity a warning board has been placed there. Another study brought out the filed implications of the housing scheme implemented in Meenambigai Nagar under JnNURM.

Action Research

The Centre for Research functions as a secretariat for the City Technical Advisory Group (CTAG) and City Volunteer Technical Corps (CVTC), constituted as part of Jawaharlal Nehru National Urban Renewal Mission (JnNURM) implementation in Madurai. It facilitates publication of two successive issues of 'City Communiqué' the news letter, on behalf of CTAG and CVTC. Madurai Corporation has given a space for showcasing JNNURM works at

Madurai for common public and dignitaries. The Centre extended support to Kalanjiam federations in Madurai city to prepare proposals to mobilise community participation fund from the JnNURM.

Under JNNURM, on request of Madurai Corporation the Centre undertook socio economic survey of urban poor. Through this survey 41,086 slum poor households in 131 slums were interviewed. The survey revealed the fact that above 60 percent of the slum dwellers living in rental houses were left out in JnNURM. Centre for Research has facilitated many rounds of meetings with bureaucrats to revise policies to include such families.

The Centre has also prepared a detailed project report on behalf of Madurai Corporation for implementing the 'Integrated Low Cost Sanitation' as envisaged by the Government of India for converting existing dry latrines into water seal toilets.

Centre for Research facilitated promotion of 'Slum Development Associations' in Bharath Nagar and Jaihindpuram slums besides organising awareness campaigns. The Centre also facilitated formation of Neighbourhood Committee (NHC) which is a precursor for constituting Area Sabhas in six wards of Madurai Corporation.

Studies to enhance field action

The Centre made a joint study with the Kalanjiam Development Financial Services (KDFFS) to study the efficacy of 'bridge finance' extended by KDFFS. For People Mutuals, the Centre for Research undertook mortality rate study in all programmes covering all the people institutions in all the contexts. Impact study of the Kalanjiam Community Banking Programme has been completed and a similar impact study for the Vayalagam Programme has been initiated.

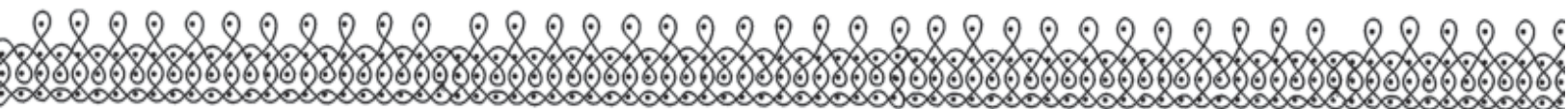
Heritage Matters



Creating crafts and culture based livelihoods

Artisans in Karaikudi town of Tamil Nadu are carving wooden sculptures which was once patronized by the Chettinad Nagarathar community. Contemporising these crafts is the need of the hour, which would strongly unfold the magic of ingenuity of these artisans and their creative manual skills.

Impact



Project Impact

Deepening Microfinance: Anaemia control for Healthy Generations

Health is not only an individual issue, but also a community issue. Poor health reduces the physical and cognitive capacities of an individual. When people identify health problems, their health seeking process is influenced by availability, accessibility, affordability, adequacy, and acceptability of health infrastructure. Women and children are more vulnerable due to poor nutrition, lack of sanitation, poor hygiene awareness, and lack of access to quality healthcare. Of all stages, the reproductive years are the most vulnerable in a woman's life, and this vulnerability is heightened by malnourishment.

Iron deficiency is the most prevalent nutritional deficiency in the world, and probably the most important micronutrient deficiency in India, where

least one out of five girls and women experience the condition at some point during their reproductive years. Illiteracy, poverty and general economic and social development have a bearing on the incidence of anemia among the people.

Kalanjiam Reproductive and Child Health Programme

The Kalanjiam Federations promoted by DHAN design and implement comprehensive reproductive and child health programme to bring positive changes in the health seeking behaviour of the members' families to prevent or reduce anemia and malnutrition among mothers and adolescent girls. They work in concert with the government and private healthcare systems for reducing healthcare expenditure and increasing health seeking behaviour. The Anemia Control is one of the components of the Kalanjiam Reproductive and Child Health (KRCH) Programme implemented by the Kalanjiam Federations. The project was supported by the ICICI Bank. A baseline survey was designed to assess the prevalence of anemia and related Knowledge, Attitude and Practice of pregnant women and adolescent girls. A representative sample of Kalanjiam members consisting of 205 pregnant

69.5 percent of children in the age group of six to 59 months are suffering from anemia of which 63 percent are in the urban areas and 71.5 percent in the rural areas. Iron deficiency anemia is the most common type of anemia. Most of the anemic patients, especially women, suffer from mild to severe deficiency of iron. The hemoglobin count in most of the adolescent girls in India is less than the standard 12 g/deciliter, the standard accepted worldwide.

About half of all pregnant women experience iron deficiency anemia during their pregnancies, and at



women and 448 adolescent girls from Nine Kalanjiam Federations were selected and interviewed with a pre-tested interview schedule.

- The prevalence of anemia was observed as 89.3 percent for pregnant women and 95.6 percent for adolescent girls. This was comparatively higher than that which was reported in other parts of the state and the state as a whole.
- All the possible responses for the consequences of anemia were stated by only a few of them. These observations hold good both for pregnant women and adolescent girls. Both pregnant women and adolescent girls were not fully aware of the complete list of foods that are rich in iron.
- While more than half the pregnant women knew about when Iron Folic Acid (IFA) tablets should be started and the number of tablets to be consumed very few of the adolescent girls had the correct knowledge.
- Around three fourth of the pregnant women and adolescent girls knew about the entry of hook worm into the body and the method of preventing the entry of hook worm and half of them knew the method of treating for hookworm infection.
- Only half of the pregnant women registered in the 3rd month of their pregnancy with the government healthcare systems.
- The number of women who have consumed more than 100 IFA was not satisfactory. Only one tenth of the respondents own a toilet in their home and more than three fourth did not use toilet always.
- Little more than half of the pregnant women and adolescent girls used slippers always while they went out of their homes. Only one tenth of the pregnant women were treated for hookworm infection during their pregnancy.
- While more than two third consumed greens weekly thrice, other iron rich foods such as dates, ragi, jaggery, guava were consumed by few pregnant women and adolescent girls. Meat and fish were hardly used in the diet.

Based on these findings the Kalanjiam Federations



have short listed members and adolescent girls in their families. Based on the level of hemoglobin levels they have been grouped into mild, moderate and severely anemic.

Anaemia Control Project

In the nine federations selected for the project 1,700 Kalanjiam Groups are functioning in 408 villages. Of these 1,204 Kalanjiam groups were selected and benefited under this project. About 1315 pregnant women were benefited through this anaemia control project. Of the 408 villages, in 309 villages 312 adolescent groups were formed to implement this project among adolescent girls. About 6,690 adolescent girls were benefited through this anaemia control project.

‘Enabling Self Health Governance’ was the core component of the experiment where the people were enabled to become aware of their rights from the government health care system. A well knitted ‘Behavioural Change Communication (BCC)’ package was used to bring positive changes in the health seeking behaviour of the members’ families. The focus on ‘Linkage Building’ enabled the federations to build a sound demand system to claim for legitimate rights from the mainstream and to ensure the reach of quality programmes to all eligible poor. Ultimately the ‘Case Management and Referral Services’ with a strong backup of the microfinance was the foundation of the intervention. The support from the ICICI Bank, and collaboration with the Department of Health & Family Welfare, Tamil

Nadu were crucial in the experiment.

All pregnant women were identified by the health guides and motivated to register with the government Village Health Nurse and obtain Ante Natal Care starting with procuring Iron and Folic Acid (IFA) tablets from the 4th month and consume a minimum of 100 tablets during their entire pregnancy. This was monitored by the field level Kalanjiam staff. The pregnant women weight was monitored to gain 10 kg during pregnancy. They were given anaemia related facts through BCC methods a number of times.

All adolescent girls from the Kalanjiam members' family were made to meet as an Adolescent group and they were educated on the anaemia related messages using the various Behavioral Change Communication strategies. Peer educators were organized to educate others and were made to monitor the activities like, distributing IFA, making adolescents wear slippers, procuring and consuming IFA tablets, de-worming and monitoring.

Each health guide was responsible for a particular geographical area around their home village. There was one health associate for 5-7 health guides who would be in charge of delivering all health related activities. The health coordinator was responsible for one federation. The MIS data at the village level from pregnant women and adolescent girls were collected and maintained by Health Guides and sent it to Health Associates and they consolidated for the federation and gave it to the Health Coordinators.

Conclusions of End Evaluation

The Anaemia Control programme a community based action research embedded with a one group pre post design. This is the end of project evaluation of the Anaemia Control Project carried out by Kalanjiam Foundation through nine federations in different districts of Tamilnadu during the period from 2006 to 2008. The evaluation data was collected in December 2008 and January 2009. This was one group pre post evaluation without a control. In the Baseline Survey all pregnant women of Kalanjiam members consisting of 205 and 165 and a representative sample of 448 and 430 adolescent girls

from the nine Federation areas were chosen as the samples. Personnel working in different areas of Kalanjiam not associated with the Health Programmes were involved in data collection coordinated by a senior official who had joined Kalanjiam just prior to the evaluation with good experience in research. In addition, qualitative methods were adopted by Kalanjiam staff at various levels using KII (Key Informant Interview) with the top level and Focus Group Discussions with other levels staff which was carried out by the consultants.

Decrease in the prevalence of anemia

Pregnant women

- The interventions impacted a significant ($P<0.000$) decrease 25.7 percent in the prevalence of anaemia among pregnant women from 89.3 percent to 63.6 percent.
- The severe anaemia among pregnant women was not a major problem in this area. The impact of the interventions reduced the prevalence of moderate anaemia by 40.8 percent which was highly significant ($P<0.000$). The shift occurred from moderate to mild and normal category is indicative of the positive impact of the interventions.
- The mean Hb and maximum Hb level had an increase from 9.49 to 10.41 g/dl and 12.1 to 14.2 g/dl respectively

Adolescent Girls

- The impact made among adolescent girls was a significant decrease of 34.4 percent in the prevalence of anaemia ($P<0.001$)



- Severe anaemia was reduced from 5.8 percent to 0.5 percent. Moderate anaemia has shown a significant ($P < 0.001$) decline of 36 percent. The occurrence of shift from moderate to mild and normal category is indicative of the positive impact of the interventions
- The mean Hb and maximum Hb level had an increase from 9.6 to 11.3 g/dl and 13.0 to 14.4 g/dl respectively

Increase in the knowledge of anaemia related facts

Pregnant women

- A significant increase in the knowledge level was observed among pregnant women on the definition of anaemia and each of the 8 signs & symptoms, 8 causes, 7 consequences, detection and 4 preventions. The normal level of Hb for pregnant woman was known by 95.8 percent of the women.
- The increase in the knowledge of Jaggery, ragi, Guava, meat and fish as iron rich foods was found to be significant.
- The knowledge that a minimum of 100 tablets of IFA must be consumed during pregnancy was significantly ($P < 0.001$) increased from 57.1 percent to 100 percent. The knowledge on the correct month to start IFA was increased from 47.8 percent to 93.9 percent which is significant ($P < 0.001$).
- All pregnant women knew the path of entry for hook worm as the feet, prevention of hook worm and treatment for hook worm which were significantly increased from 68.3 percent, 73.2 percent and 51.2 percent respectively

Adolescent Girls

- A highly significant ($P < 0.0000$) increase in the knowledge level was observed among adolescent girls on the definition of anaemia and each of the 10 signs & symptoms, 7 causes, 7 consequences for adolescent girls, 7 consequences for pregnant women, detection and 4 ways of preventing anaemia. The normal level of Hb for adolescent girl and the same for pregnant woman was known to 92.3 percent and 98.4 percent respectively of the adolescent girls.

- The knowledge on the correct number of IFA to be taken by pregnant women as minimum 100 tablets during pregnancy was increased from 15.4 percent to 99.8 percent and the correct month to start IFA increased from 15 percent to 96 percent which were found to be highly significant ($P < 0.000$). The knowledge of stating each of the 5 listed side effects was found to be significant ($P < 0.0001$).
- The knowledge on iron rich foods as greens, GLV, dates, jaggery, ragi, guava, meat and fish have significantly increased ($P < 0.001$) after the intervention
- All adolescent girls knew the path of entry for hook worm as the feet, prevention of hook worm and treatment for hook worm which were significantly increased from 75.0 percent, 76.3 percent and 45.5 percent respectively

Change in the attitude towards anaemia

There is very high positive attitude in every area measured towards anaemia. Probably this is based on the education on anaemia provided at the grass root level.

Shift in the practices related to anaemia

1. Pregnant women - antenatal care, early IFA procurement and consumption, regular weight taking during pregnancy, Hb testing and intake of iron rich foods.
2. Adolescent girls - IFA procurement and consumption, regular weight taking, Hb testing, intake of iron rich foods and de-worming.

Pregnant women

- Before intervention 65.4 percent pregnant women had minimum of 3 antenatal checkups which was increased to 80 percent.
- IFA procurement and IFA consumption have not changed much except those who consumed more than 90 have increased from 6.4 percent to 17 percent.

- The practice of using toilet always is very low. Probably this is associated with few houses where toilets are available in houses.
- The practice of wearing slippers always have increased significantly ($P < 0.001$) from 55.6 percent to 93.9 percent
- The practice of taking de-worming tablets during their pregnancy was not adopted as this was not promoted by the government health system.
- There was not much change observed in the dietary pattern of increasing their diet during pregnancy or having the same quantity or reducing their diet.
- Even the consumption of iron rich foods that were promoted such as greens, GLV, dates, ragi, guava, meat and fish did not change much.

Adolescent Girls

- Adolescent girls have procured (86.5 percent) and consumed (80 percent) 30-60 IFA tablets significantly different from the baseline data (22.1 percent).
- The consumption of iron rich foods that were promoted such as greens, GLV, dates, ragi, guava, meat and fish did not change much because of the intervention

- The changes in the practice of using toilet did not take place. Probably this is associated with few houses where toilets are available in houses.
- The practice of wearing slippers always have increased significantly ($P < 0.0$) from 55.4 percent to 97.2 percent

Behaviour Change Communication Materials

The BCC materials developed were found to be effective enough to bring knowledge change. The flip chart and hand bills have complete correct and positive messages on anaemia. Flip chart and hand bills cover the entire range of messages on anaemia and they can be used anywhere and every where

De-worming and hook worm infection

The government system did not support the pregnant women de-worming and hence it did not take place. Adolescents were de-wormed once in 6 months. De-worming was done at least once for 93.5 percent of the adolescent girls during intervention. A small sample of adolescents tested was found to have no hook worm prevalence in the stools tested.

Excerpts from the evaluation reports of Dr. Abel Rajaratnam and Dr. Jolly Abel, who have done base line and end evaluation for the Anaemia Control Project implemented by the Kalanjiam Federations

Impact on a village

Reviving Tanks: Sustaining Livelihoods

It is an ancient tank, deep in the rural hinterland of Madurai district in Tamil Nadu. A state highway passes on one side of the tank bund. “Earlier water would overflow from the tank onto the road and would get wasted. In the village, the rainfed farmers owning less than 1.5 acre land would have to buy water from rich well-owners for their lands”, says S. Sethuraman, pointing to the highway and the lands sloping off below it. “Now, in the two years that DHAN Foundation has been helping us renovate this Villur tank, we actually have surplus during the rains”, he says.

DHAN Foundation organised Villur village farmers and landless people to form their Vayalagam. S. Sethuraman is the Vayalagam president. He is a science graduate and farmer who can converse fluently in English. He was instrumental in the building of a higher secondary school in his village. He motivated the Vayalagam Association to clean the three of the ‘feeder channels’ of the Villur tank. The channels were overgrown with weeds, silted up and to top it was encroached by a few farmers for the last 30-40 years!

The Vayalagam leaders got hold of official land records from the government Revenue office, and got the entire area surveyed as per the records. With the support from DHAN Foundation they exerted continuous pressure on the two farmers who had encroached on the feeder canal and convinced them to give up the encroached land which they had been using for three and more decades.

When asked how they managed to evict such long-term encroachers, Sethuraman says they could manage to do so only because they approached the encroachers as a collective association and not as individuals.

The work on the feeder channels was supported by Oxfam-Novib as a humanitarian support during the floods in that area. The villagers contributed Rs.15,000 worth of voluntary labour during the time this work was done. The bund formation around the tank was taken through the Government of India’s Food for Work program. Here they contributed Rs.20,000 to augment the works being done during this period. After a discussion with all the members the contribution from the members towards the work was fixed at Rs.300 per acre of land in the command area. This was unanimously agreed upon by all the members and the contributions were collected. The tractor owners also contributed some amount as they also benefitted by getting work through the Vayalagam for transporting the silt excavated from the tank and using it for application on the lands. The Vayalagam wanted to take up the work of repairing the sluices which had fallen into disuse.

The command area that could be cultivated changed significantly from 25 acres to over 100 acres due to the availability of the water in the tank after all this work was taken up. Sethuraman’s 3.6 acres gave an yield of over 40 bags (one bag is equal to 75 kilos) of paddy, up from the 30 bags he managed to get two years ago when the tank did not have enough water.

Villur big tank

Villur Big tank is under the control of the Public Works Department. It was like the mother tank whose surplus fed five other tanks in the village. Due to prolonged neglect and lack of even minimum maintenance of this tank it reached a stage where the tank got filled only to $\frac{1}{4}$ th or $\frac{1}{2}$ of its capacity. Even during periods of heavy rainfall in good monsoons it never got filled. This led to a situation of the lands in the command area to be similar to



rainfed lands. The only crop raised was rice. The first 80 days of the crop utilized the rainwater from monsoon and residual moisture from ground. The last 20 – 30 days the crop would suffer drought leading to crop failure. Only those who had wells and pump sets in their land could save their crops by using the well water.

Four farmers who wanted to change the situation met with the DHAN field teams and appraised them of the situation in their tank. The field team shared about DHAN's approach and the need for the community to contribute 25% of the cost if they wanted to undertake the work. The villagers were reluctant to do so. But these four farmers put in a lot of efforts to convince them to come forward to contribute money and finally collected Rs.25,000 almost rupee by rupee from them. They formed Parivallal Vayalagam association in the village. The amount was deposited in the group account and requested DHAN Foundation in 2004 to take up tank renovation activity.

Ambika said in those days Villur people faced more problems due to theft. There were several incidents of theft of rice, cotton, goats and even groceries due to the poverty and hunger as a result of the water scarcity. It was in this situation that Sethuraman convinced people that "If we could fill the tank with water, the stomach would get filled automatically and there will be no need to steal." It was after a lot of persuasion and discussion that the villagers came forward to contribute a small amount and labour work in the tank. After the work has been completed the often heard comment about this village is "Even if the Vagai river is dry the fields around Villur will not go dry. The fields are green throughout the year with some crop on the other in the fields"

In 2004, renovation work was taken up in the Villur Big tank. The supply channel was cleaned for a distance of five kilometers. Clearing weeds and encroachment were the main activities done for this tank. When the monsoons began after this work, there was no breaching in any part of the tank bunds. The crop cultivation became possible in the entire 350 acres of command area where previously cultivation could be done only in 30 acres. On seeing



the impact of the work done in the tank and the successful cultivation of the lands the villagers resolved to clean the supply channel every year. They decided to contribute six measures (*Padi*) of paddy per 30 cents. The collected grains were sold and the money is deposited in Vayalagam common fund and used for renovation activities.

Impact

- The cultivated area was increased from mere 30 acres to 300 acres.
- The productivity of the land was increased by 20% thereby increasing the incomes of the farmers.
- Earlier on the rough varieties of (TKM 9, CR 1009, IR 20) were cultivated and direct sowing of paddy was in practice. Now, many varieties of Ponni of high quality are raised increasing the incomes from the same piece of land. Apart from paddy, cotton, black gram, green gram, sesame and sorghum are cultivated throughout the year.
- The number of livestock in the village increased due to the increased agricultural activity which made available fodder for the animals throughout the year. Goat rearing became very profitable for the farmers.
- The land value increased significantly due to the increased productivity and water availability.
- Life and health insurance schemes were introduced through the Vayalagam to benefit their members.



Vengudusamuthram tank

In the year 2005, weed clearance was done in the Vengudusamythram tank. The renovation work done in the Villur big tank resulted in the water being available in the five other tanks of the village. Desilting, bund strengthening, supply channel clearance works were done in this tank. The cost of the work was Rs.60,000 of which Rs.45,000 was from Oxfam Novib and the remaining was the contribution from the people. Previously, only 20 acres were cultivated with the help of the four wells and pump-sets. Once the work was completed in this tank all the 175 areas of the command area of the tank could be cultivated. This also increased the ground water levels. More than 250 families directly benefited from the work done in this tank.

Vetrankulam tank

In 2006, the supply channel cleaning in Vetrankulam tank was done for about 700 meters. A portion of the tank is still encroached by a road. The major problem in this tank was weak bunds which resulted in breaches even for small rains and water could not be stored in this tank. Bund strengthening was done after removal of weeds in the tank bed. The total cost of the work was Rs.1,00,000 with people contribution of Rs. 25,000. Only 15 families from Villur benefited directly from the work done in this

tank. But more than 250 families in the neighbouring villages get benefited out of this tank. Even a summer shower could fill the tank, as the supply channel harvested the rainfall of the entire catchment area. There are four dug wells which are supplying water through out the year. Power-cuts are the only limiting factor for the water supply from the wells to field. One well owner has no land in the ayacut of Villur big tank but is benefitted by the renovation in the tank.

By seeing the development activities undertaken by the Vayalagam in the village, he became a member and is now one Committee members. There is feeling of unity among the villagers and all of them have come forward to create a common fund for the Vayalagam through cash and grains. They were successful in creating a fund to the tune of Rs. 2,00,000. This money is used for the renovation and maintenance of the water bodies and other relevant development works in the village.

Sevalkulam tank

In 2007, Swarnajayanthi Gram Rojgar Yojna (SGRY), food for work was implemented in this village. Work estimated at Rs. 97,000 was completed in Sevalkulam tank. Around 450 meters of supply channel was cleared, 750 meters of bund was strengthened. This work employed 80 per cent of the

farm labourers in the village providing the wage employment for them and completing the first phase of Sevalkulam tank renovation work. The second phase of Sevalkulam tank was done subsequently. It involved sluice repair, bund strengthening for 120 meters and supply channel clearing for 50 meters.

Flood management by Vayalagam

There was severe flood due to monsoon rainfall in November 2007. The heavy down pour resulted in the danger of floods in the village. Parivallal Vayalagam group members proactively responded by mobilizing Rs. 5,000 from the common fund and Rs. 20,000 by pledging jewels and valuables of the members. Damages due to the floods were minimized due to timely piling up of sand bags at various weak points to prevent breaching of the tanks.

Fishing made profitable

Sethuraman, who was instrumental in forming the Associations in Villur had an opportunity to visit T. Kallupatti location's Executive Council (EC) meeting. There he happened to hear about fishing in tanks. He was inspired by the concept and discussed with the Vayalagam members. Usually the Villur big tank auction was conducted by the Panchayat and it had never been profitable so none interest to take the lease. Sethuraman motivated the members of Parivallal Vayalagam group members to lease the tank for fish rearing. There was division of labour among the members in work of fish rearing. At the end of the season, there was good harvest of fish and an income of Rs. 27,000. As agreed with the Panchayat earlier, Rs. 7,000 (25 per cent of the income) was given to Panchayat. Out of the remaining funds Rs. 10,000 was used for tank rehabilitation, Rs. 5,000 was used for the chain of tanks activities. The remaining Rs. 5,000 was used for maintenance of tanks to pay for the traditional water managers. The agreement for ten years (2006 – 2015) was signed between Vayalagam and Panchayat in 2006 for the fishing rights. There was successful fishing and profit allocation for the past three years.

The Villur Today

It is an agrarian village in Kallukudi block of Madurai district in Tamil Nadu. The village got its name due to interest of villagers in *Villu* competition. The population of the village is 8000 with 3800 men and 4200 women. Most of the villagers depend on agriculture either in their own land or in others land for wages. There are few (250) Government employees and another 20 people are working abroad.

The village has all needed infrastructure like primary and higher secondary school, electrification, police station, primary health centre, veterinary hospital, banks, and transport facilities. The literacy level is 100 per cent. The village has good number of livestock which serves as livelihood alternative and supplements the agriculture. It is also blessed with water bodies – eight tanks and six ponds. The supply channels (8.5 kilometers) to the water bodies are maintained well. Proper maintenance of the water bodies and the supply channels facilitates agriculture in 256 acres of dry land, 980 acres of wet land. SRI method of rice cultivation is practiced. Crops like paddy, cotton, chilly, vegetables, ground nut, maize are cultivated. All these were possible only by the efforts of the People institutions promoted by DHAN Foundation and the support extended by them.

People institutions promoted by Vayalagam in Villur and tank rehabilitation works have brought many families back to Villur. The water scarcity and unviable agriculture made many families to migrate to various places in search of other jobs. Some farmers went to those villages where they could get agricultural works to earn daily wages. Increased water availability has made agriculture viable throughout the year. The crop production and productivity has increased. Tank works have reached every household and made every man to be concerned about the tank renovation, which in turn will decide the crop stand. NABARD officials say Villur is a model village on seeing the impact of the tank works. Muthukamatchi is one among such migrants returned back to Villur.

Food Security is ensured to farmer's families

G. Pandi is a 45 years old farmer. He has studied upto Class 3 and later dropped out due to lack of interest in studies. He was sent to Tanjore as an agricultural labour to earn Rs. 5 per month (in 1974-75). He got trained to do all agricultural works and tending to cattle. After a year of training he was capable of managing the entire farming of the land lord. After few years of work he returned to join his parents in Villur. He got married at the age of 29 to Ms. Murugeswari without dowry due to his principle in life.

He got 2.5 acres (1.5 acre of dryland / rainfed and 1 acre of irrigated garden land) from his parents. He also purchased 58 cents of red cotton soil land in Sevalkulam tank ayacut with his hard earned savings. Agriculture is done only in 58 acres red cotton soil and one acre irrigated garden land. Both the lands lie near Sevalkulam tank but they are of different nature.

58 cents of red cotton soil	1 acre irrigated garden land
58 cents of red cotton soil	1 acre irrigated garden land
Only rice is cultivated (IR 20). It is used for household consumption only. The yield is 15 - 20 bags (72kgs/bag). The entire year's need is met by this yield from the land.	Various crops are cultivated. Groundnut (sells to get money), chillies (domestic use only shares with friends and relatives, Banana is cultivated in 40 cents, coconut is cultivated in the field boundaries.
The field is cultivated only in one season	The field is cultivated throughout the year.

Apart from agriculture, the family owns six goats, ten hens (country breed). The family is dwelling in a house inherited from his father. As Pandi is uneducated, he wants his children to study well. He admitted all children in school and they are not doing any agricultural works. Pandi takes care of agriculture and his wife takes care of the household and livestock. The income from the agriculture increased from Rs. 6,000 to Rs. 11,000. There is regular income from agriculture throughout the year from various crops cultivated in the irrigated garden land. By this he manages his family. Pandi says, "Without the renovation of Sevalkulam tank this income would not have possible. Previously we had to purchase food grains every day, draining our daily income. Now we cultivate the needed food grains for the family. We don't purchase food grains and chillies. It is a big savings for our family." His wife goes for NREGA works to earn Rs. 100 per day on other days she goes for agricultural works earning Rs. 30 – 40 per day. The family comprises of four school going children. The eldest son Senthil Murugan, 15 years old is studying 10th standard, daughter Kalaivani, aged 11 is studying 6th standard, second son, Dakshinamurthi, aged 7 is in 2nd standard and the youngest daughter Annapoorani is 4 years old is doing her Pre-Kinder Garden schooling.

He came to know about Vayalagam in April 2006 and became a member since that period. Since he was proactive and interested in development of Villur, he was selected as President of Sevalkulam Kanmoi association in the first group meeting itself. He got a loan of Rs. 1200 for consumption in the first meeting (April 2006) which he repaid in six months period. His second loan of Rs. 5,000 (October '06) was to invest in agriculture for hiring tractor for land preparation for cultivation, seeds sowing, transplanting, fertilizers etc. He repaid the loan in 10 months. He availed the 3rd loan of Rs. 10,000 for agricultural expenses. On seeing the prompt repayment and proactive initiatives for Villur development by joining hands with Sethuraman he was selected as Coordination committee member of Thirumangalam Tank federation.

Impact on Watershed

Making Rainfed Farming Viable

Rainfed agriculture plays an important role in India in terms of economic contribution and biodiversity and nutrition. In spite of the various benefits, rainfed farming is on the decline over years, due to reasons like inadequate policy, research and investment attention, vagaries of monsoon, and lack of effective risk management tools. In the last two decades, there has been large scale increase in fallow land, loss of livelihoods and migration. In the process, rainfed farming is losing its status as viable livelihood for many. But it is important to improve rainfed agriculture. As the growth of irrigated agriculture has reached a plateau and the ground water sources are dwindling very fast, future lies with rainfed agriculture. Enhancing food security of the nation itself would depend a lot on enhancing rainfed farming in the long run. What is more, since rainfed areas support the poorest of the poor and are home to many poor indigenous ethnic minorities, a rise in productivity in this sector would have an immediate impact on poverty alleviation.

The Government of India has accorded high priority to the holistic and sustainable development of rainfed areas and made high investments in watershed projects. One such project is Restructured National Watershed Development Project for Rainfed Areas (NWDPR). DHAN Foundation is one of the Project Implementing Agencies for Restructured NWDPR in Tamil Nadu. The Restructured NWDPR scheme of tenth five year plan was started in the financial year 2002-03 and will come to an end by March 2009. An evaluation of the same was made to understand the benefits of the scheme and to identify the areas in need of improvement. The learning and recommendations emerging from the study can feed into the forth coming watershed schemes.

To address various issues of rainfed farming, Rainfed Farming Development Programme (RFDP) was initiated by DHAN Foundation, with the vision of *"Making rainfed farming as a viable livelihood"*. Currently the program is in the pilot stage, where in



the learning gained so far would be tried out in few other locations falling in similar or different ecosystems. So it is essential to understand the significant benefits of the program, principles and practices that have led to the same and also the areas of in need of improvement. So this research study was carried out with the primary purpose of understanding the impact of RFDP of DHAN Foundation and Restructured NWDPR.

Location: Kothur Middle Watershed

Kothur Middle Watershed, falling in Kothur and Kondakinthanapalli panchayats in Nattarampalli block of Vellore district, Tamil Nadu, was selected as the study area. Total area of this watershed is 800 ha. This pocket has undulating topography with red loamy soil of varying depth and falls in Upper Palar macro watershed. The average slope of this watershed is 5 percent. There were nine hamlets with a population of 2405 as on 2003. The study area experienced frequent deficit rainfall phenomena. The major irrigated crops were paddy, vegetables and finger millet. The major rainfed crops were groundnut, redgram, horsegram, cotton, finger millet, fodder sorghum, little millet (samai) and garden beans. Small and marginal farmers

constituted ninety percent of the total farmers. Livestock was the major supporting livelihood besides *beedi* rolling and incense stick making. Migration for work on temporary and permanent basis was very common.

Objectives of the study

The major objectives of the study are,

1. To document the efforts and investments done in the watershed in a systematic manner
2. To analyse the impact of Restructured NWDPR scheme and Rainfed Farming Development Programme in the study area
3. To identify the policies and practices that have led to significant positive impacts and
4. To identify the changes needed in current interventions and the need for other new interventions, to enhance the effectiveness of the watershed projects and RFDP in future.

Methods & Process followed

Process followed

- Purpose and need for this study was explained to the members during watershed association Executive Committee meeting to get their consent and support.
- At the request of the local team one or two office bearers in each hamlet have volunteered for helping the interviewer. The volunteered office bearers ensured the availability of sample members for interviewing and also facilitated the interview process, specifically by making the sample members to share the information without hesitation. They also acted as key informants for the study and shared their experience and knowledge.
- Most of the information regarding the common works was given by the office bearers who have volunteered to support the study.
- Besides these support, the watershed community also gave boarding and lodging support to the interviewer.

- After the completion of the study, the results emerging from the study were shared with the watershed community to validate them and to get suggestions. The validation meeting was conducted on 1st December, 2008.

Sampling

In Kothur Middle watershed, 363 farmers were organized into twenty groups as on June, 2008. As the focus of the study was impact, only members from three year old groups were taken for sample. The group and member details of the watershed association were collected from PIA office. All the members in above three years old groups were divided based on their landholding size. Ninety members were selected through stratified random sampling from 188 farming families, leaving out members from the same family. The members were stratified based on landholding size into four categories namely marginal farmer (up to 2.5 acres), small farmer (2.5 – 5 acres), medium farmer (5 – 10 acres) and landless.

Primary & secondary data collection

Primary data was collected through administering semi structured interview schedule to the sample members, interviewing the key informants, focused group discussion (FGD), case studies and observation. Semi-structured interview schedule was used as the activities varied across the respondents. The interview schedule for the study was pre-tested with five farmers. Based on the feedback necessary corrections were made to finalise the interview schedule. During administering the interview schedule, the land development works were visited wherever possible, to make necessary observations about the impact of those works. Experienced leaders





and staffs who have been working in the watershed for long time served as key informants and gave qualitative information. The secondary data was collected from Project Implementing Agency (PIA) office and from Watershed association office, using relevant documents of Kothur Middle Watershed Association and group records.

Data analysis

Data was analyzed through average analysis and identification of ranges. Wherever relevant projection was done for the whole watershed.

Impact

The analysis of data collected clearly indicates that there has been significant impact at the individual family level and at the village level and it is expressed in the impact profile given below. This was the case in spite of the fact that the impact of many activities, like large number of loans used for various purposes other than livestock, veterinary camps and supply of seeds and seedlings, were not considered.

- Change in land use in the study area, mostly from rainfed to irrigated land, was about thirty eight percent of the total treated area.
- Majority of the members, who have cultivated the same crop after land treatment in the study area, has experienced increase in productivity, irrespective of the activity with respect to groundnut, finger millet and paddy.
- There was significant increase in area under paddy based cropping pattern.
- Land Development works have generated additional wage employment to the tune of 1075 man days per annum on a recurrent basis. This will increase by around 100 man days soon after the study period.
- About sixty one percent of members have realised increase in food security, with majority of them enjoying it for three to six months.
- Implementation of all Land Development works by the community itself has resulted in high level of contribution and ownership and total elimination of contractual system.
- Above 50 percent contribution mobilised from members for private land works, thereby indirectly creating a fund for taking up works for large number of members, during and after the project.
- High levels of private investment as a response to public investment on land development works.
- On an average, each member family enjoyed Rs. 3550 as increase in income per year.
- On an average, each member family enjoyed an increase in asset value of Rs. 52,647, with the majority of the members falling in the range of Rs. 50,000 to 1,00,000.
- Creation of member owned and member run microfinance infrastructure with the total savings of Rs. 8,38,073 and with total loan outstanding of Rs. 13,41,841. Till the study period members have availed Rs. 62,63,452 as credit through 3720 loans.
- Coverage of around 30 percent of the members through life insurance, livestock insurance and mutual crop income insurance products.
- Significant impact of five out of six common works taken up as entry point activity, like check dam, common pond and farm roads.
- High levels of women participation in terms of membership, holding positions, attending capacity building events and implementation of activities. As a result their importance within the family has increased and their ability to talk in a public forum and to deal with outsiders has considerably improved.

- Post project sustainability was ensured by building up of significant levels of social and financial capital, offering of large number of activities on credit and cost basis besides the grant based activities and practising of norms for cost coverage during the project period.

The policies and practices that have led to significant impact:

Effective and sustainable social structure-community organisation model:

- Integration of social resource management with natural resource management
- Organising user groups around credit and thrift in the shape of SHG among farmers, based on solidarity and proximity of their landholding, to avail all the advantages of SHG model, like participatory democracy in the group (as there are only twenty or less than twenty members), serving as platform for savings and credit and access to various Government schemes.
- Promotion of group centred approach, with the SHG shaped user groups and SHGs acting as the foundation for organising other groups and management bodies.
- Promotion of men groups: It is a general notion that only women groups are effective, both as a group and as a local bank. But experience of Kothur Middle Watershed Association (KMWA) shows that if properly promoted, men groups are as effective as women groups.
- **Practicing of norms for ensuring participation of women:** Specific norms for ensuring participation of women as group members and as decision makers in Executive committee of Watershed Association were evolved and practiced.
- **Casino approach for offering services by Watershed Associations and PIA:** *Casino approach* means that the members and groups would be offered a group of services and they would select a few among them based on their needs. The assumption involved is that they know their needs much better than Watershed Association Executive Committee and Project Implementing Agency. Further offering of



various services was instrumental in reaching majority of the members through one service or other, thereby enhancing participation of them.

- **Offering of 'repeat services':** Be it is land development work, crop production enhancement or microfinance, 'repeat services', were offered by the Watershed Association and Project Implementing Agency and it has resulted in retaining of interest of the members in the Uzhavar Kuzhu and Watershed Association and kept them alive and dynamic, as 'repeat loan' does in the case of SHGs.

Different approach to natural resource management:

- **Focusing on development of private lands:** Only if the capability of these lands is improved, any dent can be made on improving productivity of rainfed farming and in reducing the risk of losing the crop due to vagaries of monsoon.
- Restricting the estimate amount of land development work taken up by one member at a point in time by fixing a maximum limit and giving preference to members seeking first work over other members seeking second and third work, to avoid concentration of benefits to few families and to ensure equity.
- **Livelihood- based development of natural resources¹** approach was chosen because this was in alignment with the perspective of the farmers and has the

¹ See, 'A Journey through Watersheds, Manage, Vol. 1 No. 5, January 2003' for more details of this concept.

following advantages: 1) accommodating wide number of activities, mostly indigenous and unconventional and 2) result in livelihood enhancement, in terms of increase in food security, income and assets.

- **Supporting context specific activities, with preference for indigenous activities, as they can only work:** The rainfed farming contexts are so different from each other and there can be no universal solutions in terms of activities. May be the processes of identifying the issues and searching for solutions can be universal. This means that considerable investment is needed to evolve context specific program components and activities through continuous interaction with community, involving trial and error. This again requires flexibility and autonomy in program implementation.
- **Integration of livestock development:** Livestock development was taken up as a major program component, with the focus of filling the gaps in the existing system and asset enhancement.
- **Integration of Microfinance for supporting rainfed farming**
- **Integration of risk management:** Understanding the central role of risk management in rainfed farming development, risk reduction activities (like better soil and water conservation and good quality seeds), risk coping activities (like credit) and risk transfer activities (like insurance) was offered as package for effective risk management.
- **Engaging paid services and loan as instruments to achieve various sub-goals besides grant:** Usually grant with some minimum level of contribution is used as the main instrument to promote various RF activities. But the experience of KMWA shows that many RF activities can be taken up on cash payment and loan basis. Activities like supply of seeds, manures and seedlings were easily taken up on cash payment basis. In the same way activities like adding farm yard manure, crop diversification, and provision of inputs were taken up through loan. So necessary provision in project design need to be made for instruments, other than grant for effective and holistic implementation.
- **Piloting of many new activities:** Many new activities like aerobic compost, Zero budget Natural farming, Mutual crop income insurance, weather insurance, dates cultivation, etc. were piloted for their suitability to the study area.
- **High investment was made in capacity building of various stakeholders**
- **Effective implementation structure- “Agency” approach:** Integrated approach across agriculture, livestock, horticulture, community organization and agricultural finance is essential to make any dent at the individual farm level. The current “agency” approach, with man power across sectors and considerable flexibility to access specialized man power was found effective to achieve this integration.
- **Autonomy to Project Implementing Agency and support of District Watershed Development Agency:** Many of the interventions of KMWA became possible only because the PIA had adequate autonomy and through the timely support of DWDA in facilitating new interventions like wheat and maize introduction in the study area.

Recommendations

For the watershed scheme:

The following policy changes are needed in flagship schemes meant for development of rainfed areas like Restructured NWDPA, to make rainfed farming a viable livelihood.

- Making it mandatory that User Group (UG) should be organised around credit and thrift activity as per their social affinity and compatibility, even if they are to manage a particular community asset.
- Making it mandatory that SHG shaped user groups and SHGs should act as the foundation for organising other groups and management bodies.
- Focusing of investments on private rainfed land by design, in a contextually relevant manner.

- Making it mandatory to adopt livelihood- based development of natural resources.
- Supporting context specific activities, with a preference for indigenous activities by design.
- Provision of wide range of services on a repeat basis by design, to ensure reaching to majority of the families and to ensure retention of interest of the members and to give continuity to Community Based Organisations (CBOs).
- Integrating livestock development, microfinance and risk management as part of all schemes meant for developing rainfed areas.
- As there was high disparity across the member type, with the benefits increasing with landholding size, preferential terms are needed for the resource poor. At least 30 percent fund can be allocated exclusively for resource poor families and for women specific agenda, as tried out in Andhra Pradesh Rural Livelihood Project.
- As the funds provided for NRM activities from Restructured NWDPRA was not adequate for meeting the needs of all members for land development activities, additional fund could be allocated based on demand and approved action plan.¹
- Ensuring institutionalisation of CBOs formed with the support of watershed schemes through ensuring *meaningful* linkages with banks, agriculture, horticulture and animal husbandry departments during the project period and in the post project period. Here too the need and decision related to linkage has to come from the CBOs and should not follow the usual supply dominant mode. For example the bankable rainfed farming interventions, like plough animals purchase, could be funded by credit institutions from the second year based on demand from the community without any target.
- The fund allocation design usually allows some trial and demonstration related to agriculture technologies. But experimentation and piloting is needed in all spheres of intervention as shown by

the KMWA experience. So fund allocation design to be changed accordingly.

- Involvement of autonomous institutions at various levels with watershed works as the main agenda. There need to be adequate autonomy at each level of implementation to evolve, design and implement various interventions.

For the Rainfed Farming Development Programme:

- Improving recording of purpose of loans taken by members and monitoring utilisation of loans is needed, so that their impact can be ensured and known. This will also bring self regulation at member and group level with respect to utilisation of loans for the purpose they have borrowed.
- Records need to be kept regarding members availing services like veterinary camp, seed supply, etc. so that the impact information can be collected later.
- In spite of no discrimination based on land holding and gender, there was disparity in benefits realised across the member type, with the benefits increasing with landholding size. So novel interventions should be piloted to enhance equity of benefits.
- The list of members who have not benefited need to be prepared and in depth study to be made to know the reasons. Based on the results, necessary interventions to be made to ensure realisation of benefits by them.
- The members of new groups need to be given preferential treatment over old members in the immediate future.
- Insurance education to be taken up on a large scale to reach large number of members.
- Investment on good activities like aerobic composting, Zero Budget Natural Farming and azolla cultivation for fodder to be increased to reach more members.

²Fund utilisation is not uniform across the WAs and so there is possibility of transferring funds from WAs with less demand and/or poor performance to high demand and better functioning WAs.

Land development brings new life to rainfed farming

Manikkammal is a 52 years-old woman farmer living in Gandhinagar hamlet in Kothur middle watershed. She has two sons and one daughter. She is taking care of her family and agriculture, because her husband died in 2003. Out of 0.75 acres of land that she owned only 0.24 acres was an irrigated land, 0.21 acre was rainfed land and another 0.20 acre was uncultivable barren land.

She came to know about Uzhavar Kuzhu and joined in Mariyamman Uzhavar Kuzhu at Gandhinagar in 2004. She has taken up the land levelling work in 0.20 acres of uncultivable barren land in 2006 with a grant support of Rs. 4,570 from watershed association and own investment of Rs.15,000. Besides that she also invested Rs. 9,000 in laying pipes. After treatment she had cultivated paddy two seasons. After that she has applied 21 loads of tank silt to enrich the land. For that she has received a grant support of Rs.1,334 and her own investment was Rs. 5,000. She cultivated tomato in that plot. In 2007 she has taken up another land levelling work in 0.21 acres with a grant support of Rs. 4166 and own investment of Rs. 5000. Before this treatment she cultivated groundnut, ragi and red gram but after the treatment she has cultivates paddy.

With all these interventions she has converted all her land into irrigated land and she is planning to cultivate throughout the year. She has bought plough animals worth of Rs. 25,000 on her own. So, a total investment of Rs. 69,070 was made in her farm of which Rs. 10,070 was grant and Rs. 59,000 was her own investment. She has taken up rice cultivation that helped meet food requirements of not only to her family but also to her daughter's family. She has earned Rs. 6000 by selling paddy straw. She is expecting income from standing tomato crop. Her first son stopped migrating abroad as adequate work in the farm and in hiring out ploughing services. All other family members were also engaged in their farm to a large extent. She is also generating 30 man days of employment every season through cultivating paddy crop at a wage rate of Rs.40/man day.

Manikkammal says "I knew about land levelling; but I didn't do it due to lack of money. But after joining the group I could how other members have benefited from land development works. After seeing them I wanted to develop my land as well. Because of this now I have 0.75 acres of irrigated land and could cultivate paddy crop".

The Animal Power

Nagan is a 52 years old farmer living in Kannalaparai kolli hamlet, in Kothur middle watershed. He owns 1.75 acres of land, also he works in other farms as a labourer. He has two children. His daughter got married and his son is immobilised due to brain fever. For treating his son he borrowed heavily from outside, but the condition of his son did not improve. He became indebted and sold part of his land to pay back the debts. As his wife has to take care of their son, he is the only bread winner in the family.

He cultivates groundnut, ragi, horsegram and cumbu in his land. He also cultivates chilly and tomato in very small plots. Whatever he gets from his field goes for family consumption. He has joined Omshakti Uzhavar Kuzhu at Ottrupadi four years back and taken up the stone bunding work in his land with a grant support of Rs. 4,000 from association and an own investment of Rs. 5,000. For urgent needs he used to get loans in the group. From his group he has availed 13 loans amounting to Rs. 22,424. The purpose of loans taken includes household expenditures, outside debt redemption and agriculture.

Long back, he had bought plough animals through a loan taken from a local co-operative society and was hiring out ploughing services on wage basis. But he was not

able to pay back the co-operative loan as per schedule due to cash flow problems. Due to pressure from the co-operative later he sold the plough animals and repaid the loan in full. After that he was not able to purchase plough animals and so founded difficult to hire ploughing services for cultivating his land.

He has availed Rs. 10,000 loan from the group in 2006 for purchasing young plough animals just ready for ploughing. Through plough animals he could save an amount of Rs.1,962 per year through ploughing his own field and he could also able to earn around Rs. 9,912 per year as net income. He used to plough seven times for groundnut crop. But if he had no plough animal, he would have ploughed only twice or thrice.

He used to get two loads of Farm Yard Manure per year worth of Rs. 2,000, which is used in his own land. He has completely repaid the loan as per schedule. The value of plough animals at present is Rs.25,000 and so it can be considered that the asset value of the family has increased by Rs. 25,000. So the plough animal loan has resulted in significant enhancement of his livelihood through assured employment during sowing period, considerably increase in family income, timely land preparation and sowing and considerably increase in asset value.

Impact on a family

Stabilising Livelihoods: Kamatchi brings Hope

Kamatchi is a woman farmer in Sengapadai village of Tirumangalam taluk in Madurai district, Tamil Nadu. She knows well, the land prepared timely is vital for receiving rains. Her knowledge on farming with an uncertain rainfall is something she learnt from her parents since her childhood.

Rainfed farming is a predominant system of farming in this area. Vagaries of Monsoon make it risk prone and pushes the small and marginal farmers into indebtedness, leave their lands fallow and take up jobs in nearby Madurai City.

Trapped between the uncertainties of monsoons and rising cost of cultivation - prompting falling confidence, the story of Kamatchi brings hope for the rainfed farmers. She works tirelessly in her land and is never reluctant to spend money to develop it. Her experience is not exceptional; she stands testimony to the success stories of hundreds of farmers in her village.

Kamatchi and her Family

Kamatchi lives with her husband and two sons. Her husband works as a security man in a local textile shop in Madurai. Her sons have got married and live separately in the same house. The elder one had recently joined the army, and the younger one supports her in farming apart from renting out their bullock cart. She has two grand-daughters and a grand-son. Her daughter got married five years ago, and lives with her husband in Madurai.

Soon after marriage, Kamatchi and her husband settled in Sengapadai with her parents.

“My husband never worked in farm. He rarely stays in the village as well. He will eat and sleep in the textile shop itself. Whenever he visits family he would give some money, which he could save after meeting his personal spending and drinking alcohol” says Kamatchi. With no options she had to work for herself and her children. Her parents gave 4.5 acres



of rainfed land to Kamatchi for earning her livelihood. With a lot of difficulties she could ensure schooling for her children.

Due to the lack of support from her husband, Kamatchi has to take care of both her family and farming activities all alone. She educated her first son up to 12th standard in Thirumangalam, and her younger son studied up to 10th standard; her daughter didn't attend high school for she supported her mother to do household chores. While her eldest son studied in Thirumangalam, her younger son used to help her in farming activities, after returning from the local school, to cultivate the land and to irrigate the paddy field, which he continues to do till now. She was unable to enterprise herself due to lack of support, financial and emotional, by formal or non-formal means.

She says, “... one has to walk four to five times to their house (the well-offs and moneylenders) to get a loan for urgent needs. They didn't trust us for we are from Kallar community, and even if one could get a loan it was at the rate of 5 to 10%.” She was also unable to invest in her farming.

In addition to her 4.5 acres land, she took another 1.5 acres of land on lease 10 years ago from a nearby farmer, who is living in Madurai. Out of this, around 3.5 acres is black cotton soil, in which she

cultivated various rainfed crops. With the monsoon rains she could store one foot of water in a natural depression in her land, and with that water she cultivated paddy in about half an acre of land. She irrigated the field manually and was only able to take some five to six bags of paddy. In another one acre of land, she cultivated neem and sorghum, while the remaining one acre was left fallow in most of the years. From 2002-05, there was drought in the village, making the rainfed farming even worse.

The village - Sengapadai

Sengapadai is a typical rainfed village situated in Thirumangalam block of Madurai District. Most of the villagers are dependent upon rainfed agriculture as a major livelihood. Farmers grow a variety of rainfed crops like cotton, black gram, green gram, sorghum, senna, coriander, cowpea, varagu, red gram, and different kinds of vegetables in a mixed cropping pattern; few farmers having lands along the river bed grow paddy in small scale. Income is also supplemented by rearing goats, sheeps, and cows.

The groundwater here is saline, making it totally unfit for agriculture. The existing water harvesting structures, ooranis and ponds are used only for domestic purposes and cannot be used for irrigation.

Rainfed Farming Scenario

Rainfed agriculture plays an important role in Indian economy. In India 58.53 percent of total net sown area (141.4m.ha) comes under rainfed lands spreading over more than 177 districts. Nearly fifty percent of the total rural workforce and sixty percent of cattle heads of the country is located in the dry districts. In Tamil Nadu, out of 7m.ha of cultivable area 2.46m.ha is occupied by rainfed agriculture (NRAA Publication 2008). Ramasamy et al (2001) has classified thirteen districts of Tamil Nadu as dry districts. In Tamil Nadu about ninety percent of the coarse cereals, ninety percent of pulses, eighty one percent of oilseeds and sixty nine percent of cotton are grown under rainfed conditions. Besides the above mentioned facts related to economic importance, rainfed farming is important for the nation in terms of bio diversity and nutrition. In spite of the various benefits the rainfed farming is on the decline over years.

Hence, the farmers have to totally depend on rainfall for agriculture. The North-East monsoon that starts in the month of third week of September decides the fate of agriculture.

Vagaries of monsoon and lack of effective coping mechanism among the rainfed farming community makes the rainfed farming loose its lustre as viable livelihood for many. Lack of suitable financial services further pushes the rainfed farmers into poverty traps. In the last two decades, there has been large scale increase in fallow land, selling of once-cultivated rainfed lands, diversifying to other non-farm livelihoods especially among the youths like construction work, and migration to nearby cities like Madurai, Tiruppur, etc. Few families have left agriculture and permanently migrated taking up hotel business.

Intervention of DHAN Foundation

Given the situation, DHAN Foundation initiated its Rainfed Farming Development Programme in Sengapadai village in 2003. The programme works with the purpose of making rainfed farming a viable livelihood. For achieving this purpose the programme is involved in the following activities:

- Organising farmers into Uzhavar Kuzhu (Farmers' Group) building nested institutions of Rainfed Watershed Association, Uzhavar Mandram and federating them into Uzhavar Mamandram.
- Building on the local best practices of farmers in rainfed farming, both indigenous and exogenous by documenting, standardizing and disseminating information.
- Designing and implementing context specific, multiple and interrelated interventions across sub sectors like agriculture, livestock and horticulture through land development, organic matter build up, crop production enhancement and livestock development.
- Developing and offering a package of social security products such as deficit rainfall insurance, cattle insurance and human insurance to mitigate the risks and vulnerabilities of rainfed farmers.
- Creating access to savings and credit services for farmers through their groups.

- Build the capacity of farmers in the areas of proven rainfed farming technology, leadership development, and change in attitude of farmers towards rainfed farming to lead to significant changes.

Kamatchi Uzhavar Kuzhu

It was during this period that Kamatchi joined the Kalamman Uzhavar Kuzhu (Uzhavar Kuzhu denotes rainfed farmers' groups) with a bit of hope on 5th August, 2003. Initially, the group members, including Kamatchi, saved fifty rupees per month. Slowly and steadily, the group started to grow, so did the members of the group. The group has helped her meet various consumption needs and livelihood investment needs by supporting her with timely credit facilities and watershed funds.

Seeing her prompt repayment and participation in the group activities, all the members in her group asked her to take up the role of treasurer for the Uzhavar Kuzhu from May 2008. The Uzhavar Kuzhu gave the much needed support that she so long yearned for. It provided her with credit facilities and various livelihood supports. The group proved to be a safe platform to save, to access timely credit services, and to be supported by various livelihood interventions.

An Array of Achievements

Kamatchi has saved Rs.5,600 in the group, and availed a loans to the tune of Rs.70,191. Currently she has a loan outstanding of Rs.21,360. As part of National Watershed Development Programme for Rainfed Areas (NWDPR), an amount of Rs.54,146 was invested in her land from the watershed fund.



Watershed activity

In 2006 she received first support from the NWDPR to construct a farm pond. She got a financial support of Rs. 34,250 from her group, in which she contributed Rs. 6,000 as cash contribution and took up manual work worth of RS. 2,000. In the year 2008, she again got a support of Rs.18,396 to construct another farm pond. She contributed Rs.2,000 as cash and provided labour worth of Rs. 1000. She says, "For many years, constructing a farm pond was a dream for me; but it never got materialised. Only now I could construct two farm ponds, because of my group." In 2007-08, she got an additional support of Rs.1500 to plant dry-land horticulture crops like guava, sappota, amla, tamarind with *Jatroba* as live fence.

Kalamman Uzhavar Kuzhu

The Kalamman Uzhavar Kuzhu was started on 5th August, 2003. There are 17 members in the group. Out of the 17 members, only three members were land-owners cultivating some 2 to 4 acres of rainfed land. Others were landless, and were cultivating on leased and on *savi* system (a traditional system where landlords rent the land to landless on yearly basis for an amount of Rs.300 to 500). Most of them have to dependent upon usurious money lenders for their credit needs.

There has been significant change among the group members, after joining the group. Every member of the group had availed credit facilities through the group for household expenses, consumption needs, and to purchase goats, sheep, cattle and milch animals.

They received interest free loans to purchase land, and to get land on lease. Now, out of the 17 members, seven members have purchased land availing loan amount of Rs.10000 each (out of the 8, 7 were landless); four members are now cultivating land for lease; and seven members are cultivating land on *savi* system basis.

Table No.1 Activites in Kamatchi's land

Year	Watershed Activity	Member Contribution	Total Investment (Rs.)
2008-09	Rs.18,396	Farm pond construction (11/12/08) (26X15X1.5 cubic meter)	Rs.2,000 as cash, and manual contribution of Rs.1000
2007-08	Rs.1,500	Dry-land Horticulture crop seedlings with Jatropa as live fence(20/10/07)	Rs.750 for pit making and planting
2006-07	Rs.34,250	Farm pond construction (18/06/06) (60X16X1.5 cubic metre)	Rs.6,000 as cash, and manual contribution of Rs.2000
2003-04	Joined the group promoted by RFDP-DHAN Foundation on 05/08/03		

The table no.1 shows the different kinds of works carried out in Kamatchi's land. A total of Rs.54,146 worth of works were carried out in her land, for which she contributed a total amount of Rs.11,750 in cash as well as labour.

Benefits of the Watershed Works

Before the farm ponds were dug, the 2.5 acres of land was not productive enough. She cultivated paddy in half an acre of land, which she irrigated manually. In another one acre of land, she planted neem, and did sorghum cultivation; the remaining plot was left fallow. During 2002-05, there was drought in this region, and she was unable to take an assured crop. She was able to store harvest only five to six bags of paddy. But things started changing, once she constructed the farm pond and store water. With the first farm pond constructed in 2006, she was able to harvest 14.4 lakhs litres of rainwater, which was otherwise not possible. The second farm pond was constructed recently; with this she could irrigate another half-an-acre of land.

The table 2 explains the impact of this farm pond work. In the first farm pond, she carried out fish rearing activity both years. But

due to the overflow, the fish escaped through the outlet. She wants to continue fish rearing this year also, and hopes to get a good harvest.

a. Credit support from Group

In addition to the support from the watershed project of NWDPR, Kamatchi availed loans from her group for various consumption and

production needs. So far she availed 30 loans for different purposes amounting to Rs. 70,191. The table 3 and the figure 1 show the details of loans availed in the group and percentage distribution of the different kinds of purposes for which Kamatchi had taken the loan. It shows a mix of needs for both consumption purposes and for income-generating activities. Kamatchi started with the savings of Rs. 50 per month in the group. After few months she increased her savings to Rs. 100. Every month in the group meeting she would pay her savings, principal repayment and the interests.

Table No. 2 Impact of the watershed activities

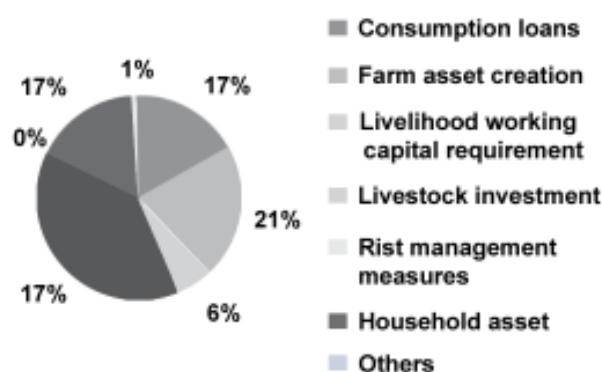
S. No.	Before (till 2007)	After (2007 to 2009)	Impact
1	Irrigated half an acre of paddy field	Irrigates around 1.00 acre of paddy field	More area under irrigation; Increase in acreage of paddy cultivation;
2	Paddy yield of 5 - 6 bags	Paddy yield of 24 bags in 2007-08 and 20 bags in 2008-09	Increased paddy yield
3	Manually irrigated	Oil engine purchased with help of group loan in the beginning of 2007	Pump more volume of water and irrigate more area of land;
4	Manually have to spent two days for one irrigation	Irrigates the paddy field in just five hours	Saved time
5	Spent a labour cost of Rs.600 for 4 man-days for irrigation, at Rs.150 per person, for a week	Spends one litre of diesel per hour for 10 hours (two days with 5 hours each day) for a week. It costs only Rs.350	Reduced labour cost
6	Cultivated 120 days paddy	With the advice from the Uzhavar Kuzhu, cultivates 100 days paddy	Reduced usage of irrigation water, saves 2-4 irrigation, reduced vulnerability to rainfall risks.
7	No dry-land horticulture	Planted 50 seedlings of horticulture crops	Brought fallow under cultivation; Will get increase in farm income once they start yielding.

Table 3. Credit Support from Group

S. No.	Purpose	No. of loans	Amount	Percent
I Consumption loans				
1	Household expenses	7	5,270	7.5
2	Debt redemption	3	2,500	3.6
3	Medical expense	1	1,000	1.4
4	Son's marriage	1	3,000	4.3
	Sub Total	12	11,770	16.8
II Farm Asset Creation				
5	Land purchase	1	10,000	14.2
6	Oil engine	1	50,00	7.1
	Sub Total	2	15,000	21.4
III Livelihood working capital requirement				
7	FYM application	1	1,000	1.4
8	Farming -weeding	1	1,000	1.4
9	Seeding cost	2	2,000	2.8
	Sub Total	4	4,000	5.7
IV Livestock investment				
10	Milch animal	1	10,000	14.2
11	Goat rearing	5	16,550	23.6
12	Kroiler	1	360	0.5
	Sub Total	7	26,910	38.3
V Risk management measures				
13	Goat insurance	2	116	0.2
	Sub Total	2	116	0.2
VI Asset Creation				
14	House construction	1	12,000	17.1
	Sub Total	1	12,000	17.1
VII Others				
15	Biosand Filter	1	145	0.2
16	Uniform saree	1	250	0.4
	Sub Total	2	395	0.6
	Grand Total	30	70,191	100

It is to be noted the nearly 65.4% (Rs.45910) of loan is used for livelihood activities. Recently, she has taken Rs.12,000 to construct farm house in her land. She has already bought construction materials; the work is yet to be initiated. Apart from this she has taken a variety of loans for various consumption needs like medical expenses, marriage expenses, outside debt redemption and household expenses. As a leader of the group Kamatchi visits the bank and talks to the Manager for linkages. "In earlier days,

none of the banks cared us of our credit needs. Now, the bankers they themselves invite us to take loan from their bank, for they know our group's credibility and discipline, and trust us," says Kamatchi. She says further "Before the group I went for pledging my jewels to get a loan from the local bank. As I could not put my signature I was told to bring my relatives who can put signature. I was helpless and with shame I went back and cried to my son. Today the same bank manager gives me a set and talks with me about our group. This I could earn this respect only because of my group"

Fig. 1: Percentage of loans utilized

Benefits of the loans availed

With the support of group loans Kamatchi purchased goats and started maintaining a regular stock of 15 to 20 goats with the help of loan availed. This, in turn, helped her to face uncertainties, absorb shocks, and able to pay off her debts by selling goats. Kamatchi said she was able to recover from the shock; thanks to the group, she again purchased goats from the loan availed from the group. She also bought a cow with the group loan. She again bought one more cow with her earning from the farm.

With the help of group loan she was able to purchase one acre of rainfed land, in which she cultivated maize last year, and varagu and red gram this year. She also purchased oil engine with the help of the group loan adding another valuable asset to her farm. The time of purchase was significant, in the same year when the farm pond was dug. So, she was able to use the water harvested in the successive season.

Impact of the works

In the past five and half-years, Kamatchi found that little spark that had major changes in her life and livelihood. The various activities resulted in the following outcomes in the life of Kamatchi and her family.

Table No. 4. Showing the crop produce and income from the farm in 2002-03 and 2008-09

Crop year	Crop cultivated	Area cultivated	Produce	Price	Income
2008-09	Paddy	1 acre	20 bags	Rs.75 per bag	15,000
	Fodder sorghum	0.75 +1.5 acre	2800 mudi	Rs.3 per mudi	8,400
	Dryland horticulture crops	0.75 acre	yet to realise		
	Cotton	1 acre	Sale of cotton		3,000
	Black gram		10 measures	Rs.25	250
	Green gram		70 kg	Rs.30	2,100
	Red gram	1 acre	Red gram-40 bags	Rs.35 per kg	1,400
	Total area cultivated	6 acres		Total Income	30,150
2002-03	Paddy	0.5 acre	10 bags	Rs.750 per bag	7,500
	Sorghum		3 quintals of sorghum	Rs.1000 per Qtl.	3,000
	Red gram		30 bags of red gram	Rs.35 per kg	1,050
	Kuthuraivali		2 Qtls. of kuthuraivali	Rs.700 per quintal	1,400
	Cotton	1.5 acre	Sale of cotton		5,000
	Fallow	1 acre			
	Total are cultivated	5 acres		Total Income	17,950
Difference in income					12,200

The table 4 shows an incremental income raise of Rs.12, 200 per year from the farm. This would mean 68% increase in farm income.

Table No. 5. Net worth of the assets

Asset (as on 2008-09)	Asset worth (Rs.)	Asset before joining the group	Asset worth (Rs.)
Two acres of black cotton soil land	60,000	One acre of rainfed black cotton soil land	30,000
1.5 acres of vertisol land	67,500	Land 1.5 acres of vertisol	67,500
One acre of irrigated paddy land	50,000	Land 0.5 acre of irrigated paddy land	25,000
Two farm ponds	54,146	No Farm Ponds	
One oil engine	5,000	No oil Engine	
Goat - 7	21,000	Goat s- 5	15,000
Cattle - 2	24,000	Cow - 1	15,000
House (in process of construction)	12,000	No house in the farm	
Total	2,93,646	Total	1,52,500
		Value of the additional asset created	141146
		Percent increase in asset value	92.60

Similarly, there has been a significant increase in the net worth of the asset holding. The table 5 shows an addition of assets worth Rs.96, 146 was created, with an increase of 92.60 percent in total asset value.

Table No. 6. Total income and expenditure, with net income from farming and allied activities in 2008-09

Expenditure	Amount (Rs.)	Income	Amount (Rs.)
Paddy cultivation in 1 acre	9,645	Yield of 20 bags of paddy at Rs.750 per bag	15,000
Cotton and varagu in two acre of rainfed land with pulses like red gram, green gram and black gram	9,749	Cotton (250 kg X Rs.12)	3,000
		Black gram (10 measures @ Rs.25)	250
		Red gram (40 kg @ Rs.35)	1,400
		Green gram (70 kg @ Rs.30)	2,100
Fodder sorghum cultivated in some 2.25 acres of land	3,680	Yield of 2800 bunches of sorghum @ Rs.3 per bunch	8,400
Milch animal: Fodder per year (Oilcake and cumbu) at Rs.52 per day	18,980	Income from milch animal rearing with an yield of 6 litres per day at Rs.10/litre	21,900
Goat rearing: 20 goats		Selling of goats at Rs.3000 per goat	60,000
Total expenditure	42,054	Total income	1,12,050
		Net Income from farm and allied activities	69,996

The Rainfed Farming Development Program (RFDP) of DHAN Foundation had increased Kamatchi's access to institutional credit facilities, and reduced dependency on money-lenders. There has been an increased awareness and an increase in social recognition being front-runner in her leadership role. With the additional income

from the farm, she had further invested in purchasing a pair of cattle, and a bullock cart; she also planning to complete her farm house, for she had the gained confidence to face the future. This shows a positive trend in moving towards a farm-based livelihood option, which was once a not so dependable source of income.

Kamatchi's Future Plan

Kamatchi now hopes to purchase and rear one more pair of milch animals. She wants to deepen her first farm pond from 1.5 to 2.0 metre, and this year wants to rear fish in both her ponds. She also planned to

construct a supply channel so as to capture the overflow discharge from the first pond to the second pond.

She wants the group to supply farm inputs like seeds, fertilisers by buying quality seeds at wholesale rate. This could reduce the cost of seeds for the farmers, and farmers also can avail better quality seeds. She also discussed about avoiding the local traders, who are forming 'syndicate' among themselves and fix prices. As it prevents the farmers from negotiating for a better price, she thinks of mobilising groups and the federation to procure and market farm produces. Obviously, this would ensure a fair means of trade and farmers could get fair price for their produce, thereby more income.

Through the support rendered by the Uzhavar Kuzhu, and with her own confidence and courage, Kamatchi proved that rainfed farming can be a viable venture and it can make changes in the lives of marginalised farmers. Kamatchi is now a beacon of light and a source of hope for her own villagers.

Heritage Matters



Wisely conserved, justly distributed

Traditional system of water allocation and sharing was based on custom, belief, and the concept of equity, as they perceived. This ensured smooth sharing and minimized conflicts. Behind these existing indigenous systems of irrigation, there are thousands of years of tradition.

Financial Statements



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 2009 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 2009 and
- ii) in the case of the consolidated income and expenditure account of the excess of expenditure over income of its accounting year ending on 31 March 2009.

The prescribed particulars are annexed hereto.

for SUNANDA & SHESHADRI
Chartered Accountants

Place: Madurai
Date: 10 July 2009

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

DHAN (Development of Humane Action) Foundation**CONSOLIDATED BALANCE SHEET FOR THE YEAR ENDED MARCH 31, 2009**

	Schedule	March 31, 2009	(in Rupees) March 31, 2008
ASSETS			
FIXED ASSETS			
Written off as per contra	1	108,723,651	80,958,295
INVESTMENTS	2	99,478,037	96,258,797
CURRENT ASSETS, LOANS AND ADVANCES			
Bank Balances	3	28,143,882	59,459,481
Inventory		14,200	9,300
Loans and Advances	4	11,191,961	7,087,532
SPECIFIED FUNDS	6	12,271,997	13,669,654
Total		259,823,728	257,443,059
LIABILITIES			
CORPUS AND CAPITAL FUND	5	102,291,822	97,855,410
SPECIFIED FUNDS	6	47,099,159	76,700,967
CURRENT LIABILITIES	7	1,709,096	1,928,387
FIXED ASSETS WRITTEN OFF AS PER CONTRA	1	108,723,651	80,958,295
Total		259,823,728	257,443,059
Notes on Accounts	12		

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

Sd/-
ChairmanSd/-
TreasurerAs per our Report of even date
For Sunanda & Sheshadri
Chartered AccountantsSd/-
Executive DirectorSd/-
K.SHESHADRI
PartnerMadurai
July 10, 2009

DHAN (Development of Humane Action) Foundation**CONSOLIDATED INCOME & EXPENDITURE ACCOUNT
FOR THE YEAR ENDED MARCH 31, 2009**

	Schedule	March 31, 2009	(in Rupees) March 31, 2008
INCOME:			
Grants Received	8	174,979,839	170,190,642
Techno Managerial Services Receipts (TMS)		1,149,497	3,447,612
Other Receipts	9	13,790,238	13,910,045
Total		189,919,574	187,548,299
EXPENDITURE:			
Community Banking Programme			
Programme Implementation and Administration	10	43,032,674	12,725,823
Capital Expenditure	1	5,873,476	3,914,332
Tank fed Agriculture Programme			
Programme Implementation and Administration	10	30,301,895	30,339,103
Capital Expenditure	1	1,625,782	291,759
Post Tsunami relief & Rehabilitation Programme			
Programme Implementation and Administration	10	51,716,570	64,233,579
Capital Expenditure	1	20,568,327	10,388,148
New Themes and Other Programmes			
Programme Implementation and Administration	10	38,538,638	35,116,686
Capital Expenditure	1	9,983,581	12,236,979
Central Support System			
Programme Implementation and Administration	10	12,429,737	7,228,355
Capital Expenditure	1	1,320,948	355,907
Excess of (Expenditure over income) / income over expenditure		(25,472,054)	10,717,628
Total		189,919,574	187,548,299
Appropriation of Excess of (Expenditure over income) / Income over Expenditure	11	(25,472,054)	10,717,628
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
July 10, 2009

DHAN (Development of Humane Action) Foundation

SCHEDULES TO CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2009

Schedule 1 : Fixed Assets

(In Rupees)

Particulars	G R O S S B L O C K A T C O S T			D E P R E C I A T I O N			N E T B L O C K	
	As on 01.04.2008	Addition (Transfer)	Deletion (Transfer)	As on 31.03.2009	As on 01.04.2008	for the year deletion	As on 31.03.2009	As on 31.03.2008
Community Banking Programme								
Freehold Land	2,037,316	-	-	2,037,316	-	-	2,037,316	2,037,316
Building	3,000,697	2,383,626	-	5,384,323	673,553	471,077	4,239,693	2,327,144
Building (Work-in-Progress)	85,291	-	-	85,291	-	-	85,291	85,291
Furniture and Fixtures	1,108,050	109,048	-	1,215,098	589,053	62,605	651,658	516,997
Office Equipments	424,258	-	-	424,258	291,368	19,934	311,302	112,956
Professional Equipments	5,266,912	1,091,430	-	6,358,342	5,025,555	799,672	5,825,227	241,357
Electrical Fittings	343,164	13,511	-	356,675	256,520	10,016	266,536	90,139
Vehicles	4,465,715	1,743,236	-	6,208,951	2,700,999	526,193	3,227,192	1,764,716
Staff Vehicles	939,915	157,625	589,512	508,028	-	-	-	939,915
Plant & Machinery	929,686	375,000	-	1,304,686	187,073	167,642	354,715	742,613
Total I	18,599,004	5,873,476	589,512	23,882,968	9,724,121	2,057,139	11,781,260	8,874,883
Tank Fed Agriculture Programme								
Freehold Land	176,689	-	-	176,689	-	-	-	176,689
Furniture and Fixtures	530,539	82,052	-	612,591	234,025	37,857	271,882	296,514
Office Equipments	327,734	5,478	-	333,212	179,264	23,092	202,356	130,856
Professional Equipments	2,271,875	649,536	-	2,921,411	2,139,511	469,140	2,608,651	132,364
Electrical Fittings	156,645	3,692	-	160,337	100,747	5,959	106,706	53,631
Vehicles	1,246,951	857,324	330,700	1,773,575	961,161	160,072	855,640	285,790
Staff Vehicles	320,975	27,700	218,165	130,510	-	-	-	320,975
Plant & Machinery	1,324,800	-	-	1,324,800	1,067,147	38,648	1,105,795	257,653
Total II	6,356,208	1,625,782	548,865	7,433,125	4,681,855	734,768	5,151,030	1,674,353
Post Tsunami Relief and Rehabilitation Programme								
Freehold Land	6,559,291	418,230	-	6,977,521	-	-	6,977,521	6,559,291
Building work-in-progress	4,697,524	7,651,694	(11,053,885)	1,295,333	-	-	1,295,333	4,697,524
Building	10,870,053	11,137,131	-	22,007,184	1,851,123	2,015,606	3,866,729	9,018,930
Furniture and Fixtures	1,241,677	44,838	-	1,286,515	327,761	95,883	423,644	913,917
Office Equipments	860,622	16,975	-	877,597	308,901	85,304	394,205	483,392
Professional Equipments	5,810,593	850,095	-	6,660,688	5,350,585	786,063	6,136,648	460,008
Electrical Fittings	489,704	4,761	-	494,465	184,949	30,953	215,902	304,754
Vehicles	6,478,851	-	-	6,478,851	2,462,182	602,500	3,064,682	4,016,669
Plant and Machinery	-	11,291,517	-	11,291,517	-	1,693,736	1,693,736	9,597,781
Staff Vehicles	294,406	206,971	205,479	295,898	-	-	-	294,406
Total III	37,302,721	31,622,212	(10,848,406)	57,665,569	10,485,501	5,310,045	41,870,023	26,817,220

DHAN (Development of Humane Action) Foundation

SCHEDULES TO CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2009

(In Rupees)

Particulars	G R O S S		B L O C K		A T		C O S T		D E P R E C I A T I O N		N E T B L O C K	
	As on 01.04.2008	Addition (Transfer)	Deletion (Transfer)	As on 31.03.2009	As on 01.04.2008	for the year	Withdra wn on deletion	As on 31.03.2009	As on 31.03.2009	As on 31.03.2008		
New Themes and Other Programmes												
Freehold Land	1,727,004	-	-	1,727,004	-	-		-	-	1,727,004		
Building work in Progress	26,759,176	7,448,020	-	34,207,196	-	-		-	-	34,207,196		
Building	3,422,644	-	-	3,422,644	342,264	308,038		650,302	2,772,342	3,080,380		
Furniture and Fixtures	1,423,502	166,446	-	1,589,948	501,800	108,816		610,616	979,332	921,702		
Office Equipments	749,326	16,430	-	765,756	313,215	67,881		381,096	384,660	436,111		
Professional Equipments	7,242,140	1,708,221	-	8,950,361	6,709,506	1,344,512		8,054,018	896,343	532,634		
Electrical Fittings	483,151	21,400	-	504,551	231,100	27,345		258,445	246,106	252,051		
Vehicles	1,520,868	-	88,185	1,432,683	796,030	99,576	29,965	865,641	567,042	724,838		
Staff Vehicles	63,426	43,464	63,426	43,464	-	-		-	43,464	63,426		
Plant & Machinery	142,600	579,600	-	722,200	100,221	93,296		193,517	528,683	42,379		
Total IV	43,533,837	9,983,581	151,611	53,365,807	8,994,136	2,049,464	29,965	11,013,635	42,352,172	34,539,701		
Central Support System*												
Freehold Land	8,796,170	-	-	8,796,170	-	-		-	-	8,796,170		
Building work in Progress	-	270,000	-	270,000	-	-		-	-	270,000		
Furniture and Fixtures	343,322	11,970	-	355,292	168,422	18,687		187,109	168,183	174,900		
Office Equipments	95,068	-	-	95,068	64,065	4,650		68,715	26,353	31,003		
Professional Equipments	1,411,129	143,623	-	1,554,752	1,390,477	98,564		1,489,041	65,711	20,652		
Electrical Fittings	93,426	1,648	-	95,074	64,013	3,106		67,119	27,955	29,413		
Vehicles	-	869,501	-	869,501	-	130,426		130,426	739,075	-		
Staff Vehicles	-	24,206	-	24,206	-	-		-	24,206	-		
Total V	10,739,115	1,320,948	-	12,060,063	1,686,977	255,433	-	1,942,410	10,117,653	9,052,138		
Total (I+II+III+IV+V)												
	116,530,885	39,372,114	1,495,467	154,407,532	35,572,590	10,406,826	295,560	45,683,881	108,723,651	80,958,295		

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

Sd/-
Chairman

Sd/-
Treasurer

Sd/-
Executive Director

Sd/-
K.SHESHADRI
Partner

Madurai
July 10, 2009

DHAN (Development of Humane Action) Foundation

SCHEDULES TO CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2009

			<i>(in Rupees)</i>
Schedule 2: Investments		2009	2008
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	4,281,979	33,511,979	3,930,315
<hr/>			
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		7,411,000
Fixed Deposits with Canara Bank	-	31,284,500	
<hr/>			
DHAN own / Tata-Dhan Academy / Other Corpus Fund Deposits:			
Govt. of India RBI bonds	1,122,500		1,122,500
Post Office - Kisan Vikas Patra Scheme	1,500,000		1,500,000
Fixed Deposit with REPCO Bank	11,584,309		8,169,803
Fixed Deposit with HDFC Bank	3,050,000		1,500,000
Fixed Deposits with Pandiyan Grama Bank	7,207,470		7,207,470
Fixed Deposits with City Union Bank	2,500,000		25,000,000
Fixed Deposits with ICICI HFC Ltd.	450,000		-
Investments with Tata Equity management Fund	500,000		500,000
Fixed Deposit with Others	-	27,914,279	3,124,340
<hr/>			
Community Risk Reserve & Other Funds with:			
Fixed Deposits with Pandiyan Gramma Bank	5,107,279		4,481,964
Fixed Deposits with HDFC Bank	1,660,000	6,767,279	1,500,000
<hr/>			
Sir RatanTata Trust Expendable Field Campus corpus			
Fixed Deposits with Canara Bank		-	207,905
Total		99,478,037	96,258,797
<hr/>			
Schedule 3: Bank Balances			
In Savings accounts		16,551,038	11,637,796
In Fixed Deposits		11,492,844	47,782,685
Cheques in Transit		100,000	39,000
Total		28,143,882	59,459,481
<hr/>			
Schedule 4: Loans and Advances			
Advances Recoverable:			
Project Advances to staff		239,926	105,141
Deposits		2,660,057	2,376,571
Other Advances Recoverable		8,291,978	4,605,820
Total		11,191,961	7,087,532
<hr/>			

Madurai
July 10, 2009

Sd/-
Chairman

Sd/-
Executive Director

Sd/-
Treasurer

SCHEDULES TO CONSOLIDATED BALANCE SHEET - AS AT MARCH 31, 2009

Particulars	Opening balances as on April 1, 2008	Amounts not included in Income & Expenditure account Receipt/ (Advance)	Appropriation from Income & expenditure a/c		Closing Balance as on March 31, 2009
			Income	Surplus/ (Expenses)	
Schedule 5: Corpus and Capital Fund					
Corpus Fund					
Ford foundation	33,342,600	-	1,640,055	(1,867,886)	33,114,769
Sir Dorabji Tata Trust	31,286,605	-	1,320,173	(1,447,055)	31,159,723
DHAN Foundation Own	14,029,355	-	3,971,002	(247,937)	17,752,420
Other Corpus Fund	3,350,800	1,000,000	-	-	4,350,800
Tata-Dhan Academy	1,543,849	-	165,000	-	1,708,849
Total	83,553,209	1,000,000	7,096,230	(3,562,878)	88,086,561
Capital Fund	14,302,201	-	-	(96,940)	14,205,261
Total	97,855,410	1,000,000	7,096,230	(3,659,818)	102,291,822
Schedule 6: Specified Fund					
Donor's Account - Net	54,437,110		399,897	(29,383,020)	25,453,987
Sir Ratan Tata Trust (SRTT) Revolving Fund	300,000	76,000			376,000
SRTT Expendable Field Campus Corpus Fund	87,117	-	-	(87,117)	-
Other Revolving fund returns	4,223,180	3,000	330,364		4,556,544
Community Risk Reserve Fund	3,049,593	625,315	265,304	-	3,940,212
Book Fund	360,423		51,996		412,419
Vehicle Fund	573,890		76,000	(561,890)	88,000
Total	63,031,313	704,315	1,123,561	(30,032,027)	34,827,162
Less: Donor's account net balance included above	54,437,110				-
Add: Donor's account Surplus balances	8,594,203				25,453,987
Donor's account Deficit balances	68,106,764				9,373,175
	-			37,725,984	37,725,984
Total	76,700,967			12,271,997	47,099,159

Madurai
July 10, 2009

Sd/-
Chairman

Sd/-
Executive Director

Sd/-
Treasurer

DHAN (Development of Humane Action) Foundation

SCHEDULES TO CONSOLIDATED BALANCE SHEET - MARCH 31, 2009

		(in Rupees)
	March 31, 2009	March 31, 2008
Schedule 7: Current Liabilities		
Savings bank account overdrawn	2,945	495,644
Others	1,706,151	1,432,743
Total	1,709,096	1,928,387

DHAN (Development of Humane Action) Foundation

SCHEDULES TO CONSOLIDATED INCOME & EXPENDITURE ACCOUNT - MARCH 31, 2009

		(in Rupees)
	March 31, 2009	March 31, 2008
Schedule 8 : Grants Received		
From Foreign Agencies		
Oxfam Novib - The Netherlands	108,127,646	119,497,650
Rabobank Foundation	7,500,560	7,538,664
Individual donations for Tank renovation works	2,991,922	807,014
Stichting Varienden Van DHAN - The Netherlands	5,176,836	3,559,751
Karunai Illam Trust, Newzealand	1,454,728	2,502,908
CAWST (CIDA) Water Expertise Centre, Canada	1,307,676	-
New Zealand High Commission	499,000	-
ZLM Verzekeringen - The Netherlands	1,595,420	-
Nepalese Community Socceity of Calgary, Canada	4,900	-
Oxfam (America) Trust	5,333,003	7,061,132
Water for Life	249,953	3,458,807
Care Today Fund	280,000	1,000,000
Others	661,843	8,933,436
	135,183,487	
From Indian Agencies		
Sir Dorabji Tata Trust	7,506,000	250,000
ITC Rural Development Trust	3,200,000	3,158,273
Department of Agriculture NWDPR - Watershed	287,932	797,611
Jala Samvardhane Yojana Sangha - GoK	1,414,481	2,823,983
United Nations Development Programme / UNTRS	4,861,865	2,277,000
National Bank of Agriculture and Rural Development (NABARD)	983,317	511,257
Ministry of Water Resources, Govt. of India	1,260,000	1,260,000
CAPART New Delhi	2,508,500	1,899,000

DHAN (Development of Humane Action) Foundation

SCHEDULES TO CONSOLIDATED INCOME & EXPENDITURE ACCOUNT - March 31, 2009

Individual donations for Tank renovation works	550,700	-	737,356
COIR Board, Govt. of India	465,000		655,720
Department of Health, Tamil Nadu	1,450,000		150,000
APCBTMP, Govt. of AP	1,373,879		200,160
Hindustan Unilever Limited	8,650,000		485,000
Sir Ratan Tata Trust	1,375,000		-
District Rural Development Agency - Chittoor, AP	210,914		-
District Rural Development Agency - Tamil Nadu	308,680		565,920
Indian Bank	480,000		-
Care Today Fund	1,454,300		-
National Agricultural Innovaion Project	931,096		-
Others	524,688		60,000
		39,796,352	
Total		174,979,839	170,190,642
Schedule 9: Other Receipts			
Interest from Banks, etc		3,309,371	3,604,976
Income from corpus Investment		6,691,898	4,630,162
Other Income		2,838,966	4,895,142
Donations		950,003	779,765
Total		13,790,238	13,910,045

Sd/-
Chairman

Sd/-
Executive Director

Sd/-
Treasurer

Madurai
July 10, 2009

DHAN (Development of Humane Action) Foundation

SCHEDULES TO CONSOLIDATED INCOME & EXPENDITURE ACCOUNT AS AT MARCH 31, 2009							2009	2008
Schedule 10 : Programme Implementation and Administration								(in Rupees)
Activity / Expenditure / Items	Community Banking Programme	Tanked Agriculture Programme	Post tsunami relief & rehabilitation prog.	New Themes and Other Programmes	Central Support system	Total		
Post Tsunami - Relief & Rehabilitation	-	-	-	-	-	-	525,536	
Restoring Livelihoods	-	-	9,738,374	-	-	9,738,374	7,762,540	
Restoring Habitat	-	-	296,977	-	-	296,977	263,637	
Coastal Agriculture / Horticulure / Livelihoods	-	-	1,433,585	-	-	1,433,585	44,825	
Endowment and other Grants to Tank farmers Associations, NGOs, Panchayat etc.	4,500,000	30,000	43,190	-	-	4,573,190	957,498	
Flood relief support and Restoring Habitat	-	-	-	-	-	-	-	
Orphanage Centre	-	-	-	1,438,060	-	1,438,060	1,318,255	
Volunteer allowances and Travel	6,192,209	2,893,390	4,820,031	3,535,309	-	17,440,939	21,281,019	
Training / Expenses on Volunteers, Groups Members & Federations & Civic Programmes	6,872,546	222,259	1,300,510	7,941,973	-	16,337,288	8,540,738	
Support for Income generation by members	5,535,000	889,200	10,923,270	805,000	-	18,152,470	4,710,357	
Crop Production & Water Management Training	-	477,811	-	-	-	477,811	4,475,338	
Drinking Water Ponds Programme	-	5,808,358	-	150,800	-	5,959,158	5,519,003	
Convention, Workshop, Events and Meeting	636,780	662,214	1,495,500	2,167,516	3,306,248	8,268,258	8,138,221	
Employees remuneration and benefits	14,433,346	14,100,967	16,240,471	15,355,089	5,846,732	65,976,905	58,367,493	
Professional / Consultancy Charges	138,014	995,226	344,255	892,701	502,993	2,873,189	4,486,888	
Travel / Conveyance	1,706,015	1,931,542	1,760,262	1,680,742	343,189	7,421,750	7,476,812	
Vehicle maintenance	606,696	492,903	1,004,281	476,783	356,152	2,936,815	2,326,270	
Books and Audio Visual Expenses	25,274	51,294	67,743	111,905	119,742	375,958	571,414	
Printing and Stationery	408,283	294,455	406,122	611,083	234,261	1,954,184	3,038,607	
Communication	392,564	409,601	491,413	586,936	287,507	2,168,021	2,641,322	
Rent, Water, Electricity and Maintenance	1,524,490	1,012,084	1,302,906	2,741,297	1,315,552	7,896,329	6,796,728	
Miscellaneous Expenses	61,177	30,591	47,680	43,444	117,361	300,253	401,045	
Total	43,032,674	30,301,895	51,716,570	38,538,638	12,429,737	176,019,514	149,643,546	
Previous year	12,725,823	30,339,103	64,233,579	35,116,686	7,228,355	149,643,546		

Madurai
July 10, 2009

Sd/-
Chairman

Sd/-
Executive Director

Sd/-
Treasurer

DHAN (Development of Humane Action) Foundation

SCHEDULES TO CONSOLIDATED INCOME & EXPENDITURE ACCOUNT AS AT MARCH 31, 2009

		<i>(in Rupees)</i>
	<i>March 31, 2009</i>	<i>March 31, 2008</i>
Schedule 11: Appropriation of Excess of Income over Expenditure		
Excess of (Expenditure over Income) / Income over Expenditure	<u>(25,472,054)</u>	<u>10,717,628</u>
Transfer:		
From Investment income		
Ford Foundation Corpus fund	1,640,055	1,288,193
Sir Dorabji Tata Trust corpus fund	1,320,173	1,146,146
DHAN Foundation own Corpus fund	2,971,002	871,645
Tata-Dhan Academy Corpus fund	165,000	-
SRTT Expendable Field Campus corpus	-	521,309
Revolving fund	330,364	-
Community Risk Reserve Fund	265,304	-
Tata-Dhan Academy Corpus fund	-	200,000
Book Fund	51,996	-
Vehicle Fund	76,000	-
SRTT from Interest on Building fund	399,897	1,828,559
DHAN Corpus from TMS Receipts and other income	1,000,000	2,000,000
Of Expenses to Corpus funds		
DHAN Foundation Own	(247,937)	(421,820)
Sir Dorabji Tata Trust	(1,447,055)	(1,277,292)
Ford Foundation	(1,867,886)	(1,178,125)
SRTT Expendable Field Campus	(87,117)	(1,178,125)
Vehicle Fund	(561,890)	(3,517,196)
Of (Deficit) / Surplus		
Capital fund (Deficit) / Surplus	(96,940)	(1,477,907)
Others Donors' - Net (Deficit)	<u>(29,383,020)</u>	<u>10,378,300</u>
Total	(25,472,054)	10,717,628

Sd/-
Chairman

Sd/-
Executive Director

Sd/-
Treasurer

Madurai
July 10, 2009

DHAN (Development of Humane Action) Foundation

Schedules to Balance Sheet & Income and Expenditure Account - Consolidated - for the year ended March 31, 2009

Schedule 12 Notes on accounts:

1. The guiding principles that are fundamental to the Trust 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 developmental work in India. The reimbursement of cost / services 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 (except corpus 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 on these assets also.
8. Fixed Deposits of Rs.1,36,830/- (Previous year Rs.1,11,830) are under lien with banks 100% margin for the bank guarantee issued by them in favour of CAPART and Government of India.
9. Foreign contribution includes grants in kind being inventory of Rs.4,900 (previous year Nil) being eyeglasses and various used/old fixed assets of Rs.23 (previous year Nil) valued at a nominal value.
10. Previous year's figures have been regrouped / reclassified wherever necessary.

Sd/-
Chairman

Sd/-
Executive Director

Sd/-
Treasurer

Madurai
July 10, 2009

Acknowledgement

...Working in partnership towards a common goal generates new learning and solutions. We cherish collaboration as our core value because the collaborative process enables DHAN and our partners to combine our complementary knowledge, skills, and resources, making it possible for us to accomplish much more than we can on our own. The development of a partnership is a continuous process which demands active input from both sides. An effective partnership provides a greater chance of continuity, consistency and sustainability for development.

We are deeply indebted to the contributions and continued support rendered by our institutional partners, collaborators, resource institutions, philanthropists and well-wishers in the progress and achievements of the DHAN Collective.

Our Institutional Partners

Oxfam Novib, the Netherlands (Oxfam India)

Sir Ratan Tata Trust, Mumbai

Sir Dorabji Tata Trust, Mumbai

Our Overseas Partners

American Service to India - Rural Learning Journey India Participants, USA

Anand Charity, USA

Canadian International Development Agency (CIDA)

Eureka Achmea Foundation, The Netherlands

Fonds Familie van Beek, The Netherlands

Huguenin Ralapalli Foundation, USA

Karunai Illam Trust, New Zealand

Klein Hofwijck Foundation, The Netherlands

Micro Insurance Association Network, The Netherlands

New Zealand High Commission

Oxfam America

Rabobank Centraal Twente, The Netherlands

Rabobank Hage-Beek, The Netherlands

Rabobank Maas en Waal, The Netherlands

Rabobank West-Zeeuws-Vlaanderen, The Netherlands

Rabobank Zuidwest-Drenthe, The Netherlands

Stichting Vrienden van DHAN, The Netherlands

Westberg Foundation, The Netherlands

ZLM Verzekeringen, The Netherlands

Our Water Partners

Centre for Affordable Water and Sanitation Technology (CAWST), Canada

International Water Management Institute – RUAF Foundation

National Bank for Agriculture and Rural Development

National Agricultural Innovation Project–ICAR

PanIIT Alumni India

Water4life Foundation, The Netherlands

Our CSR Partners

ABN AMRO Foundation
 Arghyam Foundation, Bangalore
 Bharat Sanchar Nigam Limited
 Care Today Fund
 Hindustan Unilever Limited
 Hitech Arai Limited, Madurai
 ITC Rural Development Trust
 Micro labs, Chennai
 Rabobank Foundation, the Netherlands

State Government

Andhra Pradesh Community Based Tank Management Project
 Department of Agriculture, Tamil Nadu and Karnataka
 Department of Tourism, Tamil Nadu
 Directorate of Rural Development, Tamil Nadu
 District Rural Development Agency, Andhra Pradesh and Tamil Nadu
 Health and Family Welfare Department, Tamil Nadu
 Integrated Tribal Development Agency
 Jala Samvardhane Yojana Sangha (JSYS), Government of Karnataka
 Madurai Corporation
 MAVIM-Maharashtra Women's Economic Development Corporation
 National Watershed Development Programme for Rainfed Areas
 State Health Society, Tamil Nadu
 Tamil Nadu State AIDS Control Society

Government of India

Central Water Commission
 Coir Board
 Council for Advancement of People's Action and Rural Technology (CAPART)
 Jawaharlal Nehru National Urban Renewal Mission (JNNURM)
 Ministry of Tourism
 Ministry of Urban Development
 Ministry of Water Resources

United Nations Agencies / Projects

Food and Agriculture Organisation
 UNDP-Global Environment Facility (GEF)
 UNDP-Tsunami Emergency Assistance Project (TEAP)

Commercial Banks

Andhra Bank
 Bank of Baroda
 Bank of India

Canara Bank
Central Bank of India
Corporation Bank
ICICI Bank
Indian Bank
Indian Overseas Bank
Karnataka Bank
Punjab National Bank
State Bank of Hyderabad
State Bank of India
State Bank of Mysore
UCO Bank
Union Bank of India
United Commercial Bank
Vijaya Bank

Regional Rural Banks

Andhra Pradesh Grameena Vikas Bank
Bangalore Rural District Central Cooperative Bank
Kalapatharu Grameena Bank
Nagarjuna Grameena Bank
Pandiyana Grama Bank
Sri Saraswathi Grameena Bank
Sri Venkateswara Grameena Bank
Sri Visakha Grameena Bank
Thanjavur Central Cooperative Bank
Deccan Gramina Bank
Saptagiri Gramina Bank

Apex Banks

ABN AMRO Bank
HDFC Limited
National Bank for Agriculture and Rural Development
Rabobank India Finance (P) Limited
Small Industries Development Bank of India

Insurance Companies

Agriculture Insurance Company
Birla Sun Life
HDFC Standard Life Insurance
ICICI Lombard
Life Insurance Corporation of India
Metlife India Insurance
National Insurance Company
New India Assurance Co. Limited
Oriental Insurance Company
Star Health and Allied Insurance Company
United India Insurance

Academic and Research Institutes

Anna University

Central Marine Fisheries Research Institute (CMFRI)

Indian Space Research Organisation (ISRO)

Indira Gandhi National Open University

Irrigation Management Training Institute (IMTI), Trichy

Kerala Institute of Local Administration

National Institute of Rural Development

National Remote Sensing Agency (NRSA)

Rajiv Gandhi National Institute of Youth Development

Tamil Nadu Agricultural University

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

Board of Trustees

Mr. B.T. Bangera

Mr. B.T. Bangera, Chairperson, DHAN Foundation is an MBA from Indian Institute of Management (Ahmedabad). He 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 currently an Administrative member of Central Administrative Tribunal, Ernakulam Bench. She was the Chief Post Master General, Haryana Postal Circle and later became Chief Principal Post Master General of Maharashtra circle. She was subsequently promoted to the grade of Member, Postal Services Board. 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 is an MBA from Indian Institute of Management (Calcutta), is Executive Director of LAICO-Aravind Eye Care System. For almost 20 years he had been the Administrator of Aravind Eye Hospitals. He was also the South East Asia Regional Chair for the International Agency for the Prevention of Blindness (IAPB). 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.

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 holds two Master's degrees and a Ph. D. in Social Marketing of Health Education. is formerly the Programme Executive in ECLOF International. 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, holds Engineering Master's degree in Communication Systems. He received his Ph.D Degree from Indian Institute of Technology, Madras. Currently, he is Principal of Thiagarajar College of Engineering, Madurai. He is a senior member of IEEE. He has co-authored a number of technical papers in reputed journals, International and National Conferences. He has more than two decades of research and teaching experience in microwaves, remote sensing, digital signal processing and image processing. His research interests include array signal processing and smart antennas.

Mr. M. Balachandran

Mr. M. Balachandran is a Post Graduate in Agricultural Science and a Certified Associate of Indian Institute of Bankers. He is currently the Director of Institute of Banking Personnel Selection. He is also serving as the Chairman of Star Union Dai-Ichi Life Insurance Corporation Limited. Recently he has been nominated as a member of the High Power Advisory Committee of Securities and Exchange Board of India, on consent orders and also as a Director of Small Industries Development Bank of India. He is a member in the Research and Development Advisory Committee of the National Housing Bank and Oversight Committee of India Infrastructural Finance Corporation Limited. During the span of his 37 years of operational banking, he held positions at various capacities and covered Priority Sector, Corporate Credit and International Banking.

Ms. N. Shanthi Maduresan

Ms. N. Shanthi Maduresan is a postgraduate in Rural Economics and Extension Education. She has over 20 years of experience in Microfinance. She was instrumental in promoting Federations of Kalanjiam Women SHGs in Ramnathapuram and Tuticorin districts in Tamil Nadu. She is currently working as a Faculty in Tata-Dhan Academy, teaching participatory learning methods, building People's Organisation for development and gender. She is coordinating Development Management Programmes in the Academy on microfinance, livelihood, health, and teambuilding for NGOs. She is also serving as the Chief Executive of INFOS (Indian Network of Federations of Microfinance Self Help Groups). Her areas of interest are building community based institutions and capacity building for development.

Mr. C. Sudhakar

Mr. C. Sudhakar is a post graduate in Commerce and Intermediate in Institute of Cost Works Accountant of India. He is presently leading Center for Finance in DHAN Foundation. He has about fifteen years of experience in the development sector. He handled management accounting and financial management courses for the Tata-Dhan Academy. He anchored training programme for NGOs on financial management and legal aspects. He is currently involved in setting up systems for financial accounting and monitoring in the Peoples Organisations promoted by DHAN Foundation. His areas of interest are building capacities of the community based institutions in financial management and developing systems for monitoring and transparency in such institutions.

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.

DHAN Foundation - Addressess

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Ramanathapuram District

Ramanathapuram Vayalagam Region

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Madhavan Nagar West
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Kancheepuram Vayalagam Region

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