

Grassroots

# Democracy Matters

*Annual Report 2011*

**DHAN Foundation**





# Annual Report 2011



**DHAN Foundation**  
Madurai









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# Abbreviations & Acronyms

ACEDRR	Advanced Centre for Enabling Disaster Risk Reduction
ASKMI	Asian Knowledge Centre for Mutual Insurance
BCC	Behaviour Change Communication
CALL	Coastal Conservation and Livelihoods
CARC	Coastal Agriculture Resource Centre
CDA	Cluster Development Association
DEWATS	Decentralised Wastewater Treatment Systems
DHAN	Development of Humane Action
DRC	DHAN Resource Centre
ICT	Information and Communication Technology
JnNURM	Jawaharlal Nehru National Urban Renewal Mission
JSYS	Jala Samvardhane Yojana Sangha
KDFS	Kalanjiam Development Financial Services
sKMS	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



NWDPRA	National Watershed Development Project for Rainfed Areas
PDM	Programme in Development Management
PMG	Primary Marketing Group
PPG	Primary Producer Group
SHG	Self Help Group
SUHAM	Sustainable Healthcare Advancement
TDA	Thagavalagam Development Association
TFA	Tank Farmers' Association
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. *Mothing of Development Innovations:* The institution intends to promote and nurture new ideas on development themes, such as microfinance, small scale irrigation, dry land agriculture, and working with Panchayats which can impact on poverty in a significant manner.
2. *Promoting Institutions to reach scale:* Exclusive thematic organisations will be promoted to take up development work with a sub-sectoral focus. The primary role will be to promote and ensure that quality benefits reach a large number of poor.
3. *Human Resource Development:* The institution would bring young professionals into the development sector and give them an opportunity to practice and develop relevant knowledge, attitudes and skills needed for long term work.

The principles guiding DHAN are

1. Engaging high quality human resources to work at the grassroots. The focus would be to enable the poor, not deliver services.
2. Valuing collaboration with mainstream institutions and Government to demonstrate new and effective intervention to link them with the people.
3. Promoting people's organisations to ensure entitlements and to build an effective demand system to promote people's interest.
4. Promoting livelihoods to address the issues of poverty directly
5. Enriching the themes and retaining sub-sectoral focus as a strategy for growth

## MISSION

“Building people and institutions for development innovations and scaling-up 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, scaling-down technologies and contextualising 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

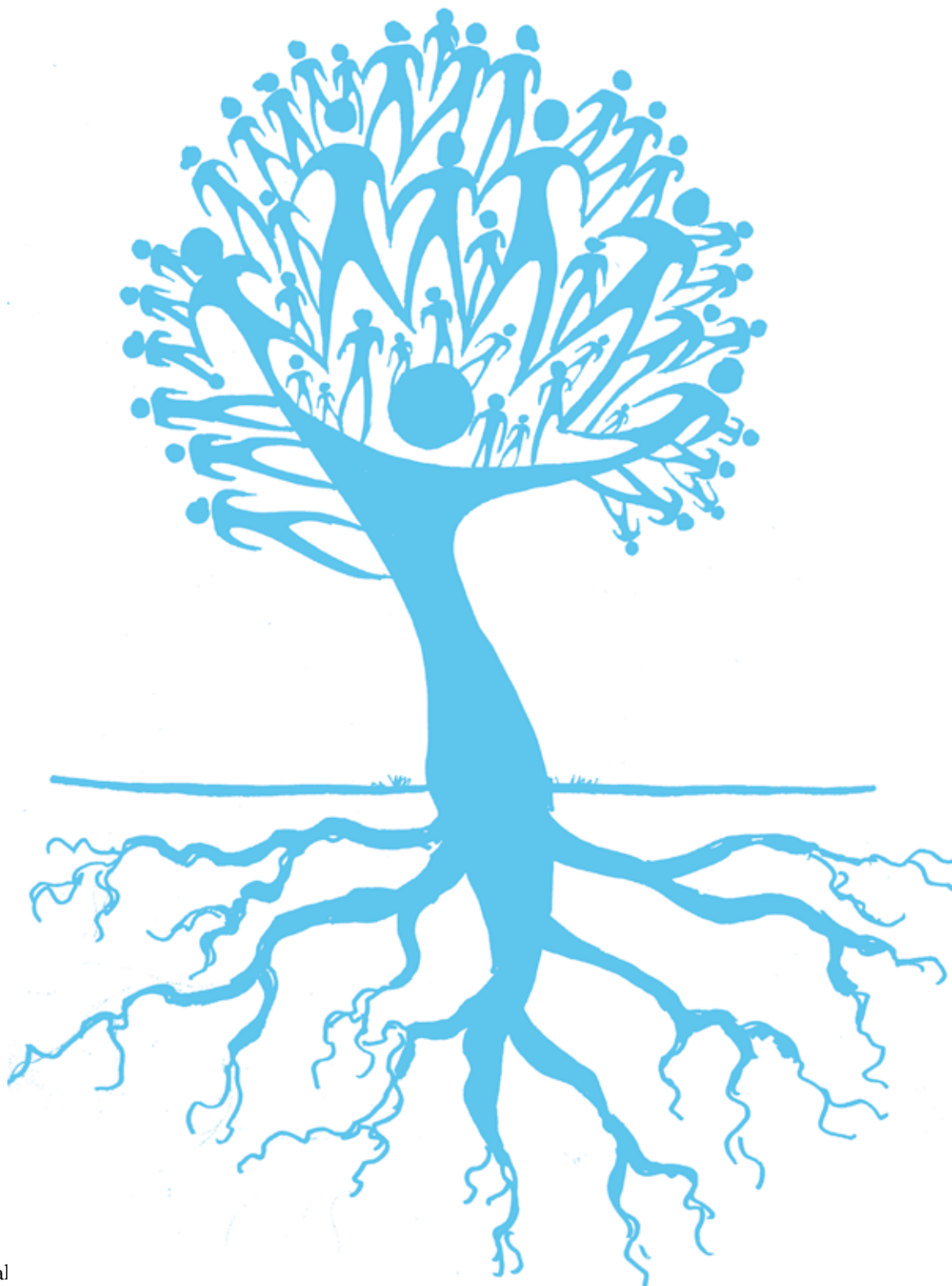
DHAN Foundation and its institutions form the DHAN Collective. It is to nurture and preserve the culture of collegiality, mutuality and solidarity. Shared purpose, core values and resources (human, financial and physical resources) bind the institutions of DHAN Collective. DHAN Foundation as the mothering 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 scale-up the theme of Kalanjiam Community Banking 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 stabilise the livelihoods of the farmers dependent on them. The Tata-Dhan Academy would be promoted in the coming year 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.



# Deepening Grassroots Democracy

Perspectives, Principles and Practices in DHAN Collective











# Deepening Grassroots Democracy

## Perspectives, Principles and Practices in DHAN Collective

Every person is entitled to live their life in dignity and free from fear, with a fair share in their country's resources and an equal say in how they are governed. Democracy is an attractive form of governance because its principles embrace these human needs and desires and can often deliver them in reality. Democracy is not an event or outcome but a complex and continuous process. It is essential that its inception and development are properly managed and nurtured.

The democratic ideal seeks to guarantee equality and basic freedoms; to empower ordinary people; to resolve disagreements through peaceful dialogue; to respect difference; and to bring about political and social renewal without convulsions. The guidance note of the UN Secretary General on Democracy says "in the twenty-first century, we continue to be confronted with the triple challenge of building or restoring democracies, preserving democracies, as well as improving the quality of democracies. Key challenges before us are how to more effectively promote universally recognized democratic principles, institutions and practices; how to respond, in a consistent and predictable manner, to ruptures with democracy, as triggered by unconstitutional transfers of power; and how to respond to, or even help to prevent, the slow and gradual erosion in the quality of democracy and the weakening of democratic freedoms, practices and institutions which sometimes occur".

Communities, as also groups within a community, differ greatly in the extent to which they influence decisions that affect the use of common resources available and therefore the extent to which they could have share of the common resources. Some communities have traditions of sharing common resources equitably, while others do not. The presence or absence of harmony as well as nature and magnitude of conflicts largely determines the success of any development initiative.

For an illustration, provision of water supply requires money, materials, labour and time. Most important, it requires people to build, to operate, and to maintain the system for continued use by people. It is imperative that the ultimate users are aware of the options available, the relative advantages and disadvantages of each option, are capable of making the choice, and finally own up the responsibility of maintaining the facility created. In large water supply systems which serve several thousand populations spread over hundreds of villages, the community of users may consist of a large number of disparate groups whose interests may not coincide. However, in this context, the community of users present would consist of inhabitants of a few villages, at the most, and making the communities to own the entire process right from the beginning is very important.

### Fostering Grassroots Democracy: DHAN's Perspectives

#### Peoples' Organisations for Nurturing Direct Democracy

Independence with interdependence is a core of all democracies. Among different forms of democracies, the Peoples' Organisations promoted by DHAN at the primary level, the SHGs of poor women, farmers, fishers and other vulnerable communities practice 'Direct Democracy', which provides space for all the members to directly participate in making decisions that would affect their lives and livelihoods. For example, the poor members in SHGs decide on the policies for savings and lending, lay norms for the conduct of business, enforce action over the violations of set norms, and so on. In every circumstance of decision making they place the purpose of poverty reduction at the centre, and apply the values of impartiality, rationality and knowledge of the relevant facts. The process of decision making is consensual rather than simple majority rule.

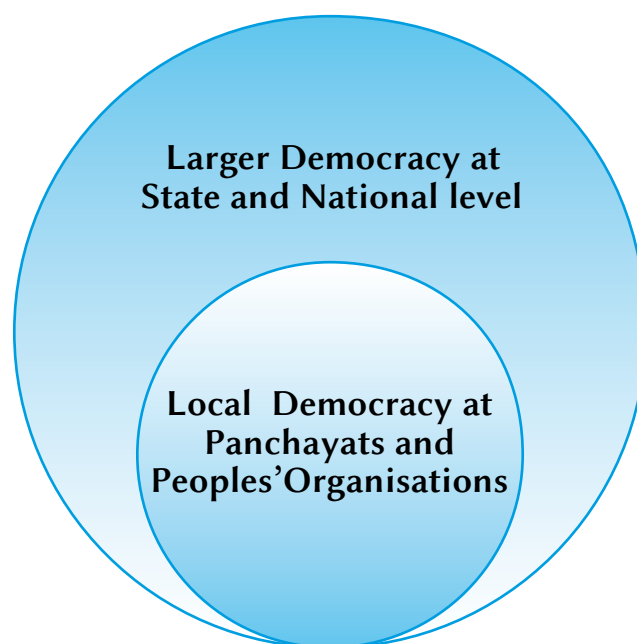




Participatory democracy is a broadly inclusive term for many kinds of consultative decision making. In the nested institutions of the primary groups namely cluster, cascade or watershed associations, and federations at the block or district level, participatory democracy is followed. Representatives, who are nominated by the primary groups by consensus, deliberate the will of the primary group members in these institutions.

The members choose representatives to act in their interests, but not as their proxies. They provide enough authority to their representatives to exercise at times of decision making that will impact a large number of primary groups. The terms of these representatives are decided by the members and they can be recalled at any time. Rotation of leadership is a mechanism followed by the groups to provide leadership opportunities for all the members. These representatives take decisions through consensus, which is an important process of participative democracy. Consensus democracy is the most rigorous and laborious form of decision making, which is founded on the strength of solidarity that exist in primary and nested institutions. The General Body of the nested institutions consisting representatives from primary groups acts as a platform for nurturing the consensus decision making, which is again ratified by the Mahasabha, which consists of all the members.

Peoples' Organisations promoted by DHAN are operating in two levels of democracy. Firstly they operate on the value of democracy within the nested institutions and secondly with the larger democracy at the State and National level. But at both the levels the principles and values that propel the practice of democracy remain the same. Experience gained by the community at both the levels is mutually reinforcing to advance democracy at the grassroots.



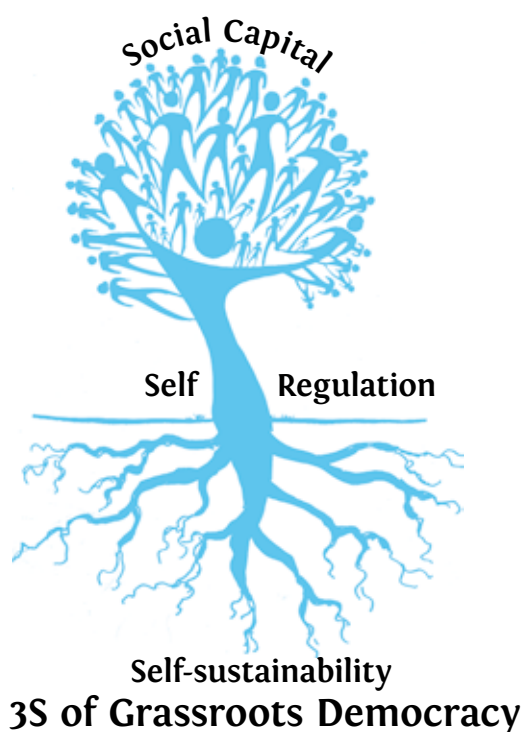
The concept of promoting People's Organisations around development issues is a unique contribution of DHAN Foundation, which are transforming into people's movements and are fast-growing. It has proved its success in terms of effective management, reaching the poorest segment, ensuring the reach of benefits and building democracy at the grassroots. It has become an effective demand system on mainstream institutions.

Conceptually the primary institutions (groups) are put at the centre and other structures at the periphery as support institutions. All these institutions are independent and interdependent in nature and are able to establish linkages with mainstream institutions. DHAN's role in promoting the Peoples' Organisations goes through evolution and devolution; it starts as a promoter later on changes to facilitator and then advisor. At every stage it sees itself as outside the communities and



enables them to achieve self management and local governance.

## Nurturing Direct Democracy: DHAN's approach



The basic trust that the individual places on others and ensuing mutuality builds “social capital”. DHAN Foundation believes that a spirited democratic

culture, a vibrant Peoples’ Organisations, and an open, inclusive mainstream collaboration are the keys to achieve poverty reduction. The social capital mobilised in the form of Peoples’ Organisations, the value of self-regulation and mechanisms for self-sustainability built within these Peoples’ Organisations create an enabling environment to nurture democratic culture within the institutions.

### Social Capital forms foundation for nurturing a culture of democracy

The trust and mutuality, which are considered to be the characteristics of social cohesion, shape the quality and intensity of social interactions. The glue that holds them together is otherwise called as Social Capital. Networks and connectedness increase peoples’ trust and ability to work together and expand their access to mainstream institutions. Relationships of trust, reciprocity and exchanges that facilitate cooperation provide the basis for informal safety nets amongst the poor. DHAN believes that the social capital generated by organising the unorganised poor and marginalised communities into Peoples’ Organisations provides basis for grassroots democracy. The social capital built with the local communities takes different forms and adds distinct values with changing focuses according to contexts and needs.

Phase of Growth	Social Capital Formation		
	Institutional forms	Focus	Outcomes
Financial Intermediation	SHGs, Cluster and Cascade Development Associations and Federations	<ul style="list-style-type: none"> <li>Ensuring basic financial services such as savings, credit and insurance</li> <li>Reducing cost of transaction and achieving sustainability</li> </ul>	<ul style="list-style-type: none"> <li>Enhanced social safety-nets to cope up with risks</li> <li>Collective bargaining with Banks and Insurance companies</li> </ul>
Livelihood Intermediation	Primary Producer/ Marketing Groups and their collectives such as producer and marketing companies	<ul style="list-style-type: none"> <li>Facilitating forward and backward linkages</li> <li>Expanding capabilities to collaborate, negotiate and monitor</li> </ul>	<ul style="list-style-type: none"> <li>Individual and shared responsibility on livelihoods</li> <li>Collective bargaining with other market players</li> </ul>
Civic Intermediation	SHGs, Federations of SHGs, and their Collectives such as Kalanjiam and Vayalagam Movements	<ul style="list-style-type: none"> <li>Converging with relevant institutions for securing healthcare, education, skill building, access to subsidies and schemes meant for the poor.</li> <li>Setting agenda for the mainstream institutions</li> </ul>	<ul style="list-style-type: none"> <li>Recognition by the larger society</li> <li>Legitimate space in mainstream institutions</li> <li>Collective action on common property resources, larger community issues</li> </ul>



The nature and characteristics of social capital built at each level vary with distinct outcomes. For an instance, the trust and mutuality built among the SHG members help them influence each other in mobilising and using financial resources to fulfill the needs of members' families. At the same time the social capital built with the Primary Producer Groups (PPGs) and Primary Marketing Groups (PMGs) help them negotiate with the market forces for their collective advantage and offer the economy of scale. Similarly, when the SHGs and their Federations get into civic intermediation, they expand beyond their institutions and start focusing on larger community needs, which offer them a unique space in the society. Promotion of social capital for varying purposes and focuses require different strategies and investments. For example, the social capital to perform effectively at the business based Peoples' Organisations needs a huge financial capital to graduate them into sustainable enterprises.

The social capital built at the Peoples' Organisations across various themes and initiatives of DHAN in various states have taken shape of supra-institutions to work on a particular theme in depth and to serve the primary groups at large scale. These supra-institutions form part of DHAN Collective. The Peoples' Organisations have collectively promoted three supra-institutions.

- ✍ The primary groups of Kalanjiam, Vayalagam, Rainfed and Coastal Conservation programmes have promoted **Kalanjiam Development Financial Services (KDFS)**. The KDFS provides bridge finance to the primary groups at times of credit need that could not be met by the local commercial banks. It facilitates and liaises with national and international resource institutions for financial and other ties for the Peoples' Organisations.
- ✍ The **Kalanjiam Thozhilagam Limited** is a livelihood support institution promoted by the business based Peoples' Organisations. It works on developing suitable micro enterprises based on the skills pool of the poor or the resources available at their locations, by linking the people, skills and market.

- ✍ The **People Mutuals** is a social security organisation promoted by the Peoples' Organisations to ensure social security for the members' families either through their mutual programmes or through links with various social security schemes and development programmes of the mainstream insurance companies.

These supra-institutions are working on a particular theme to bring benefits of the scale advantage and continued research and development within the specialised areas of finance, insurance and livelihood promotion for the benefit of members' families. These supra-institutions are governed by the Peoples' Organisations, where the representatives from these Peoples' Organisations function as Board of Directors. Representatives from all the member groups attend in the annual general body meetings conducted by these supra-institutions and new products and services launched by these institutions in lending, social security and business initiatives are evolved from the primary groups and the products are again deliberated at various levels of the Peoples' Organisations before launch.

While the basics of promoting peoples organisations such as governance, democratic practices, community ownership and control, local management, sound and transparent financial systems and linkages with mainstream institutions for sustainability remain same for all the themes/programmes, the design and implementation are highly decentralised and adapted to the local contexts. Each programme depending on the context, intensity of issues evolves community organisation and intervention design and it goes through continuous refinement.

### **Self-regulation holds the key of strengthening democratic practices**

Self-regulation nurtures the basic discipline of individuals, groups, communities and society. The locus of control is internal in self-regulation. It ensures standards and high performance relevant to context. It is dynamic, and shapes the purpose of the entity. The basic purpose of self-regulation is to ensure equity and justice. The key constituents of democratic culture are transparency, accountability, trust, mutuality, solidarity, autonomy,



interdependence and shared responsibility. All these could be moulded only through self-regulation.

Usually self-regulation is expressed in terms of mechanisms and procedural compliance.

When it is considered as a tool, it has a limited transactional effect. The moment self-regulation is recognised a core value of the institution, it brings transformational effect to the institution.

Self-regulation as a tool (transactional)	Self-regulation as a value (transformational)
✍ Organisational continuity	✍ Organisational integrity
✍ Reciprocal exchange to control conformity	✍ Empowerment to improve chosen conduct
✍ Emphasis on compliance	✍ Emphasis on moral improvement with commitment
✍ Rules and Standards	✍ Principles integrity
✍ Short term focus	✍ Long term strategic focus
✍ quid-pro-quo relationship	✍ Moral challenge relationship to instill pride
✍ Compliance to externally imposed standards and sanctions	✍ Accountable to internally chosen standards and sanctions

Self-regulation also integrates the capacity of the Peoples' Organisations in dealing with external environment with flexibility and control. The concept of self-regulation would move beyond internal process and lay strong foundation for internal capacity of the Peoples' Organisations to deal with internal as well as external environment effectively to achieve the desired purpose of poverty reduction and achieving self-reliance.

DHAN Foundation believes that the self-regulation is equally important, which complements the formal legal measures and compliances. The local customs set and practiced by the groups, clusters and federations are given encouragement. For example, in most places the election of leaders; membership in federal organisations; business procedures such as times of business are all in tune to the local customs followed by the villagers. Also important is that some of these norms such as rotation of leadership beyond the set period are followed rigorously and attained a status of a rule.

The Peoples' Organisations promoted by DHAN cherish the value of self-regulation. Hence, they exhibit greater level of accountability and transparency in their operations. Members treat 'self-regulation' as a value than that of 'alternative tool' of supervision. Peoples' participation in setting agenda, implementation and progress review enhances their commitment towards quality, equity

and continuity. Self-Regulation is the legitimate benefit enjoyed by the Federations due to its commitment for equity and upholding democratic principle in functioning.

DHAN believes that independence with interdependence is a core of grassroots democracy. While the primary groups are the independent and empowered entities in the Federations, functioning as ideal platforms for practicing direct democracy, the secondary institutions such as Cluster or Cascade Development Associations, Federations draw their strength from the primary groups. The networking of these primary groups promotes interdependence, and increases solidarity resulting in stronger and more resourceful organisations. These networks value representation of collective interests and reinforce shared responsibilities of members. The network institutions gain negotiation capability for ensuring entitlements of the poor families and advocating for pro-poor policies by working in partnership with mainstream institutions at the local, state and national level.

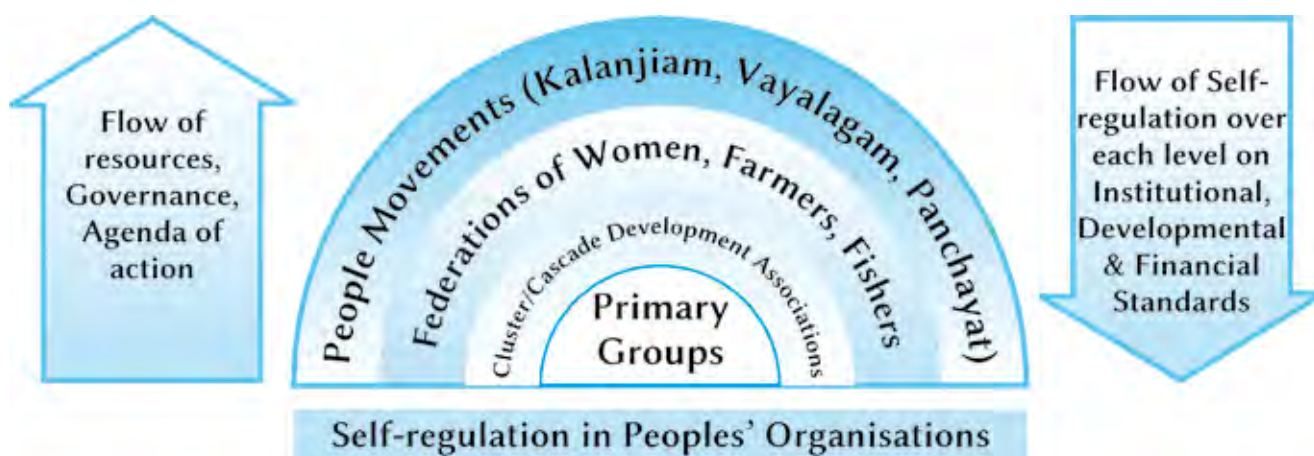
The primary purpose of self-regulation in the Peoples' Organisations is to further strengthen and internalize the existing mechanisms of achieving accountability, mutuality and peer pressure to build and sustain member owned and controlled organisations and set new standards of performance through constant interaction among members.



Members support each other and build the collective capacity at group, cluster or cascade associations, federation, and at the Vayalagam and Kalanjiam Movements to achieve the set performance standards and move towards sustaining these institutions for generations.

The self-regulation includes setting standards on institution building, social and development initiatives, financial management and building the

internal capacity of the members and institutions. The emphasis is on building sustainable institutions of poor families, which go beyond the primary theme of microfinance, water, coastal conservation and rainfed farming, and address the issues of poverty and development in a sustainable way. The design for self-regulation is an evolving one, and this is facilitated by the programmes and institutions in DHAN Collective.



#### Self-sustainability for preserving democratic practices

DHAN insists sustainability in social, financial, and technological aspects from the very beginning of building Peoples' Organisations. The primary groups start meeting their costs of operation from day-one, which builds their confidence and capacity to manage both financial and human resources on their own. By making decisions, monitoring their own progress, and solving conflicts, people acquire a sense of solidarity, as well as competence to govern their institutions.

Achieving sustainability entails appropriate systems and processes in place that will enable the services from the institutions to be available to their members in a routine manner. This also would mean that the institution would meet the needs of its members through resources on its own strength, either from among the members or from external resources. Sustainability has three broader dimensions:

✍ **Purpose Sustainability:** It deals with the effectiveness of the institution in addressing

developmental issues of its members and advancing the achieved development in a comprehensive manner. The Peoples' Organisations goes through different phases of growth starting from social mobilisation to financial and livelihood intermediation phases, and becoming civil society organisations over the years. The institution reach this stage when they have developed institutional capacity to analyse and understand developmental needs of the members and evolve strategies on their own to address the needs through making collaboration with other mainstream players in the society.

✍ **Institutional Sustainability:** It looks at those parameters of the institution, which deal with the internal environment such as purpose, structure, strategy, systems, leadership, staffing, institutional capacity and shared values. These parameters make the institution a wholesome, vibrant and a dynamic entity.

✍ **Financial Sustainability:** It encompasses the ability of the institution to deepen the financial services suiting to the context based



developmental needs of the members. Financial sustainability also envisages the ability of the Peoples' Organisations to cover all its present and future costs of operation. In other words, these Peoples' Organisations are able to meet their operational costs, financial costs adjusted for inflation and costs incurred for growth.

Building localised Peoples' Organisations forms the foundation of all the development themes being implemented by DHAN. These Peoples' Organisations are built on the themes of Water, Community Banking, Rainfed farming, ICT, Coastal Conservation and they graduate through distinct phases of institutional development. Building people's institutions as a civic entity is quite a long term and organic process. This process is highly resource intensive in terms of human capital, finance and time.

The first phase is known as social intermediation, during which the poor families are organised into primary groups of SHGs, farmers, and fishers. They are subsequently federated into independent federations. A strong foundation is laid for institutional sustainability in this phase. Basic aspects of institutional systems and processes are introduced and regularised and equal emphasis is given for building the capacity of the members to run their institutions. The second phase is known as financial intermediation, during which the focus is on to build systems for financial management. This facilitates increased business volumes with sufficient internal control system due to which the SHGs are able to generate surplus for covering their costs. These two phases are basic necessity for achieving self-growth of the SHGs and federations and once this is achieved the federations graduate towards purpose sustainability through integrating different livelihood and civic interventions and promoting products for poverty reduction.

The members in SHGs control their investment and cost decisions based on their own needs and priorities. Similarly, the members in Tank Farmers' Groups draw rehabilitation plans according to the finance available to them and their capacity to contribute. They design and implement products and activities with the support of their

staff. While the SHG members articulate their emerging needs; housing credit, health insurance, and pension; the farmers in their associations deliberate on their farm input needs, water requirement, priorities in conservation works. Since, they mobilize and manage resources; they are accountable for the outcomes as well. Decisions are taken democratically, most of the times based on consensus and hence their operations and activities become transparent. It ensures openness, consultation and utmost contribution from the poor. Sustainability comes not only through nested organisational structure but also due to their 'space' in the organisation and the relevance of the organisations in the ever changing context.

The primary groups and their networks have sophisticated systems for financial management. Since they handle finance, operate in public sphere and works in collaboration with other institutions, they are expected to be transparent and accountable to internal and external constituencies. It is not enough to have a fool-proof book keeping system alone, these systems have to be monitored regularly. SHG Federations have both systems audit and accounting audit. Systems audit concerns with proper implementation of policies, norms, rules and procedures of the organisation. Accounts audit concerns with accounting, finances at all levels. All the primary groups, Cluster and Cascade Associations, and Federations are audited annually by external auditors and their reports are ratified at the respective General Bodies, where all the primary groups meet and approve the decisions and financial report. All the transactions have been computerized. With sophisticated and custom built software, a smooth flow of information across the nested institutions is in place to ensure transparency and decision making.

## **DHAN's Principles of Fostering Grassroots Democracy**

### **1. Building Social Capital for Promoting Grassroots Democracy**

The social capital cherishes the values of mutuality and collaboration on the basis of which co-operation for the public good and democratic participation



become possible. The Peoples' Institutions promoted by DHAN play an extremely important role in promoting democratic decision making, empowering poor men and women to govern and manage their institutions, and linking them with mainstream institutions to claim their entitlements.

## **2. Enabling Institutional Practices**

Participation with ownership is the hallmark of Peoples' Organisations built by DHAN because its decision making processes and methods enable direct form of democracy. It involves meaningful dialogue, debate, and discussions in an effort to solve the problems that arise in their groups and networks. Institutional processes like Annual General Body Meetings and Mahasabhas, monthly reviews by leaders, auditing and disclosure of accounts at all levels, goal setting and future-search mechanisms help nurture transparency and accountability, which in turn strengthen democratic processes.

## **3. Shared Goals and Vision for Sustaining Grassroots Democracy**

DHAN believes that shared vision stimulates peoples' aspirations and builds resilience to rise to the challenges of poverty and inequality. The primary groups and network institutions share a vision of poverty reduction and self-reliance that places people at the centre. This vision is driven by values of self-help and mutuality that commits everyone to deepening independence and inter-dependence as means of advancing grassroots democracy and good governance. It develops homogeneity in thinking and opens new vistas to the members to identify, generate and act on their development goals. Also it reinforces their personal responsibility to generate, manage and conserve resources for collective wellbeing.

## **4. Transparency and Accountability for Ensuring Equity**

DHAN believes that transparency and accountability in administration are the indispensable constituents of participatory democracy. Right to information, with practical provisions to give effect to this

right facilitates participation in decision making. The Peoples' Organisations promoted by DHAN facilitate auditing and disclosure of financial progress to all the members, and monitoring development and equitable distribution of benefits to everyone. All the meetings held in primary groups and networks are open and decision making is carried out by the consensus of everyone. Norms, rules and decisions are open to discussion and there is no opportunity for outsiders to abuse the system in their own interest.

## **5. Shared Responsibility for Facilitating Self-governance**

The Peoples' Organisations promoted by DHAN create a platform for members to come together to exchange information, share ideas, and demonstrate their care and concern in a framework that promotes shared responsibility. These organisations from a self-regulation perspective enable their members to evolve norms, bye-laws, and policies to reinforce personal and collective responsibilities. Being a part of larger Movements of Kalanjiam and Vayalagam, the Peoples' Organisations propagate the culture of "Sharing" in every possible action and nurture the value of mutuality, amplify their voice against exploitation and issues affecting peoples' development.

## **6. Building Alliances for Sustaining Democracy**

DHAN believes that partnerships that encourage community ownership and self management can promote self-awareness and facilitate the Peoples' Organisations to bargain for collective wellbeing. This can increase people's sense of control over issues affecting their lives and build sound and responsible demand system to claim their entitlements. Only through open and flexible alliances with mainstream institutions, poor communities can articulate their development priorities and influence policies and practices that can affect their lives. Institutionalising these collaborative mechanisms will provide a greater chance of continuity, consistency and sustainability for development.



## DHAN's Contributions

### Nested Institutions for Promoting Grassroots Democracy

Nearly two decades of intensive engagement of DHAN in poverty reduction at the grassroots has resulted in knowledge and expertise in building Peoples' Organisations owned and controlled by the community, which is available for replication today. These Peoples' Organisations are envisioned to stay for many generations to root out poverty. DHAN has organised over 923,000 poor families into about 37,000 primary groups of poor women, farmers, fishers and other vulnerable communities across 12 Indian States. All these primary groups have been networked into around 1500 cluster or cascade development associations, and federated into 283 federations. Some of the key learnings gained from the practice of promoting such Peoples' Organisations are:

#### Primary groups at the centre

Creation of people's institutions at different levels is critical to address the issues of powerlessness and isolation, which are two important causes of poverty. Institutions created at different levels managed by the local community through building the local leadership are the factors of success. However it is very important that the primary groups should control the super structures and not vice versa. The institutions created at each level compliment the role of the other and each one acts as independent institutions with interdependence on each other for sustainability. In addition to acting as local financial institutions, they build a strong



demand system at the local level to address the issues of poverty collectively. They could influence both the local banks and government system in their favour.

#### Emphasise on member ownership, control and decision making

The Peoples' Organisations are owned and controlled exclusively by poor and benefits are provided only to members. The process of decision making is vested with the members only. Members contribute regular savings and equity contributions to facilitate lending operations. The products and services are designed by the members. For ensuring effective day to day management of financial transactions, accounts and book-keeping, local people are hired by the members, who are expected to assist them in governing their organisations.

#### Developing local leadership for good governance

DHAN recognises that community leadership is a precious resource for grassroots democracy and it believes that poor has native wisdom, rich life experience and leadership qualities. Opportunity exists for everyone to take-up leadership responsibilities and enabling environment provided by the organisation helps them unleash their leadership potentials. Leadership rotation and graduation mechanisms expand leadership opportunities. The leaders emerge from the Peoples' Organisations are valued for their long-term commitment and consistency in their collective interests. Role modeling to demonstrate ideals of leadership earn them goodwill and trust among fellow members.

DHAN also believes that mentoring for purpose-centric leadership is the key for evolving good governance at the grassroots. The leaders in the Peoples' Organisations are grounded in basic respect for fellow members and their ability to do what is right, to learn, and arrive at intelligent decisions. While arguing for their opinion, these leaders work for building consensus. The Peoples' Organisations provide opportunities for getting trained and training others to enhance their leadership capabilities. Interaction and exposure within and outside the institution build alternate perspectives and appreciation for other's perspectives.



## **Enabling executive stream to ensure quality of outcomes**

DHAN believes that good governance, fair judiciary, competent and sensitive executive systems are critical to ensure quality of development outcomes. Good governance, to be effective and sustainable, must be anchored in a rigorous working democracy that respects the norms, rules and procedures set out by the members in the Primary groups and their networks. A professionally competent, capable and credible executive system that operates within an accountable and ethical framework is paramount for ensuring good governance. Placing high quality professional staff will ensure high standards with growth. DHAN has built a well-sequenced HRD practices to attract, groom and place competent manpower to work at the Federations. Similarly, the Federations have customised HRD modules to identify, train and deploy manpower drawn from the local areas. These local teams play an important role in executing the will of the governing body of the institutions at different levels.

## **Effective demand stream for claiming entitlements**

Traditionally, state and private organizations strengthened only supply system to support poor and in contrast SHG Federations is part of the 'demand system' of people. It ensures the entitlements to reach poor. Federations due to their space in the civil society, legitimately negotiate with private, public enterprises and departments of State, Central Governments to get their share of public goods and services.

## **Community banking: the Kalanjiam way**

Banking "By the People, of the People and for the People" is the philosophy behind the launch of Kalanjiam Community Banking programme in DHAN Foundation. The genesis of Kalanjiam Community Banking Programme of DHAN Foundation in 1990 was a result of its analysis of rural poverty situation that revealed rampant exploitation of poor by the moneylenders. It was in contrast to the scenario of vast network of Government owned commercial bank branches that had been mandated to lend to the priority sector for

benefiting the economically weaker sections of the society.

The basic premises of designing the "Kalanjiam Community Banking Programme" was to build the capacities of the poor and enabling them to manage financial services and build strong, sustainable Peoples' Organisations to address their development needs. This approach was organising the poor women into SHGs and building their ownership with members' savings, own funds and involvement. These peoples' institutions were built on the principles of self help and mutuality with enabling mode to address poverty. The emphasis of community banking was on the freedom of choice to the poor families to decide on products and services suitable for them and building appropriate systems and operational mechanisms to sustain them. The belief was that they would own, manage and control the financial services only through enabling them and building their capacity.

With a small beginning in the Madurai east block of Madurai District in Tamil Nadu, the Kalanjiam Community Banking Programme today has reached out to 554,439 poor women, organised them into 31,780 Kalanjiam SHGs. All these poor have an accumulated savings of RS. 2,051 million in their SHGs and they have been linked with 210 branches of 30 commercial banks and mobilized over RS. 5,915 million as credit for various consumption and production needs of their members. With their own savings and credit mobilized from banks, they have generated credit worth of RS. 10,783 million for poverty reduction. About 30 percent of these loans were given for food and healthcare. All these Kalanjiams have been networked into 122 autonomous Federations, are truly democratic self-sufficient civic institutions and gained recognition locally through their collective action. Presently there are 105,000 women members occupy leadership positions at various levels of the SHGs, and their networks. In addition to this, nearly 40,000 members who had occupied leadership positions at various levels are now providing guidance to the serving leaders. As a result of over two decades of intensive work, DHAN has evolved Kalanjiam enabling model of microfinance for poverty reduction, which is now seen by many NGOs and



Government sponsored programmes as worth replicating.

### Nested Institutions



The Kalanjiam SHG is a primary institution promoted at village or hamlet level. Primary group has 15 – 20 members from the same village. All the members constitute General Body of the SHG, which frames bylaws, elect office bearers, appoint auditor and evolve policies for the groups related to their business. All regular monthly meetings of SHGs are General Body meetings. Only primary groups handle the savings and loans for individual members.

CDA is the networks of about 20-25 SHGs functioning in contiguous villages. Their primary focus is on facilitating co-learning and sharing the leadership capacity among all the SHGs. They share the costs and services of local worker and achieve the 'Scale' advantage. They ensure quality of functioning of groups through self-regulation across member groups and it is governed by the representatives nominated by member groups. In order to sustain and advance their operations, CDAs invests substantially to build the capacity of leaders and local staff.

Federation has 200 to 300 SHGs as its members. Primary groups directly control and shape federation policies and programmes. Ideally, a

federation is promoted in an administrative block of the State. Hence, a federation covers around 3000 – 4000 families. The Federations provide an institutional 'identity' for member groups by relating with the mainstream institutions and representing members' interests. It takes up higher level civic needs of members such as health and education going beyond savings and credit. It responds to the growing needs of members through promoting and developing new products. Governance system of the federation has three bodies, such as Mahasabha, General Body and Executive Committee.

The relationship among these three levels of institutions is non-hierarchical and horizontal. The primary groups are put at the centre and these groups grow horizontally in size and vertically in scope and nature of activities. Primary Groups, Cluster Development Associations (CDAs) and Federation are independent institutions with distinct identities. Each is interrelated to the other and they work together for sustainability.

**Federation Mahasabha:** All members of SHGs in the federation constitute the Mahasabha. Though it is not given any legal status as per the bylaws of the federation, it remains as the 'Convention of all SHGs' which meets once in a year to discuss about Federation performance. Federation Mahasabha meetings brings solidarity, visibility and sustainability to the organisation. It is one of the effective organisational renewal systems. Annual progress report and audit statements of the Federation are shared to all members during Mahasabha meeting. Hence, it brings accountability and transparency among all the stakeholders. Each





federation conducts its Mahasabha meeting once in a year.

A typical Mahasabha convention will have an agenda evolved from primary groups and it is conducted at the fixed date as decided by the General Body of the Federation. Since Mahasabhas are the 'Convention of SHGs' emphasis is given to develop and introduce new development programmes, review the performance of governance and administrative systems. The local partner institutions such as banks, local government and private institutions will be invited and honoured at the convention. The event is executed by all the leaders at the group, cluster and federation level with the assistance of all the staff. Annual report of the Federation will be shared with all the members, and the Auditor, who has audited SHGs, Cluster and Federation accounts will present the outcomes of the annual audit to all the members.

**General Body:** Office bearers of all SHGs constitute General Body of the Federation. It meets at least once in a year. President presides over all General Body meetings. Functions of the General Body are elaborately presented in the trust bylaws. Annual General Body Meeting is the major institutional mechanism of the federation. The Federation Coordinator, who is an executive of all the decisions taken by the General Body and Executive Committee will help President of the federation to conduct this meeting effectively.

All the SHGs will send their representatives to the Annual General Body Meeting (AGBM). It is conducted after the completion of annual audit of SHGs, CDAs and Federation. SHGs and CDAs approval on the audit reports could be obtained. In the case of Federation, the Executive Committee will approve the audit report. Agenda of the meeting will be circulated with SHGs and CDAs well in advance. SHGs or CDAs can request federation to include any other agenda as they wish, if they think it is in compatible with the organisations purpose of the meeting. The convention will be arranged in a venue where all members can sit comfortably and discuss. The Auditor will present the audit report and the Federation Coordinator will present the progress

of the Federation. The Executive Committee with the help of Federation Coordinator will respond to all questions that were raised by SHGs. New resolutions will be passed or resolutions taken up by the Executive Committee during the year will be ratified if required based on the nature of the discussions.

**Executive Committee:** Executive Committee of the federation has one representative from each Cluster Development Association. They are called either as Board of Directors or Board of Trustees. The Executive Committee meets once in a month in practice. They develop, perform, and review all major functions of the Federation.

### Water Governance: the Vayalagam way

The issue of water governance has in the recent times emerged at the forefront of the development agenda. Many governments recognize the need to localize water management but fail to delegate adequate powers and resources to make it work.

Irrigation tanks, one of the most important traditional water resources in South India occupy a significant position in agricultural economy, livelihood for the rural poor and in local ecosystem. There are about 1, 40,000 such tanks existing from time immemorial spread over in South India. While in the year 1962-63 the area under tank irrigation was 4.78 million hectares, it came down to only 3.07 million hectares in 1985-86, in spite of thousands of new tanks constructed during intervening two decades. In the last 25 years, about 1.7 million hectares of net area under tank irrigation has been lost, amounting to a capital loss of about Rs 51000 million. A note dated 24th September 1999 of the Planning Commission; Government of India on "Status of tank irrigation in India" attributes the following reasons for the decline of tank irrigation in India. "Partly due to ageing over the centuries, and partly due to inadequate and indifferent maintenance, the tank systems have gone into bad repair and require special attention. The common features noticed in the tank system which impair their services include large scale encroachments, weed infestation and structural decay.



Apart from the structural decay, the centralisation of the tank administration in the last two centuries by the British colonial administration is believed to be one of the prime reasons which led to severe consequences – alienating the local community from taking up collective efforts towards the betterment of tanks. The investments by the locals on the preservation of tanks have also steadily declined, resulting in the deterioration of the tank systems. In the last three decades the decline in tank-fed agriculture has become more rapid and has severely affected agricultural production in several places. The country is facing a grave situation through the deteriorating tanks, forcing the marginal and small farmers into a cycle of deprivation and debt, as also leaving them increasingly at the mercy of the vagaries of monsoon. All these indicate poor governance of tank systems serving millions of rural people.

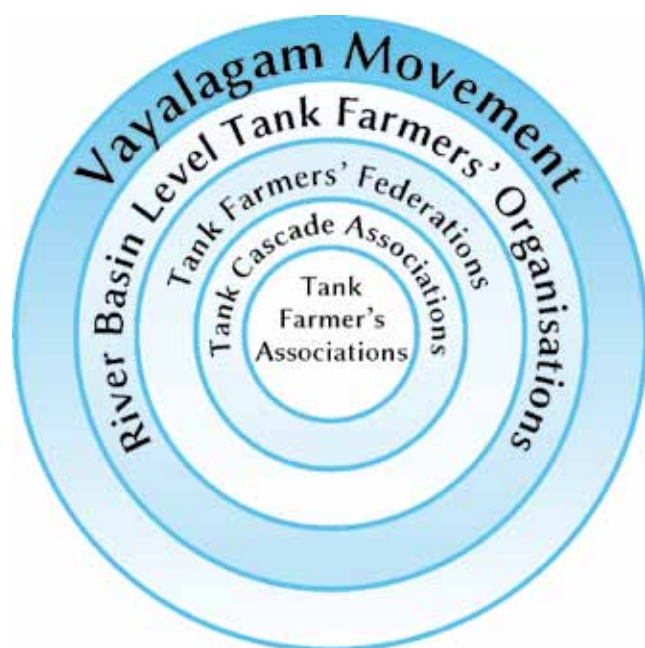
### Relevance of Local Management in Tanks

Historically Irrigation Development in India was thought of as the role and function of the state. The country has been rich in Agriculture even in medieval times, because of the systematic development of appropriate irrigation systems in all parts of the country. The southern part of the country, which depends on monsoon rainfall, could develop networks of tanks in every corner and stabilise agriculture. Every kingdom in the southern

peninsular India had setup separate departments or units for promotion of tanks. The growth of the tank irrigation has been ensured with the help of sustainable practices set up by the village communities. Every community in the country had established numerous codes and rules based on the beliefs and values that ruled during that period.

Experience gained from various research and development programmes demonstrate unequivocally, that most of the problems facing the tank systems can be resolved through the revival of their local management. All over the world, current thinking on better management of water resources is identified with decentralisation of the management, combined with effective stakeholders' participation in irrigation decision making. In that context, minor irrigation tanks in India are ideal to be managed locally by involving the farmers, Panchayats and other local community based organisations. Decentralised management promotes better performance of the resource to meet the felt needs of the people, apart from reducing the burden on the government. This can be done only by the local people and not by the distant bureaucracy. There exists a need to restore a balance between the role of the state and that of communities. Encouragingly, in the recent years, the governmental efforts are aimed at enlisting participatory management of water resources combined with decentralised maintenance and management plans.

Apart from this general situation, local management in tanks is thought of to increase the water use efficiency, equity of the water use and appropriate water use in conflicting situations. The tanks serve as storage reservoirs of water in the monsoon dependant areas of the country where there exists a short period of rainfall and a long dry spell with very high variation in the distribution of annual rainfall. Diverse cropping systems and agronomical practices ingrained with the farming community as to make appropriate decisions only at the tank level. In such a case, the efficiency of the water use is more dependent on the management criteria rather than on technical criteria. Tanks as one of the oldest man-made village ecosystems are highly productive in dry and drought prone parts of the country by





having multiple uses benefiting large sections of the community other than the farmers also. Most of the tanks are also used for raising tree plantations, using silt, sand and fishery depositories and for use as drinking water resources for livestock and in some places for the villages themselves. The traditional management practices are tuned to all these multiple uses. Thus the tank management needs to involve the multiple stakeholders at the community level. The appropriate use of water in conflicting situations should be decided at the community level rather than by a centralised bureaucracy. The relevance of local governance of tanks is thus very critical.

### **Reviving Local Governance of Water Resources: DHAN's Contributions**

DHAN Foundation is striving hard since 1992 in the conservation and development of traditional tank systems through Farmers' Organisations as one of its thematic poverty reduction programme. This programme comprising multiple development components, such as promoting Peoples' Organisations at the level of tanks as Tank Associations, and clusters as Tank Cascade Associations and sub-basin level federations, rehabilitation of tank systems executed through Tank Associations, promoting microfinance groups, establishing Agriculture Development Centres, and scaling-up of the process through People Movements. In spite of enough laws enacted by the government, the ineffective governance had led to large scale encroachments in the tank systems. But these people institutions were able to exert pressure on the government in evicting the large scale encroachments in the waterways and waterbodies.

So far 212,879 poor farmers, who are dependent on the tanks for their survival have been organised into 2673 Tank Farmers' Associations (TFAs). These primary institutions networked into 161 Cascade Development Associations (CDAs) and federated further into 31 registered federations with an independent legal identity. Through these Peoples' Organisations, the farmers are spearheading the movement of bringing back the community governance in water resources. These

farmers' organisations were able to mobilise and implement Rs. 805 million worth of conservation and development programmes in over 1300 irrigation tanks and ponds in partnership with development agencies of state and central governments, national and international donors. All these farmers have contributed one fourth of the cost of rehabilitation, apart from involving in every step of repair, maintenance and management of these water resources.

All these efforts needed ownership and participation of the local communities in identification of the status of chain of tanks in a basin for a holistic planning process to improve the acquisition, re-establish the terms of riparian rights related to storage and use of available water resources. It was a complex process that required involvement of local people. The experience of DHAN Foundation clearly brings out that the small scale water resources which occupy significant position in the lives of the small and marginal farmers can be governed more effectively through Peoples' Organisations in collaboration with mainstream institutions such as state and local governments.

### **Empowering Rainfed Farmers**

With more than 60 percent of the small and marginal farmers in India are involved in monsoon dependent farming, endowed with marginal landholding. They are mostly representing the poorest of the poor section of the society, and often unorganised. Considering the importance of rainfed farming, DHAN has promoted rainfed agriculture development programme in 2002, believing that small rainfed farms can be made viable; risks in rainfed farming can be systematically managed; the landless can become viable farmers; farm degeneration can be stopped and the trend reversed; and a chosen set of activities can make small farmers viable. The programme is involved in 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, the programme



documents, standardizes and disseminates proven technologies in rainfed farming. Building the capacity of farmers in the areas of proven rainfed farming technology, leadership development, effecting change in the attitude of farmers towards rainfed farming are some of the initiatives of the programme towards reaching its goals.

### Community led Conservation of Marine and Coastal Resources

The Coastal Conservation and Livelihoods Programme (CALL) was a result of DHAN's response to the Tsunami in 2004. In the relief and rehabilitation phases of the programme, focus was more on organising the affected communities to re-engage in their livelihood activities. Subsequently, the programme has started focusing on coastal conservation for sustaining livelihoods of the marginal fishers and farmers depending on coastal and marine resources. The farmers are organised into associations, which in turn get involved in conservation of traditional water bodies like tanks and ponds for sustaining coastal agriculture based livelihoods. Similarly, the fishers, who have been organised into fishermen groups, are spearheading the coastal conservation movement. The fisher groups and their collectives have decided not to use the banned nets, which otherwise will deplete the fishery resources. Similarly, they take care of the coastal areas by regular cleaning up of coastal stripes and sea shores to maintain cleanliness. Apart from emulating the best practices of both Kalanjiam and Vayalagam programmes, the Peoples' Organisations promoted in the coastal areas are reinforcing the informal community governance that still exist in the coastal regions.

### Technology for Deepening Grassroots Democracy

Poverty is a complex phenomenon. The gap between the rich and poor is widening. Isolation, powerlessness, and inequalities aggravate poverty, perpetuate it from one generation to the next and make the poor more vulnerable and never allow them to come up. For poverty reduction to be achieved, the limitations that the socially and

economically marginalised communities face must be eliminated. These limitations include low self-esteem, lack of mobility and access to and control over resources, lack of access to services, to skill and capacity building opportunities, to information and technology. DHAN's ultimate goal is to reduce poverty by collective action and promote self-reliance among the poor and their organisations in a large scale through context specific development strategies. In this context, ICT for Poor theme was promoted by DHAN in the year 2000 to explore and develop ICT applications for poverty reduction.

The Village Information Centre (VICs) also called elsewhere as internet kiosks have been setup in the coastal villages. The VICs act as a resource centre for the villages, where an operator and a multimedia computer system with internet connectivity are available. They could provide computer experience for the rural population in the villages. The VICs help the villagers to use information tools, goods, and services for their development. These VICs offer 32 types of services ranging from data entry, video conferencing, and access to e-governance services of the government, e-health, e-education, e-agriculture and so on.

### Democratising Airwaves –Community Radio

To complement these ICT initiatives, DHAN has launched Kalanjiam Samuga Vanoli (Kalanjiam Community Radio) with a vision of creating a Community Media Centre with mixed media model, combining radio with video and web based technologies. Community Radio run by non-profit development organisations became reality after an historic judgment delivered by the Supreme Court of India in February 1995, which ruled that, "airwaves constitute public property and must be utilized for advancing public good." The judgment further decreed that broadcasting media as a whole should promote freedom of expression and speech and, therefore, should be able to enjoy freedom from Government monopoly and control subject to regulation by a public body.

Following this judgment, campaigners for community radio in India struggled for more than a decade for the creation of a new tier of not-



for profit radio stations, owned and run by local people, typically in rural areas, which would enable marginalized communities to use the medium to create opportunities for social change, cohesion and inclusion as well as for creative and cultural expression. Intense advocacy efforts taken up by the activists finally capitulated into an inclusive community radio policy approved by the Union Cabinet in November 2006.

The Kalanjiam Samuga Vanoli (Kalanjiam Community Radio) is one among the 24 Community Radio Stations run by Community Based Organisations being operational in India. DHAN Foundation established this Station in Nagapattinam District among the Tsunami affected communities. DHAN believes that the Community radio can perform as an enabling tool for poverty reduction, when it is truly owned and managed by the community, particularly the Peoples' Organisations promoted by the poor women, small and marginal farmers and fishermen. Promoting mutuality, self-help and self-reliance for achieving poverty reduction should form foundation for the Community Radios. The content that the communities make through their CRS should enable them to place it into a larger context of development. The content that depicts local issues should also promote dialogue among the local communities to work for change, and at the same time should advocate for the change in the policies, perspectives and processes of the other development stakeholders around them, the government, private and non-government agencies.

In DHAN's understanding of Community Radio, the content generated by the community can become a key engine for development; as it is a tool that can build on the local wisdom, community based methods and processes. Change focused content produced by CRS should be grounded on the basics of development discussed at the beginning. The CRSs in Nagapattinam and Kottampatty are following a unique process of generating local content with the support of the social infrastructure that has already been created in the form of federation of women SHGs, Farmers and Fishermen. Following the success in these two places, yet

another station has been promoted in Punganur block of Andhra Pradesh by a Tank Farmers' Federation.

## Democratising Panchayats



Good governance has direct impact over better development. The democracy has more meaning when it is built up from the bottom. The concept of 'Direct democracy' through empowered participatory and deliberative governance is treated to be the basic right to the community. Good governance through direct democratic practices is seen as the foundation for sustained and equitable development. Building effective participation by the community, especially at local levels of government, is viewed as a necessary condition for promoting good governance. Building good governance at the local level will trigger poverty reduction and ensure delivery of better services to the citizens. Ensuring People's participation in decision-making processes is increasingly being emphasized as a means of combating a range of social malaise, including the problems of social exclusion, political apathy and so on.

## Panchayat Raj Institutions in India

Panchayat institutions are our heritage. In India, the village level governance by the native people through Panchayats has the history of more than 2000 years. From Vedic period of Saba - Smithy system to "Kudavolai" (Pot token) system of village governance in the Chola's Kingdom, it has great significance in village administration. A feature of these institutions was that they were largely self-governing although their social background was



characterized by a rigid social structure. Between ancient, medieval and modern periods, the growth of Panchayats had ups and downs. By the period of Vijayanagar kingdom, the introduction of “Rayathwari” system for tax collection in village governance has led to centralization of power. Then, slowly our native knowledge in village governance started to deteriorate. In the beginning of British rule in India, the famous Mayo’s Resolution of 1870 gave impetus to the development of local Institutions by enlarging their powers and responsibilities. But, it doesn’t allow common people to participate. Only persons who are educated or economically sound were involved in decision-making.

Mahatma Gandhi has been insisting the importance of local self-government all through his life. He insisted that “the village Panchayats would be now a living force in a special way, and India would almost be enjoying self-government suited to its requirements”. Unfortunately after independence, the concept of Panchayat raj institution (PRI) was given very less importance. The Panchayats were introduced in the Indian constitution under Article 40 - the Directive Principles of State Policy, which was just optional and can’t be enforced. There was lukewarm response from the political elite at higher levels for strengthening of democratic process at the grassroots level. Continuous efforts of the civil societies and the political leaders, led to 73rd amendment in 1992, for creating the third tier of governance at the grassroots. As the result of 73rd Amendments, now we have about three million representatives as people leaders in grassroots’ institutions.

### **DHAN’s Initiatives in Democratising Panchayats**

In this context building new generation Panchayats with direct democratic characters needs diversified activities through rigorous experimentation at grassroots level. DHAN has initiated “Working with Panchayats” theme in the year 2003 with the goal of, ‘Bringing grassroots democracy in Panchayat Raj Institutions for development of poor and vulnerable, ensuring social justice, attaining direct democracy in Panchayat Raj system and making economically self-sustainable Panchayats’. The immediate



objectives were to build people centric governance and direct democracy at Panchayat level to ensure livelihood and poverty reduction. It was piloted in 25 Panchayats spread over five districts in Tamil Nadu. The programme experimented new concepts and instruments to democratize Panchayats such as social audit, micro-planning, local resource mobilisation, capacity building for enhancing techno-managerial capacity of Panchayat administration. Some of the key outcomes of the pilot and proven methods of promoting community governance are as followed:

#### ***Functional groups for fostering democratic practices***

The Gramasabha including all the villagers, sector wise working committees and Panchayat council are the legitimate institutions at the Panchayat level. In order to strengthen these institutions with more democratic practices DHAN promotes support institutions such as Panchayat Development Groups among the youths, farmers and women at Panchayat level and Village Development Forum at the hamlet level. These two institutions will supplement the legal structures for building efficiency and effectiveness.

#### ***Preparation of micro-plan (people’s plan) and facilitating its implementation***

The Panchayat programme of DHAN has evolved a toolkit for facilitating ‘micro-plan document for the Panchayats with Peoples’ participation’. Micro plan is a foresighted development plan prepared by all the stakeholders of Panchayat including people, representatives, and relevant departments. It is a revolving plan, reviewed and updated every year. It encompasses the immediate and long term needs



of the Panchayats, present and possible sources of revenue, and prioritization of needs. The Panchayat programme made efforts to make these micro-plans as legitimate document of the Panchayats, which was approved by the Gramasabha.

### ***Capacity building for better governance***

The basic issue related with Panchayat raj institutions is lack of clarity about the system among its stakeholders. All the three pillars of the PRI, namely, government officials, Panchayat representatives and the local community are need to be oriented on the real spirit of democratic philosophies and self-governance. DHAN has evolved a set of training modules for Panchayat representatives and voters based on the experiments taken up in 25 Panchayats, where the Panchayat programme of DHAN was piloted. A Diploma Course in Panchayat Management has been designed and offered as a distant learning programme through DHAN People Academy. So far 1200 candidates including Panchayat representatives, and aspiring to become Panchayat representatives have undergone this course.

### ***Mobilising local resources for achieving self-reliance***

Achieving self-reliance by Panchayats by generating income from its own sources to meet their expenditure incurred for performing its mandated functions and meeting its administrative expenses will give it autonomy. With the support of revolving fund, Panchayats have taken up some income generation activities through livestock based micro-leasing product and providing household level water services. With increased income from internal sources, the Panchayats gain confidence for moving towards self-reliance.

### ***Transparent and efficient governance***

Accountability and efficiency are the two sides of any democratic structure. Being a grassroots level democratic institution, PRIs are responsible to the community by its transparent procedures and it also needs to have capability to respond to the needs of the people efficiently. When the people lose their trust on the governance due to lack of transparent

processes in administration, they will not participate in its affairs. The Panchayat programme of DHAN has devised a tool 'Panchayat Parliament' that involves all the stakeholders of Panchayats to come together, plan, monitor its implementation and their outcomes. There are positive responses from the people for the social audit process conducted as part of the Gramasabha meetings, where the all the relevant information pertaining to projects taken up by the Panchayats are kept public.

### **Way forward**



After a decade in incubation, both Kalanjiam Community Banking Programme and Vayalagam Tankfed Agriculture Development programmes grew into Peoples' Movements spearheaded by the Peoples' Organisations at the grassroots level. These Movements are nurtured and supported by DHAN to address the larger development issues related to women and water. DHAN is committed to building Peoples' Organisations that can achieve the highest democratic ideals. These organisations earn goodwill and identity to provide a strong and credible voice in advancing progressive solutions to critical social, economic and cultural issues. With greater emphasis on the values of self-help, mutuality, and self-regulation, these Peoples' Organisations are working towards building a new social order in which the poor and marginalised families can identify, generate and act on their choices, determine the meaning of their lives and their identities, negotiate and ascertain equity and equality within their societies.





# Annual Report 2010-11







# Annual Report 2010-11

## Overview

It was a moment of pride for DHAN Collective to bag the Indian NGO Award 2009 instituted by Resource Alliance and Rockefeller Foundation during this year. Evaluated for effective and sustainable mobilisation of resources from the local community; efficient management of resources, good governance practices, transparency and accountability; impact of the work in bringing about tangible benefits to the target communities – the award has been a recognition for DHAN's contributions. DHAN owes this recognition to the poor communities, who have been spearheading the poverty reduction efforts at the grassroots.

It was a year of 'advancing partnership' with State and Corporate institutions and the community. Collaboration with the Women Development Corporation of Maharashtra (Mahila Arthik Vikas Mahamandal – MAVIM) and *Vazhndhu Kaattuvom* Project of Tamil Nadu has brought a new way of partnership with the State in advancing the Kalanjiam enabling model of microfinance.

A new beginning in advancement of conservation and development of water resources from isolated tanks to cascades of tanks in a river basin was made possible with two large scale partnerships with Hindustan Unilever Limited (HUL) and Axis Bank Foundation.

A collaborative action research project 'Revalorising Minor Millets in Rainfed Regions of South Asia' taken up by the Rainfed Farming Development Programme with the support of the International Development Research Centre (IDRC), Canada, is expected to bring a lot of lessons and insights for future practice.

DHAN Foundation with its philosophy of mothering development innovations, has been launching new themes for piloting in the beginning each decade. In the beginning of 1990s, Kalanjiam

Community Banking and Vayalagam Tank-fed Agriculture Development were launched to work on microfinance and water as tools for poverty reduction. At the dawn of the new millennium, in 2000 DHAN initiated four more themes - Tata-Dhan Academy for Development Education, Rainfed Farming Development, Information and Communication Technology for the poor, and democratising Panchayats. Now, the Tata-Dhan Academy, with the experience gained from a decade of engagement in promoting development management education, is becoming a third thematic institution in the DHAN Collective. The Academy is repackaging its flagship Programme in Development Management to build a new breed of 'Development Missionaries', who will cherish the development work as not just a profession, but a way of life.

In the beginning of third decade 2010, the Foundation has launched new development themes on migration, youth and climate change adaptation.

The fifth edition of the Madurai Marathon was organized in January 2011 on the theme of 'Climate Change Adaptation'. Axis Bank Foundation came forward to support the Marathon. The fund raised for the cause will be used for farm ponds, tree planting, renovation of water bodies and piloting on solar energy. This Marathon also campaigned for creating awareness on Climate Change and its local relevance to the public through a variety of events.

Contributions in the form of products and services by the specialized Centres in DHAN Collective working on human resource development, development communication, finance, facilitating philanthropy, research, policy and planning have played a greater integration role across the programmes for enhancing their field action. Also, their contributions to the development sector through research, consultancy and advocacy in their respective fields have brought them greater visibility.



## DHAN Foundation at a Glance

Particulars	2009	March 2010	2011
<i>Cumulative Figures</i>			
<b>Reach</b>			
No. of Families	735,501	810,185	923,865
No. of Primary Groups	29,326	33,039	37,071
No. of Clusters	1,367	1,648	1,432
No. of Federations	164	206	283
No. of Villages	9,531	9,757	10,755
No. of Districts	41	51	54
No. of States	11	12	12
<b>Staff</b>			
No. of Professionals	314	331	354
No. of Programme Staff	347	346	393
No. of People Functionaries	1,904	2,197	2,118
<b>Finances (RS. in million)</b>			
a) Programme Funds			
People	1,637	2,051	2,651
Banks	3,368	5,020	6,174
Government and Donors(for the year)	486	104	445
<b>Sub Total</b>	<b>5,491</b>	<b>7,175</b>	<b>9,270</b>
b) Programme Management (for the year)			
People	52	63	67
Government	8	17	20
Donors	240	236	193
<b>Sub Total</b>	<b>300</b>	<b>316</b>	<b>280</b>
<b>Grand Total</b>	<b>5,791</b>	<b>7,491</b>	<b>9,550</b>



# Kalanjiam Community Banking Programme



DHAN Foundation initiated the Kalanjiam Community Banking Program in 1990. Over the last two decades these efforts resulted in developing an 'enabling model' of microfinance, emphasizing member ownership, self-help, and mutuality. The primary aim of this model 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 scaling-up the Kalanjiam nested institutions model. The approaches of the programme are:

- ✍ The primary unit is Kalanjiam, Self-Help Group of 15 to 20 poor women. It acts as a single window and works at the doorsteps of the beneficiaries for savings and credit transactions. The cluster and federation at panchayat and block levels are the nested institutions at next higher levels. They help the Kalanjiams address other social and development needs of the members such as drinking water, health, education, sanitation, access to basic infrastructure, alcoholism, gender issues, etc.
- ✍ Promotion of creative financial products such as savings, credit and insurance is an integral part of the microfinance services of the programme. Experience has shown that the 'poor can save', and savings by the poor lays a strong foundation for a successful microfinance programme. The products developed have integrated the existing practices of the poor and development needs of members. All the three services - savings, credit and insurance provided by the programme have made the poor manage their finances effectively.
- ✍ The nested institutions at the panchayat and block levels help create linkages with banks and apex 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, and provide insurance services.
- ✍ The federations create conducive environment for promoting livelihoods of the member families through business development services, skill building, and market linkages.
- ✍ The programme identifies and nurtures the latent leadership potential among poor women and provides a great opportunity for them to emerge as dynamic grassroots leaders to manage and sustain their organisations.
- ✍ The programme has become a movement called the 'Kalanjia Iyyakam' – to bring more women into Kalanjiams.



The Kalanjiam Community Banking Programme was able to create benchmarks in expansion in tribal areas during this year and the huge potential that exists in tribal locations was an eye opener for the programme.

Collaboration with MAVIM materialised during the year and they have recognized DHAN Foundation as strategic partner.

All the regions have taken efforts to become full-fledged Regional Resource Centres. They have created infrastructure facilities and started organising in-house capacity building events.

Efforts were taken to tap the savings potential, and the average savings of members increased significantly. There was major focus on strengthening loan appraisal systems and follow up mechanisms. Emphasis was laid on increasing the coverage of members in life insurance and on insuring their spouses.

Interventions on dairy development in Dindigul and Theni regions were strengthened through expanding the number of Primary Producer Groups (PPGs), creating alternative market channel through linking with Anandham dairy at Cuddalore and introducing systems at various levels. The experience so far in dairy indicates that there is great scope for expanding the activity.

To consolidate the health initiatives taken up over the years, a process was initiated for standardising components, systems and procedures for converging microfinance and health.

The product on electricity reached out to the members on a larger scale across the programme.

### Expansion through direct action

The Kalanjiam programme was expanded to 10 new locations in North Indian states with the support of Hivos and Sir Dorabji Tata Trust (SDTT). In addition, Sustainable-agriculture and Environment Voluntary Action (SEVA), a local NGO that has been implementing SHG programme in a location near Madurai handed over its management to DHAN.

The Programme increased its outreach to another 65,791 poor during the reporting period through



forming 3,292 groups. As on March 2011, the Programme has an outreach of 554,439 poor women spread over 184 locations in 46 districts of the country. In addition, the programme could reach another 65,000 families through other organisations with its resource support, taking the total outreach into 619,439 members. There are 122 registered federations functioning in the Programme.

Benchmarks were made in tribal locations such as Tankuppa of Bihar, Betnoti and Moroda of Orissa and Chandwa of Jharkhand in terms of group formation. In Tankuppa location, over 150 groups were promoted in a one year, which is the highest number of groups formed in a location in the Programme so far, irrespective of contexts. These achievements have given confidence to the Programme to expedite expansion in tribal areas.

Under Tamil Nadu Vazhnthu Kaattuvom Project, 154 Village Poverty Reduction Committees (VPRCs) have been promoted in four hilly tribal blocks of Tamil Nadu. In these locations, 1,080 SHGs were formed during this year. A document on Special operational strategy for Tribal development was prepared and submitted to the State Vazhnthu Kaattuvom Project Management Team.

### Collaboration with MAVIM

DHAN Foundation has been selected as a Resource NGO by MAVIM, Maharashtra. A Memorandum of Understanding between the organisations was executed and the project was launched during this year. As an initial step of the project, a resource team from DHAN Foundation visited Tejaswini programme of MAVIM to make a situational assessment and conduct a midterm outcome



survey of the Tejaswini programme. Findings of the situational assessment and outcome survey were shared with the review mission of IFAD, which funds the Programme. Subsequently, a training need assessment was conducted for district level officials of Tejaswini Programme in which 60 staff members participated.

A strategy team from MAVIM including the Chairperson, Directors and Managing Director visited DHAN Foundation to have an exposure on the Kalanjiam model of microfinance. As an outcome of this visit, MAVIM has agreed to have DHAN Foundation as a strategic partner for implementing the Tejaswini Programme in Maharashtra. MAVIM also requested DHAN to directly implement their Programme as an FNGO to promote 27 CMRCs in nine districts of the state. A separate Terms of Reference has been evolved for this.

As part of MAVIM collaboration DHAN has provided (Self Help Enabler) software for 110 federations of MAVIM and will be providing SHE software to another 167 federations. Apart from this, the Local Government Engineers Department, Bangladesh requested DHAN to provide SHE software. Till date, a resource team from DHAN has visited Bangladesh twice and trained some 42 staff members in SHE software. Customized solutions were given online whenever there was a request from them.

### Promoting Regional Resource Centres

The Regional Resource Centres, also known as DHAN Resource Centres (DRCs) in each region have defined their roles, structure and functions. Training programmes for local staff and people leaders, which were earlier conducted at the DHAN People Academy, were shifted to the DRCs. During this year, a number of training programmes on systems at location level, Kalanjiam movement, livelihoods, health, micro-justice, and institution building were organised by the DRCs. Over 11,137 staff and people leaders were trained through 126 programmes during this year. Besides, these regional centres handled exposure visits by representatives from external organisations. Regions at Salem and Ratlam organised training programmes for representatives

from other NGOS, government organisations and banks.

A training programme for bankers from North Indian states on SHG-bank linkage was organised in partnership with College of Agricultural Banking and NABARD. Banking officials from the states of Orissa, Madhya Pradesh, Maharashtra, Rajasthan, Punjab, Uttar Pradesh, West Bengal and Chhattisgarh participated in the programme. There are plans to conduct similar programmes in a larger scale in the coming years.

### Promotion of Federations

During this year 14 locations were registered as federations. Contribution to the tune of Rs. 618 lakh was mobilised from the community during this year to run the second level institutions namely Cluster Development Associations (CDAs) and federations. Out of 184 locations promoted so far, 86 were able to cover all the operational costs from their internal sources.

Various cost reduction and cost control measures taken up by the Programme have yielded positive results. Sustainability charting and visioning exercises for the people's institutions were conducted by each federation, in which the SHGs, Clusters and Federations envisioned their growth five years down the line. The exercise was carried out in the federations under the guidance of the Programme and regional teams. The entire staff teams and leaders of the federations were involved in it.

Increasing number of groups to staff ratio was given first priority as a part of increasing the efficiency and cost reduction measures in the federations. Earlier, each cluster associate would look after around 20 groups. Through sustainability charting, the ratio was increased to 30 in rural areas and 40 in urban areas. Thus, the number of cluster associates per federation was reduced from 10-15 to 6-9 depending upon the number of groups in the federation. Secondly, the strict appraisal on budgets by the Programme and regional teams to guide federations was useful in cutting down costs particularly on administrative heads.



All the federations were guided to conduct the conventions during this year. A programme level system was developed to track the conduct of executive committee meetings at the federations during this year. Rotation of leaders at cluster and federation levels was given thrust in all the locations. Federations from Kancheepuram, Salem and Dindigul regions conducted retreat for the leaders. It is planned to conduct similar events in all the federations. Federations in Vishakhapatnam, Dindigul, Salem, Thanjavur, Chittoor and Madurai Urban regions through their DRCs gave greater importance to train their members and leaders.

### Financial services

All the groups have mobilised Rs. 327.2 million worth of savings from their members. As on March 2011, the cumulative savings by members in SHGs was Rs. 1986.6 million, and including reserves and surpluses, the funds with SHGs was Rs. 2553.8 million. Because of increased volumes of savings, the groups were able to leverage loan funds from commercial banks. Also, the increased savings served as buffer to meet the credit needs of the members as overall scenario of SHG-Bank linkages was not favourable in the last three years. There was a significant increase in savings rate per member per month over the last three years. Benchmarks were set in groups from Salem and Dindigul regions in savings rate to a level of Rs. 200 per month.

Many groups in Betnoti, a tribal location in Orissa have set a benchmark of savings rate per member per month ranging Rs. 75-100. This was possible through understanding the cash flow of the members and facilitating them to save higher amounts during high cash flow periods. In matured and older federation withdrawal of savings above the limit of Rs. 2,500 - 5,000 was high. About Rs. 160 million was withdrawn during this year for various purposes by the members. This aspect needs high attention as continuous withdrawal of savings will surely impact the groups' leverage.

This year, member loan outstanding stood at Rs. 3734.2 million. Repayment delinquency was observed in a few locations. There is a strong need

for providing financial literacy and the Programme has planned a large scale financial literacy programme for the members. It has also started relooking at the policies and strategies on loan appraisals and scheduling. As a first level outcome of this, systems such as sharing loan demand card to the members has been introduced and there were positive results due to this.

As many as 5,76,008 lives including the women members and their spouses have been covered under life insurance as on March 2011. Major emphasis was given to educate the members on health insurance through use of Information Education and Communication materials, street theatres, film show, and campaign by the staff and leaders. So far, 14,215 family members have been enrolled in the Universal Health Insurance Scheme of National Insurance Company Limited through People Mutuals. Thanks to the intensive insurance literacy campaign, the number of lives covered under insurance is showing an increasing trend over the last three years. While life insurance coverage 2007-08 was 3.2 lakhs persons, it was 5.76 lakhs in 2010-11. At the same time, there is a need to increase the coverage of spouses of members.

### SHG-Bank linkages

The Kalanjams could mobilise Rs. 1099.5 million from the commercial banks during this year. As on March 2011, the SHGs' loan outstanding with banks was Rs. 1249.7 million. The shortfall was primarily attributed to the poor response from the bank branches in North Indian states for SHG-Bank linkages. Since the SHG programme is at the initial





stages in these states, the bank officials are unaware of viability of SHG-Bank linkages.

Thanks to the continuous efforts by our teams, locations such as Betnoti, Sailana and Koraput could make significant breakthrough and a considerable number of groups got linkage assistance from the banks. Banks namely State Bank of India, UCO Bank, Bank of India and Ratlam Regional Rural Bank were involved in the Kalanjiam-Bank linkages in the project area. However, in other tribal locations SHG-Bank linkage continues to be a major issue in spite of larger demand for credit from the members. Mechanisms like steering committee meetings, branch level forums, and joint appraisals will have to be intensively followed in the coming years to maximize the credit mobilisation.

The support from KDFS was quite critical in addressing gaps in bank linkages through providing bridge loans to the groups. Besides, ensuring timely credit support to the members, linkages from KDFS have also acted as a demonstration of the viability of group lending since all the transactions between groups and KDFS took place at the local commercial bank branches.

### Kalanjiam Movement

The Kalanjiam Movement was registered as a legal entity during this year. The entity is named as 'Kalanjiam Mutual Movement' and it has been registered as a 'Mutual Trust'. The movement will act as a confederation of Kalanjiam federations and will represent the interest of the people's institutions at the state and national level with its legal identity. The life time membership fee payment system by the groups, which was introduced during last year picked up gradually and across the programme, considerable number of groups have started paying their membership fee to the movement.

### Promoting activity based livelihoods

Seventy one Primary Producer Groups (PPGs) were promoted this year around activities namely dairy, herbal plants collection, charcoal making, terracotta products making and marketing of agricultural products. On understanding the need for mapping

out livelihood activities and skills of SHG member households a process of creating baseline of all the members of the Programme was initiated. Preliminary analysis of a sample survey on baseline has given good insights about the effect of SHG interventions so far and also provided leads for livelihoods promotional interventions.

**Dairy farming:** Dairy intervention was given larger emphasis during this year. Dindigul, Madurai and Theni regions were identified with high potential for dairy interventions as more than 25 percent of the member households are already involved in dairy activity. The intervention was supported by 'Anandham' dairy initiative of Coastal Conservation and Livelihoods Programme in Cuddalore district, Tamil Nadu. The support was in terms of marketing tie ups and capacity building of the federation and regional staff on milk production and marketing. The Anandham dairy procures raw milk from the dairy PPGs, processes the same, and markets the product with the brand name of Anandham.

Procurement of raw milk from all PPGs together per day was 3,000 litres and it is planned to increase it to 10,000 litres. In addition to marketing support, members of the dairy PPGs were provided with services such as credit for animal purchase, insuring the animal, collective cattle feed purchase, artificial insemination etc. Bulk milk cooler units were set up in Dindigul and Theni regions with a capacity of 5000 litres each. These units act as feeder points for Anandham dairy plant at Cuddalore. Efforts were taken to introducing and strengthening systems in dairy PPGs. Books of accounts were designed and introduced in all PPGs during last year. Statuary auditing for dairy PPGs was completed during this year.

**Papad making:** As a part of promoting urban livelihoods, a production unit owned by a PPG has been initiated for papad making activity in Madurai Urban region. Preliminary work such as conducting feasibility study, developing a project design and identifying potential candidates was completed and one PPG with 15 members has been promoted. The papad unit has been linked with Ajantha Papad, a local brand for marketing. The unit makes



an average turnover of Rs.2.1 lakhs per month. Expansion to other urban areas will be based on the level of success of this pilot.

**Herbal collection:** During this year, 21 PPGs with a membership of 344 were promoted and they are involved in collection and marketing of medicinal plants. In addition, 200 herbal collectors though not organised into PPGs, were supported through the interventions. Since the collectors are scattered, they are not organized. The programme has planned to organise them into PPGs in the coming year. Linkage with herbal processing units in Pune, Bangalore and Pudhucherry has been strengthened.

**Provision stores:** A Producer Company (SPCL) was promoted in Sri Padmavathy Mahila Abyudaya Poduppu Sangam (SPMS) Tirupathi with emphasis on providing quality groceries to all the members at a lower price compared to the market. The Company initially was involved in marketing all grocery items. Since last year it has changed the strategy to focus on selected food articles. Presently, the company markets rice on retail basis. The company is also implementing another programme called 'Wealth from Waste' in collaboration with ITC. Under this programme the members are collecting reusable wastes from all households in the corporation, which is sold to ITC for making products. During this year, SPCL made a turnover of Rs. 4.0 million. In the last year, SPCL reached the potential to cover the cost of operation and since there is a possibility of expansion, it should soon start making surplus.

## Health intermediation in Kalanjiam Federations

The health programme with focus on reproductive and child health has been expanded to 93 federations in six states reaching out to 3,82,865 population. The health programme strives to achieve the following outcome indicators.

- ✍ Reducing Anaemia among mothers and adolescent girls
- ✍ Reducing malnutrition among children
- ✍ Reducing morbidity among mother and children
- ✍ Reducing healthcare expenditure of poor households

- ✍ Increasing health seeking behaviour among poor households
- ✍ Reproductive and Child Health Initiatives

This component is being implemented in 20 federations with the support of ICICI Bank, Oxfam Novib and SDTT. Self Help Groups at village level nominate 3-5 representatives on village health governance forum for taking nutrition agenda at village level. Similarly at cluster and federation level, executive committee members are on the governance forum. So far 1,767 village level health governance fora have been promoted with representation of 7,545 women leaders, of which 1,304 with the membership of 5,165 were initiated during this year. In all, 282 Cluster level and 27 federation level health governance fora have been promoted, of which 208 cluster level and 20 federation level health governance fora were initiated during this year.

The health fora have started representing in Panchayat Raj Institutions particularly in Gramasabha and village health and sanitation committees. They also work with village health sub-centres (HSCs) and primary health centres (PHCs). The members take part in review and joint planning events of PHCs. The self health governance committees have taken part in pulse polio campaigns and health camps to support the public healthcare system. The health governance forum also supports the department in their regular work like schools level camps and ante natal care camps. Staff of HSCs and PHCs visit self health forum meetings as resource persons. The fora are now able to influence the staff of HSCs and PHCs to provide services which are increasingly becoming in demand at local level.

The behavioural change communication strategies followed in the Kalanjiam programme stress on changes in knowledge and attitude which leads to desirable practice changes. A mix of communication methods like cultural campaigns, hoardings and wall paintings, training during SHG meetings, household visits for follow up and counseling were adopted. These strategies have been found to have significant impact in practice change of the target group which is evidenced from end line evaluation in the project.



The federations took the responsibility of initiating and building linkage with public health department in the locality. Presently, the federations work with 62 PHCs and 374 HSCs. From a passive and disinterested response at the early stages of our interventions now the department officials show a positive response on many aspects and it is becoming an active partnership between the people's institutions and public health department. The linkage with government health departments was quite positive in Madurai Rural, Dindigul, Tanjore, Theni, Vizag and Mysore regions. However, in Chittoor and Bangalore regions further efforts are required to build the relationship.

Due to the results of demonstrations at the ground level and policy advocacy efforts at the state level, Tamil Nadu State Health Society of Government of Tamil Nadu has selected DHAN Foundation to implement anaemia control project in five blocks. Thanks to this partnership, the Kalanjiam Programme works with district level health offices of the department in these five blocks and this has given a greater leverage to build linkages between the federations and the government departments. Steering committee meeting mechanism, which provides a good space for the people to represent their needs and demands to the department officials in a legitimate way, has been introduced and regularised in all these five districts.

As many as 39 private hospitals in addition to the 62 PHCs and public hospitals have been identified so far to provide referral services. Women and adolescent girls having reproduction related ailments with severe intensities are referred to these identified health providers through the self-health governance. Referrals to public hospitals are facilitated through camps jointly organised by the government department and the federations. The systems ensure early diagnosis and reduction in cost of treatment for the members. Over 90 health camps on various ailments including general, gynecological, pediatric, diabetes and anaemia have been conducted during the period and have served 15,524 patients.

**Intervention on HIV/AIDS:** The project is being implemented in Sellur location in Madurai Urban,

and Ponnammappet and Kondalampatti locations of Salem Corporation. During this year, major focus was given on providing knowledge based education on HIV/AIDS to the community, inculcating practices towards prevention of HIV/AIDS, early diagnosis and counseling on Reproductive Tract Infections / Sexually Transmitted Infections (RTI/STI) through medical camps and ensuring care and support through mainstream institutions. Two steering committee meetings were conducted, one each in Madurai and Salem. A total of thirteen voluntary blood testing and counseling camps were organised with the support of VCTC which were attended by 1,093 members. As many as 11 STI/RTI camps were conducted and 946 members attended the camps. Out of the total 946 cases, 421 were sent for further treatment to Government and Private Hospitals. About 43 persons were identified as persons living with HIV and referred to Government Hospital for further treatment and ART assistance. The other services provided were enrollment in the welfare schemes and linking them with the Community Care Center. Five family counseling centres were initiated and 487 members were counseled through these centres.

**Sustainable Healthcare Advancement (SUHAM):** SUHAM project was initiated with the purpose of creating access to quality and timely healthcare service at affordable cost. In SUHAM Theni, 8,142 outpatients and 167 in-patients were treated. In SUHAM Madurai, 21,600 out patients and 315 in-patients were treated during this year. The major focus was on sustaining the institutions through mobilising non-members, linking mainstream insurance companies by becoming network hospital for Star Health Insurance Company and others, enrollment in government schemes, and conducting outreach camps. Over 32 camps in Madurai and 28 camps in Theni were organised.

## Deepening microfinance

There were two developmental interventions; providing electricity connection as a special project was undertaken in 30 locations and WASH (water, sanitation and hygiene) project was undertaken in 50 locations.



**Electricity:** In the last three years totally 16,873 households were supported to get the electricity connection through providing a credit of Rs. 82.6 million, of which 3,756 households benefited during this year. In addition to credit provision, supports such as relating with local electricity board, collective purchase of inputs, collective contract of labour for electricity connection works were given to the members based on the need.



**Water, Sanitation and Hygiene (WASH):** Creation of awareness among the Kalanjiam member families on safe drinking water, sanitation and hygiene was the primary focus of the project. Education for the members has been done adopting different mechanisms. In Madurai rural, Dindigul, Theni, Kancheepuram, Thanjavur, Vellore and Tumkur regions, efforts were taken to link the members with the Total Sanitation Programme implemented by the district administration. As a result, 8,530 SHG members have constructed toilets in their houses. As a part of safe drinking water initiative, usage of biosand filter was encouraged among the members. In the project locations, benefits of the filter were demonstrated at federation and cluster levels. Due to the continuous education at group level and demonstration there is an increasing demand for the filter among the members. So far, biosand filters have been installed in 3,835 member households. The Kalanjiams have provided credit facility to the members to purchase and install the filters.

### Status of Kalanjiam Community Banking Programme

Particulars	March		
	2009	2010	2011
<b>Spread of the Programme</b>			
a) No. of States	11	12	12
b) No. of Districts	36	45	46
c) No. of Blocks	164	173	184
d) No. of Kalanjiams	26,049	28,488	31,780
e) No. of Cluster Development Associations	1,143	1,120	1,193
f) No. of Federations	99	108	122
g) No. of Members	434,419	485,867	619,439
h) No. of Villages	7,615	7,489	8,074
<b>Finance (Rs. in millions)</b>			
a) Total own funds	1,670	1,928	2,554
b) Savings	1,368	1,659	1,987
c) Reserves & Surplus	302	268	567
<b>SHG Bank Linkage</b>			
a) No. of branches involved	194	320	320
b) No. of banks involved	29	31	34
c) No. of loans	66,626	78,706	87,355
d) Amount mobilized	3,521	4815	5,915
<i>Loan outstanding with members</i>	<i>2,595</i>	<i>3300</i>	<i>3,734</i>
<b>Total credit generated</b>	<b>8,377</b>	<b>10,782</b>	<b>13,580</b>

\* includes 65,000 members reached through resource support



# Vayalagam Tankfed Agriculture Development Programme



There are numerous small irrigation tank structures spread over the entire Deccan Plateau, which serve millions of 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 DHAN-Vayalagam (Tank) Foundation has been promoted for the following core purposes

- ✍ Poverty reduction of small and marginal farmers, the landless and women through Conservation and Development of Small Scale Water Resources
- ✍ Building nested institutions and their sustenance to ensure local management
- ✍ Making sustainable the livelihoods of farmers through stabilising tank-fed agriculture

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, district etc.
- ✍ Rehabilitating water harvesting structures with farmers' contribution and participation to improve the acquisition of water, restore the system efficiency and increase water use efficiency.
- ✍ Tank-based watershed development is a distinct value addition of the programme. Tank rehabilitation as a component of watershed development paves the way for harvesting all the rain water within each watershed boundary.
- ✍ Promotion of Micro Finance Groups to provide access to savings, credit and insurance services to the farmers. These groups serve as a platform to bring farmers together regularly to discuss the conservation of tanks and sustaining tank-fed agriculture.
- ✍ The Vayalagam Agriculture Development Centres are working to raise land productivity to improve the livelihood of command area farmers by creating awareness about new farming and irrigation management techniques through Farm Schools, promoting seed farms to produce quality seeds and for bulk purchase of farm inputs to get the benefits of economy of scale.
- ✍ Collaboration with relevant academic and research institutions at national and international levels to do research on tank systems and tank-fed agriculture.
- ✍ The programme constantly interacts with the local, State and Central Governments to fund tank development work and to frame better policies for tank system administration.



## Scaling up Vayalagam model of Conservation and Development



The Vayalagam programme has entered into new collaborations with corporate and philanthropic institutions this year to scale-up the Vayalagam model of conservation and development of traditional water resources. The programme has progressed from ‘cascade approach’ of developing chain of tanks to much larger ‘basin approach’ to work for a transformation of water resources in small river basins that sustain thousands of irrigation tanks. Committed partnerships with large corporates such as Hindustan Unilever, Axis Bank Foundation, Bharat Petroleum Corporation Limited – Oil Industry Development Board, and ITC Rural Development Trust have made it possible. Tank-based watershed development has become a part and parcel of water resource development for poverty reduction.

Another major breakthrough in scaling-up the Vayalagam model was the partnership of National Banks for Agriculture and Rural Development (NABARD), as a Resource Support Organisation to handhold NGOs to implement tank-based watershed development in Nalgonda, Karimnagar and Nizamabad districts of Andhra Pradesh. The Programme has organised 30,078 farmers this year reaching total membership of 212,879 farmers, who have been organised into 2,673 Vayalagam Farmers’ Groups around the Waterbodies. These Vayalagams have been networked into 168 Cascade Associations / Watershed Associations, and federated further into 31 Vayalagam Farmers’ Federations.

## Conservation and development of water resources

Conservation and development is one of the core components of the Vayalagam programme to make the waterbodies efficient and effective in harvesting rainwater and helping the farming community to stabilize their livelihoods. During this year, the programme was able to take up renovation and development of irrigation tanks, drinking water ponds, and watershed development works to the tune of Rs. 50.22 million. Nearly 50 percent of the work was done through mainstream resources, mobilised from the state sponsored projects such as Jala Samvardhane Yojana Sangha (JSYS), Andhra Pradesh Community Based Tank Management Project (APCTMP), and Participatory Watershed Development Programme in distressed districts through Prime Minister’s package by NABARD.

Another major project was the European Commission funded project ‘Increased Water Harvesting and Diminished Desertification’, which was co-financed by the Oxfam Novib, the Netherlands. Over 22 percent of the work was done through this project. As said earlier, the corporate philanthropy from HUL, Axis Bank Foundation, ITC Rural Development Trust was helpful to take up about 15 percent of conservation work during the year.

The community continued to contribute 10-15 percent of the estimated value of the work either by cash or kind in case of common resources and 40-50 percent in case of individually owned water resources such as farm ponds. The rehabilitation and development of water and land resources through the 1338 irrigation tanks and 61 watersheds have





benefited over 150,480 hectares of land owned by the small and marginal farmers. Out of 54,581 hectares of command area served by all the 1338 rehabilitated irrigation tanks, about 46,600 hectares of land was cultivated during this year. The reason for the drop was failure of monsoon and inadequate filling of tanks this year.

### Microfinance interventions

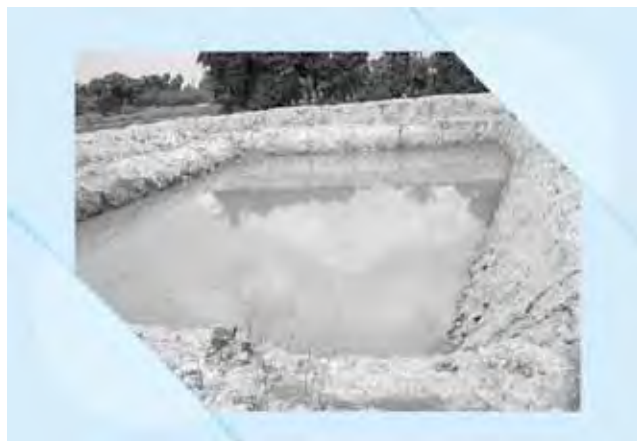
The Vayalagam programme assimilated the good practices of microfinance done through the organised social capital in the form of SHGs by poor women, and integrated into the Vayalagam institutions. Availability of credit at an appropriate time at an affordable rate is more critical for the farmers to meet their cultivation needs. Contrastingly, the men SHGs did not enjoy the access to banking services as did the women SHGs. With continued persuasion and demonstration, the Microfinance Groups (MFGs) promoted among the Vayalagam farmers including both men and women were able to convince the bankers and mobilise credit through the SHG-Bank linkage. During this year all the MFGs have mobilised Rs. 53.62 million worth of loans from the local commercial banks, and they are maintaining good repayment record as well. Since savings-led financial services have universally proved to be sustainable for generations, the MFGs insist on savings as a powerful tool to build the stakes of the members in their groups. All the groups have mobilised Rs. 17.57 million as savings during this year taking the cumulative savings to Rs. 37.82 millions. All the members have availed Rs. 114.3 million worth of loans from their groups for various production needs.

### Social security through risk reduction

The Vayalagam programme has facilitated insurance services to the member families by sourcing appropriate insurance products for life, health, crop and livestock. There is an increasing awareness on the need for insurance. Members have shown interest on life and crop insurance products. Since the state governments in Tamil Nadu and Andhra Pradesh have launched a state sponsored free health insurance package, there was not much enrollment under health insurance products. Wherever needed, the programme facilitated covering of all the eligible

members under such insurance services. Under International Labour Organisation supported micro-insurance innovation project, about 1000 farmers have been covered for a total area of 2,800 acres of crops namely paddy, maize and sorghum.

### Inland fisheries in Waterbodies



Promotion of inland fishery in the common as well as private Waterbodies has gained momentum and there has been an increased demand from the community for this activity. During this year fish rearing was taken up in 367 Waterbodies including tanks, village ponds and farm ponds. Training in pisciculture was organised for field associates from seven federations. Onsite review and consultancy for the fish growers was organised for 23 federations. All these efforts have made this activity a resounding success and in all these sites the success rate has been around 70 percent. In addition to providing additional income to the associations and individual households involved in this activity, it has also enhanced nutritional value of the diet in the poor families as a portion of the catch was taken for consumption as well.

### Ensuring safe drinking water

The poor suffer from lack of access to safe drinking water. Localised water harvesting structures like Ooranis or drinking water ponds continue to be the sustainable solution to the drinking water problems of the water scarce regions. Most of these sources are untreated, and contain physical, biological and chemical pollutants. The poor families have limited means of purifying this water, and therefore suffer from waterborne illnesses that severely affect their lives and livelihoods. The Vayalagam programme





works with these communities to ensure safe drinking water through renovation and construction of new Ooranis and promotion of affordable technologies for safe household treatment of water.

The Vayalagam programme supplies Biosand filter, a simple and affordable method of household water treatment and storage. The Bio Sand filter is a modified version of a slow sand filter made to accommodate for a household utility. There is now growing evidence that the filter eliminates viruses, bacteria and parasites from household stored water, and reduces the risks of diarrheal disease for people of all ages. During this year alone the programme has installed 480 filters benefiting around 3400 people and trained around 700 members on safe-drinking water and upkeep of filters.

### Centre for Urban Water Resources (CURE)

Water issues in Urban areas have multiple challenges like delinking of water courses, encroachments and solid waste dumping and pollution of tanks, siltation and choking of supplies to temple tanks, sanitation related issues and water borne diseases affecting livelihoods of poor. The Centre for Urban Water Resources (CURE) promoted by the Vayalagam programme has come out with a three pronged integrated solution namely, renovation of urban Waterbodies including temple tanks, improved access to safe drinking water and sanitation services, and recycling of wastewater using decentralised wastewater treatment system (DEWATS). It has been widely accepted among all the relevant agencies involved in urban development.

During this year, the dissemination of DEWATS was made in three events such as regional workshop

organized by International Water Association, Chennai; another workshop organised by the southern chapter of IWA with Madurai Corporation; and a workshop showcasing water recycling models organized by WASH Institute. Two DEWATS dissemination lectures to the students and lecturers of civil engineering and environmental engineering departments in local engineering colleges were given.

At the field, the Centre has completed the construction of DEWATS for the community in Panaiyur village near Madurai, under the government sponsored Namakku Namae Thittam. The total cost of the project was Rs.1.48 million; the community has contributed 8 percent of the project cost. Also, two more DEWATS were completed in Tata DHAN Academy Campus and commissioned. With the funds mobilised from Madurai Marathon, desilting of temple tank in Tiruparankundram was taken up this year.

### External evaluation of Vayalagam programme

As all the conservation and development works around the water resources were taken up as public and private partnerships, or funded by philanthropic organisations, mid-term evaluation of programme outreach, systems, and impacts realized was done by external agencies for the various donors during this year. The evaluation by Institute for Resource Analysis and Policy commissioned by Sir Dorabji Tata Trust has commended the works. Similar evaluations were done for HUL project by M/s. Ernest and Young, New Delhi and audit by ITC, Kolkata, and both the evaluators have appreciated the systems, processes and outcomes.

### DHAN as a resource centre in Water sector

The recognition and goodwill gained over the past two decades through the demonstration of water resources development with the people governed institutions have helped the programme make an impact on policies related to small scale irrigation infrastructure at the state and central government levels. Two senior members from DHAN represent the working group constituted by the Central Planning Commission, Government of India to draft approach paper for 12th Five year plan on "Water



Governance” and “Medium and Minor Irrigations”. In addition, the Vayalagam programme has got the opportunity to take up impact evaluation study of Rural Development Department sponsored watershed development programmes implemented in five districts of Andhra Pradesh for National Institute of Rural Development. Also a presentation on the Vayalagam way of water management was made at the workshop on ‘Providing Urban Amenities in Rural Areas’(PURA) conducted by the Ministry of Rural Development.

The experiences of the Vayalagam programme have been presented in many national and international events related to water resources development.

Some of the major events were:

- ✍ An invitation to be a panelist at the regional consultation for 12th Five Year Plan Working Group on Safe Drinking Water and Sanitation convened by MYRADA, Water Aid and Arghyam in Bangalore.
- ✍ A presentation on eco-system approach and tank based watershed was shared at the Regional Consultation for 12th Five Year Plan Working Group on Watersheds Programme convened by Society For Promoting Participative Ecosystem Management, Watershed Support Services and Activities Network, Hyderabad
- ✍ A note on small scale water resources development was shared as part of the National

Consultation of Water Policy organised by the Ministry of Water Resources, Government of India.

- ✍ A field-note was shared for the national level workshop on convergence of MGNREGS and integrated mega watershed programme (IWMP), organised by the Ministry of Rural Development, Government of India.
- ✍ A paper titled ‘Nested institutional model and farmers’ governance of irrigation commons’ and video presentation on DHAN’s water resource development experience were made at the Biennial International Conference on Commons organized by the International Association for Study of Commons in Hyderabad
- ✍ The Magadi experience of Peri-urban agriculture taken up with the International Water Management Institute was presented at the national consultation on urban agriculture organised by the MANAGE Institute, Hyderabad
- ✍ The programme also represented at the Asian Development Bank (ADB) sponsored workshop on the PURA scheme under a Public Private Partnership (PPP) framework between Gram Panchayat(s) and private sector partners, NIRD, Hyderabad
- ✍ A training programme on Bio-sand filter fabrication, installation was organised for NGO staff and masons from Kalahandi district, Orissa.

### Status of Vayalagam Tankfed Agriculture Development Programme

Particulars	March		
	2009	2010	2011
<b>Spread of the Programme</b> <span style="float: right;">(Cumulative figures)</span>			
a) No. of States	4	6	6
b) No. of Districts	22	22	22
c) No. of Vayalagams	2,164	2442	2673
d) No. of Cascade and watershed associations	161	161	155
e) No. of Federations	31	31	31
f) No. of Members	160,655	182801	212879
g) Command area benefited (in ha.)	57,541	63101	60800
<b>Value of Physical works implemented during the year (Rs. in millions)</b>			
a) Through Farmers Contribution	9	12	13
b) Through Govt. and other agencies	34	36	38
c) Agriculture Credit support through MFGs	51	41	114



# Coastal Conservation and Livelihoods Programme



DHAN Foundation responded immediately after the tsunami in 2004 and took up relief work. The immediate relief needs were addressed after asking the local community to identify what they needed. After the relief phase, DHAN took up the role of enabling the restoration of livelihood activities in the affected regions. This has now 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 livelihood 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



The Coastal Conservation and Livelihoods Programme focused on reaching out to left out poor in the working location and increase the number of groups in each federation to ensure optimum size for operation and attain financial sustainability during this year. All the 31 locations in Cuddalore, Ramanathapuram, Nagapattinam and Tuticorin regions have promoted 795 groups by expanding the programme into 135 villages. With this expansion, 12,780 members have been added to the federations. The Programme has been expanded to Keerapalayam location in Cuddalore district.

### Microfinance for building resilience

Savings led microfinance has been a strategy adopted by the Programme from the very beginning as savings would build stake and ownership among the members. Increase in savings contributed by the members in their groups is an indicator of their growing trust and ownership on the groups. The average monthly savings done by the members in their groups has increased from Rs.111 to Rs. 129. All the members have saved collectively Rs. 71.69 million as regular monthly savings and Rs.5.5 million on diversified savings products during this year.

The SHGs of poor women, fishers and farmers have mobilised Rs. 97.4 million from local commercial banks under SHG-Bank linkage programme. With the savings from members and credit mobilised from the banks, the SHGs were able to provide credit support to their members for various production and consumption purposes to the tune of Rs.362 million through 47,397 loans. About 21 percent of the loans given to the members were for income generating activities and another 21 percent loans were issued for redeeming them from local moneylenders, who were charging an exorbitant rate of interest.

### Livelihood Promotion

#### Dairy Activity

Dairy farming has been a dependable source of income to adjust household cash flows for the farming communities. Under the project supported by CARITAS – ‘Sustainable income for Women and Risk Reduction measures for Vulnerable Households

in Tsunami affected and Disaster prone Coastal Areas of Cuddalore District’, 127 poor women have purchased 129 milch animals. The SHGs have provided Rs. 3.98 lakhs credit to the members to match with Rs. 21.55 lakhs provided from the project. In all the six locations of Cuddalore Region in Tamil Nadu about 690 members are involved in dairy activity. The Primary Producer Groups (PPGs) promoted among these members have supplied milk to Anandham Dairy, a producer company promoted by them. During this year the PPGs have supplied over 5.82 lakhs litres of milk and earned a net profit of Rs 1.06 lakhs after making all the payments to members.

There are two qualified para-veterinarians, each serving around 160 - 180 households per month. They assist the members in selection of healthy animals at the time of purchase, preventive care for animals, animal maintenance and feed management. They have served over 2300 animals owned by about 2100 families during this year. Apart from providing direct care, they have also arranged periodic animal health camps with Veterinary Doctors and ensured de-worming of animals. Calf show was organised to promote competition among the members to bring up healthy animals.

#### Integrated Farming System (IFS)

With the collaboration of Indian Council for Agricultural Research (ICAR) and Annamalai University, Tamil Nadu under National Agriculture Intensive Programme (NAIP), DHAN Foundation undertook implementation of a joint action research project in Cuddalore, Nagapattinam, Villupuram and Thiruvannamalai districts. This project focuses on





sustainable livelihood initiative in wetland, upland and marine contexts. DHAN is the implementing agency responsible for organising the community, implementing the programme and documenting the outputs. In the fifth year of implementation, there are 64 Community Interest Groups (CIG) from 34 villages benefiting 1929 farmers and 230 fishermen.

Under wetland IFS, the farmers took up an experiment in five cents of land with paddy crop, along with broiler and fish rearing. The average income from the poultry activity for a family was Rs.1000 to 2000, and an average income from fish rearing activity was Rs.600 to 800. The income increase from the paddy yield for a family was Rs.200 to 400. On an average a family was able to earn an additional income of Rs.2000 to 3000 in a year.

Under upland / Garden land IFS, the farmers were given two goats and supported for vermi compost production and mushroom cultivation. They were given 1046 goats worth of Rs. 1400 each, and with this support the farmers were able to add 1575 goats earning an additional income of Rs.2500-4000 per family. The farmers could get Rs. 1100 as net income from the mushroom activity Rs. 600 from the vermi compost activity. In marine ecosystem, the farmers and fishermen were encouraged to cultivate seaweeds, which benefitted 230 families in Nagapattinam, Cuddalore and Villupuram districts. Training is one of the major components in this project. Training programmes on the six types of IFS components were organised for 500 members.

### **Enhancing irrigation security**

With support from the European Commission sponsored project, “Increased Water Harvesting and Diminished Desertification”, the Programme could ensure life saving irrigation for 600 acres of rainfed lands through construction of farm ponds. Due to this intervention, fallow lands were brought under cultivation and the farmers in Ramanathapuram district were able to save their chilly crop. With the renovation of community managed irrigation tanks about 7000 farmers were able to secure water for their crops. This project also helped promotion of orchards in 59 acres of dryland with the constructed farm ponds. The farmers will be able get an assured

and stable income from the established orchards after 3-4 years.

### **Collective marketing**



The Programme continued to promote collective marketing of fishes through Kalanjiam Meenavar Sangam (KMS) along the coastal areas Meemisal, Thondi, Erwadi and Mandapam in Ramanathapuram district. Amidst tough resistance from the local traders who have been exploiting the poor fishermen, all the 23 KMS were able to facilitate marketing of fish worth Rs. 121 lakhs during the year. Similarly, the warehouses constructed with the support of Care Today Fund helped the farmers to store their produces immediately after harvest and sell at times of higher price. In Keelaiyur village, Nagapattinam, by storing groundnut, the farmers were able to get an additional income of Rs. 50 per bag. In Thalainayar block, the Primary marketing group (PMG) facilitated collection and supply of Glorisa superba to the tune of Rs.24.6 lakhs, which helped the farmers to get an additional price of Rs.200 per kg. Farmers were trained in System of Rice Intensification (SRI) method and value addition of soybean was arranged with NABARD support.

### **Conservation**

Access by the poor to natural resources, including land, forests, water, fisheries and wildlife, is essential for sustainable poverty reduction. DHAN believes that building collective conscience and action among the communities is the key to conserve and manage natural and man-made resources. With this philosophy, DHAN is working on the centuries-old water harvesting system called



'tanks' by organising the farmers to conserve and develop such time-tested indigenous innovations. It also promotes conservation focused traditional livelihoods around marine resources combined with community-led disaster preparedness strategies.

### **Irrigation tanks and drinking water ponds**

With the support of European Commission and Oxfam Novib, the Netherlands, the farmers' organisations promoted by the Programme have renovated 59 irrigation tanks and 18 village ponds. The renovated tanks benefit over 6755 farmers to irrigate their 1,698 hectares of land. Also these tanks serve as the source of drinking water for over 39,000 animals. For an illustration of the benefits, an irrigation tank in Idaiyoor village of Pudukkottai district was able to irrigate about 40 hectares of land before renovation; after renovation, it could irrigate an additional eight hectares of ayacuts and the additional storage of water in the tank helped the farmers to go for second crop as well. Similarly, renovation of 18 village ponds during the year could augment water storage to over 6000 cubic meters. These ponds were able to reduce the drudgery of women, who had earlier walked around 3-5 kilometers to fetch water from nearby villages. Around 3500 families benefited out of this intervention.

### **Farm ponds**

Agriculture in coastal areas is largely dependent on monsoon which is often erratic. In the recent years, the farmers have increasingly realised the need for in situ water conservation to overcome this, and they found the farm pond as an effective structure to conserve water and irrigate crops at times of critical phases of crop growth to save it.



A typical farm pond measuring 15 feet by 15 feet wide and six feet deep can store 475 cubic meters of water, and requires only one or two decent showers to fill up to have water for four or five months. During this year 521 farm ponds were established in Ramanathapuram and Nagapattinam districts in Tamil Nadu. After the establishment of farm ponds the farmers were able to irrigate 252 hectares of land. Besides providing life-saving irrigation for the crops during critical phases of crop growth, the farm pond is also used by people for domestic water needs, rearing fish, growing fodder and water for livestock, raising vegetables for own use and the market.

### **Planting trees – increasing green cover**

It is needless to say that increased green cover would have direct influence on the micro climate, which is very critical for farming. As part of the European Commission sponsored project, trees of various species having fruit, timber, and shade values were planted around the tanks and ponds. Income generated out of tree plantation will be used by the association for future maintenance of village ponds and irrigation tanks. The trees will also serve birds and livestock. During this year, 13,370 trees were planted around the Waterbodies. The villagers took up the responsibility of planting, watering and after care. They also resolved to meet the cost of maintenance from their associations.

### **Inland Aquaculture**

Inland pisciculture was introduced in 36 irrigation tanks and 16 village ponds renovated by the Farmers' Associations. Poly-culture of four different fish species with habitat at top, bottom and middle layers were released. The income generated out of fish rearing will be used by the association for future maintenance of the tanks and ponds. Also, the poor and vulnerable people will be able to enhance nutritional value of their diet with the additional consumption of fish.

## **Ensuring social security**

### **Life and Health Insurance**

The Peoples' Organisations facilitate a combination of insurance products for mitigating the life, health



and livelihood risks of the poor and vulnerable member families. Covering life risks of the members was in priority of Peoples' Organisations. During this year 53,315 members were insured, their life risk coverage worth Rs. 1503 millions under Janashree Bima Yojana of Life Insurance Corporation of India and other life schemes. During this year 155 death claims were made and Rs. 4.15 millions has been received as claim amount. Apart from claim benefits, the JBY also provides scholarships to the children of the insured members.

Next to life, health risks are the major hurdle for poor families and the high cost of healthcare pushes them into vicious cycle of poverty. With an intensive campaign on health insurance, the Programme was able to convince 6,955 families to get enrolled in health insurance programmes. In addition to this, the Peoples' Organisations have also facilitated enrolment of the state sponsored Kalaigiar Kappeetu Thittam, which all the member households were entitled to.

### **Livestock and Crop Insurance**

Being an important subsidiary activity, the monetary consequences of losing livestock were very high for the poor and vulnerable families. Loan linked livestock insurance was promoted intensively during this year, which resulted in coverage of more than 500 milch animals and goats. To overcome the issues in conventional crop insurance products that depended on rainfall data generated from distant observatories, the Programme has launched rainfall indexed crop insurance product based on the automatic rain gauges erected in 19 sites covering Kadaladi and Thirupuallani blocks in Ramanathapuram district. Under this product 115 farmers and their 215 acres of crops were covered.

### **Ensuring Entitlements**

#### **Supporting persons with disability**

Through the Vocational Training Centres (VTCs) sponsored by the State Government, persons with disability in Sayalkudi, Kamudhi, Mudhukulathur and Paramakudi locations have been organised into 53 SHGs, and vocational training has been organised for 264 members. Maintenance grant

has been facilitated for all the mentally challenged persons. A Village Information Centre (VIC) is being operated exclusively by a physically challenged person in Sayalkudi. Baseline survey was completed in 62 Panchayats and physiotherapy treatment was extended to 210 members regularly. The VTCs have also helped over 1450 needy persons with disability in getting identity card, welfare card, natural death compensation, marriage fund, Old Age Pension, stick and glasses for the blind, tri-cycle, motor cycle, artificial limbs, hearing aids and wheel chairs.

#### **Housing for the poor**

In the aftermath of the Tsunami disaster, the Tamil Nadu Government came out with housing plan for the fishermen community called 'Rajeev Gandhi Rehabilitation Scheme'. In Ramanathapuram, DHAN Foundation helped the district administration by facilitating community mobilisation for this scheme. This scheme helped 1969 households to construct houses costing Rs. 2.38 lakhs each. As a facilitator, the Programme was instrumental in validation of member selection, awareness creation, giving training to members on space, construction model, providing sanitation facilities and handing over the house. Through this scheme 583 poor families from DHAN promoted federation in Thondi got houses with a total worth of Rs. 139 millions.

### **Training and Documentation**

The Programme took up a field research sponsored by the Food and Agricultural Organisation (FAO) on Fisheries Management for Sustainable Livelihoods (FIMSUL) in Pudukottai and Ramanathapuram districts. Interviews and focused group discussions were carried out by field teams in Meemisal, Thondi and Erwadi locations, and the report has been shared with the relevant agency. DHAN Resource Centres at each region have organised over 371 trainings to members, leaders of SHGs, Cluster Development Associations and Federations benefiting 6,626 members. The members were trained on by-laws, insurance, and livelihood activities. The leaders were trained on visioning, conflict resolution and leader's roles and responsibilities.



# 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 scaling-up Microfinance, Micro insurance and Development Management Appreciation Programme for the NGO staff, academicians, researchers and government agencies.
- ✍ Researches coordinated by the faculty members and supported by Research Associates for generating case studies and teaching materials.
- ✍ 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 research, pilot projects, training and education, documentation and publication, networking and consultancy, and policy advocacy in the respective fields.







Tata-Dhan Academy (TDA) has completed one decade of its engagement in promoting development management education, which has created a unique space for it in the development sector. The Academy has advanced its core activities such as teaching, research, training and short duration education programmes, and consultancy by collaborating with NGOs, Government and other academic institutions. It has conceived its vision as ‘Becoming a centre of excellence in development management education’ with an international repute.

Two-year Post Graduate Programme in Development Management (PDM) is its flagship programme. As of March 2011, 120 students have graduated and are working with different NGOs in different thematic areas with diverse communities. The students are trained in different aspects of research, such as students’ fieldwork, case writing, and field based research with the DHAN Collective institutions and other NGOs. About 600 participants representing Asia, Africa and European countries underwent different Development Management Programmes (DMPs) conducted by the Academy around the theme of microfinance, micro-insurance, water, leadership, general management, HRD, poverty and development, social research and communication.

The Academy extended support to the Centre for HRD of DHAN Collective for designing customized development management programmes for the professionals and programme staff of DHAN. The consultancy taken up with the State Planning Commission of Government of Tamil Nadu for preparing district human development report was completed and dissemination workshops to

communicate the findings at district level were organised. Faculty development is one of the critical activities to build the internal capacity of the Academy. Four faculty members have undergone the faculty development programme offered by the Indian Institute of Management. Other faculty members went through short duration programmes in the specialized subjects of their interest.

The specialised centres in the Academy such as ASKMI, ACEDRR and WETC have played an important role as resource centres through research and capacity building, in addition to mobilising resources of the Academy. In August 2010, the Academy shifted its operations to the new campus developed at Melakal, near Madurai.

### Programme in Development Management

The PDM 11 batch was started with 12 students enrolled from six states including Bihar, Tamil Nadu, Uttarkhand, and Uttar Pradesh. The students of PDM 10 are at the end of their course. Orientation programmes to the students of select academic institutions to create awareness about the development sector, various opportunities and challenges for them were organised. The admissions process for PDM 12 has been initiated.

A decade of experience in grooming development professionals for the development sector, their performance and level of commitment have made the Academy to re-orient its strategies to build and nurture ‘development missionaries’ rather ‘development managers’. Series of seminars and dialogues were organised to understand the missionary perspectives and integrated as part





of the PDM design. Community focus has been consciously attended and reinforced in all the activities of the Academy during this year. A few initiatives and changes made in the curriculum and pedagogy were (i) the design of remedial for new batch commenced with systematic orientation with the community, (ii) conducting events of national importance in the villages, (iii) field visits by students and study of the community as part of the regular classroom learning covering the aspects such as poverty, indigenous systems and practices, livelihoods issues and challenges, the needs of differently-abled communities and contextualizing interventions. Classroom sessions focused on relating theories with the reality at the grassroots, relevance to the community and scope for practice at the field.

### Third convocation

The third convocation was held in April 2010. The then Chief Election Commissioner of India, Shri Naveen Chawla delivered convocation address on the theme of 'Electoral Democracy in India' and conferred diplomas to the graduates. About 50 graduated students received the award of Post Graduate Diploma in Development management.



### Knowledge Centres

The ASKMI and ACEDRR have published research and pilot briefs as outcomes of five research projects and 13 pilots taken up by them in the themes relevant to mutual and micro-insurance, disaster preparedness, for dissemination. This includes one international study on "Role of Microfinance and Micro Insurance in social security for the Poor in India, Bangladesh and Sri Lanka". A book on

"Vulnerability of urban poor" was released during the national policy workshop held at New Delhi in March 2011. Perspective plan for the Academy and the Centres for the period 2011 – 14 has been developed.

### Community focus

Conscious efforts were made to integrate community focus in all activities of the Academy during this year. To start with, ten villages adjacent to the Academy were identified for adoption. A formal meeting was conducted with the Solai Kalanjia Vattaram – a federation of women SHGs, and the board members and staff of DHAN Kalanjiam Foundation for consensus on mutual support and learning. The events of national importance have been institutionalized with the local communities. Students' classroom study and scope for applying them for field practice has been reviewed and integrated with the courses, and assignments and field studies.

### Development Management Programmes (DMPs)

ASKMI, a Centre on Mutual Insurance has conducted three national level programmes and an international programme on Micro Insurance, in which more than 80 participants participated. There was a demand from the team of Rwanda to support them in assessing their social capital for effective functioning and provide them help and guidance in restructuring for implementing microfinance activities for poverty reduction and agriculture development. A team from the Academy assisted the Centre for HRD in designing and offering DMPs for programme staff and professionals on financial management, team building and language appreciation.

### Research and Consultancy

During this year a challenging research was taken with Ekal Vidyalaya Foundation of India (EVFI) on "Impact study of EVFI schools – studies in eight states". The research is in progress, and many rounds of presentations and discussions were conducted right from designing up to sharing of preliminary findings. Preparation of District Human





Development Reports (DHDRs) for Kanyakumari and the Nilgiris were successfully completed and presented to the Member Secretary of the State Planning Commission, Tamil Nadu and Central Steering Committee including Chief Secretary. Participatory Socio Economic Survey (PSES) was conducted for Ministry of Rural Development in 69 villages and final report has been submitted. About Rs 6.30 million was mobilised through consultancy, research, students' projects and development Management programmes.

### Preparing for the next decade

As approved by the board of trustees of DHAN Foundation, the Tata-Dhan Academy will be made

into a separate institution and registered under appropriate acts and provisions. To transform the Academy into a 'leadership institute' in the long run, initiatives were taken up to conceptualize development leadership; a two-day brainstorming workshop was conducted at Bangalore with the facilitation of Dr Jeyaraman, Director of the Institute of Leadership and Institutional Development (ILID), Bangalore with senior DHANites and faculty members of the Academy. At the end of the workshop one-year Leadership Development Programme has been designed, which will be launched during 2012. An exposure programme for PDM students was organized and they were taken to development leaders like Shri Anna Hazare and Jockins Arputham to get inspiration and insights on their leadership.

The decade plan of the Academy has been made into three phases and focus, goals and strategies with outputs and outcome for each phase will be specified keeping the 'Leadership development' in the national and international arena into the focus. The key areas such as creating an impact on the community and the NGO sector, reaching out to large numbers through networking at the global level will be given due focus in the coming decade.



# Rainfed Farming Development Programme

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





Initiated as a pilot programme in 2002, the Rainfed Farming Development Programme (RFDP) has grown as a replicable development programme, and it is currently being implemented in 11 locations in the States of Tamil Nadu, Karnataka, Andhra Pradesh and Maharashtra. The Programme has organised 4,274 farmers involved in rainfed farming into 275 groups this year with a total outreach of 12,681 members in 773 groups networked into 63 rainfed watershed associations.

The SHGs of farmers have mobilised Rs. 266 lakhs of savings and issued loans to the tune of Rs. 2,170 lakhs and the members have a loan outstanding of Rs. 1,807 lakhs. These SHGs have mobilised Rs. 165 lakhs from local commercial banks under SHG-Bank linkage programme. They have borrowed for various production and consumption needs. Production needs include land leasing, land development, purchase of agricultural inputs, livestock purchase, maintenance, etc.

### Natural Resource Management: Soil and Water Conservation

Farm pond construction has been one of the priorities of farmers involved in rainfed farming as the water stored in the ponds could provide life-saving irrigation at the critical phases of crop growth. Farmers in Koraput location of Orissa have taken loans and constructed seven farm ponds. In Borigumma location, the farmers were able to construct four farm ponds under Mahatma Gandhi National Employment Guarantee Scheme. In Vedharanyam location of Tamil Nadu, 69 farmers were supported to build farm ponds in their lands under the European Commission sponsored project “Increased Water Harvesting and Diminished Desertification”. With loan support under NABARD sponsored Umbrella Programme on Natural Resources Management, land development activities like land leveling; silt application and Prosopis clearance for bringing the waste land under cultivation were taken up in Peraiyur and Gudiyatham locations.

### Organic Matter Build-up

The Programme continued to focus on building organic matter as a strategy of soil enrichment. Seven farmers in Koraput, Orissa and 133 farmers

in Nattarampalli, Tamil Nadu have set up compost pits. The other method – Farmyard Manure application was taken up by 467 farmers in Peraiyur and Thirumangalam locations of Tamil Nadu. The farmers have also gone for sheep penning, in which herds of sheep would be allowed to stall in an enclosure over the land. The sheep droppings, after decomposing would release nutrients and organic matter into the soil.

### Crop Production Enhancement



#### Seed Supply

Availability of good quality seeds at an appropriate time is a major challenge in rainfed farming. Nearly seven metric tons of certified groundnut seeds were procured from various agencies and supplied to the farmers. Similarly 7.0 metric tons of potato, 2.5 metric tons of turmeric, 4 quintals of maize, 2 quintals of finger millet, one quintal of cotton seeds were purchased and distributed to the farmers.

#### Planting Trees of Economic Importance

Large scale tree planting activity has been taken up in Tirumangalam and Peraiyur locations. A





nursery has been raised in Peraiyur location to supply tree saplings to the farmers. In collaboration with National Horticultural Mission, planting of mango and cashew saplings were taken up in 61.5 acres of Kalanjiam members' lands in Koraput and Semiliguda locations of Orissa. Similarly planting of mango, guava, amla and teak saplings was taken up in 69.5 acres in Gudiyatham location, Tamil Nadu. An exclusive proposal has been submitted to Madras Fertilizers Limited for taking up tree planting activity in Gudiyatham, Anchetty, Mallanginar and Kanakapura locations.

### Other initiatives

Farmers Field Schools were conducted with the cotton farmers of Sengapadai village as part of the implementation of CSR Project sponsored by the Cotton Corporation of India, Coimbatore, and agricultural inputs were



supplied to 400 cotton farmers under this project. System of Rice Intensification (SRI) method was introduced through 13 demonstrations to benefit 10 acres of paddy crop. In Nattarampalli, the concept of Zero Budget Natural Farming was promoted among 20 farm holdings for groundnut crop. As a crop diversification initiative, maize was introduced as a sole crop in 20 acres of rainfed land and maize and vegetable cultivation taken up in another 11 acres in Koraput, Orissa.

### Promotion of Livestock Activity

The programme has made a focused intervention in promoting livestock as a subsidiary activity for the farmers involved in rainfed farming. Through loan

support the Programme has supported 38 farmers to purchase milch animals, 19 farmers to purchase pairs of plough animals and 230 farmers to take up sheep / goat rearing activity. The locations have organised nine veterinary health camps to provide preventive care such as de-worming of animals. Azolla is an excellent feed additive to the milch animals, which enhances milk production. With the positive experience gained over the years, Azolla cultivation is gaining momentum among the farmers involved in rainfed farming. The Programme assisted 30 farmers in Nattarampalli and 16 farmers in Koraput in setting up Azolla production units during this year.

### Social Security for Rainfed Farmers

Mutual crop insurance based on deficit rainfall was done with 480 farmers in four locations for groundnut, pulses, maize and millets. Deficit rainfall insurance was done in Tirumangalam for black gram and green gram. Mutual income insurance was done for groundnut crop in Nattarampalli and Gudiyatham locations. The farmers have paid a total premium of Rs. 89,750 for the assured sum of Rs. 6.23 lakhs. Similarly, mutual Livestock Insurance is implemented in Tirumangalam, Peraiyur and Nattarampalli locations in Tamil Nadu. A training program on mutual crop insurance was organised to the associates and farmers.



### Experimentation in Rainfed Farming

The Programme was able to secure an action research project "Revalorising Minor Millets in Rainfed Regions of South Asia" from the



International Development Research Centre (IDRC), Canada under its Canadian International Food Security Research Fund (CIFSRF). This action research project aims at revival of small millet and pulse based cropping systems by challenging the dominant policy orientation of neglect of small millets by pursuing a multi-pronged research strategy to raise the profile of small millets. It draws on successful examples of gender sensitive participatory research and plans to fill the technological gaps for breaking small millet production barriers. This project is implemented by DHAN Foundation in six research sites in the Deccan Plateau and Eastern Ghats regions of India, one site in Nepal by a local NGO – LI-BIRD, another site in Sri Lanka by Arthacharya Foundation. TNAU and Indian Council of Agriculture Research will provide onsite research support.

DHAN Foundation is one of the implementing organisations of Convergence of Agricultural Interventions in Maharashtra (CAIM) Project. The overall goal of the CAIM Project is to contribute to the development of resilient production, sustainable and diversified households, on-farm and off-farm livelihoods, allowing households to face production and market risks without falling back into poverty and distress. The RFDP has submitted a detailed Project Report and group promotion has been initiated in Shirol cluster of Ghatanji Taluk in Yavatmal district.

The Programme has also got a sanction for implementing Integrated Watershed Management Programme (IWMP) of Ministry of Rural Development, Government of India for Utnoor Mandal of Andhra Pradesh.



# Information & Communication Technology for Development



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 set up for the Kalanjiam and Vayalagam members.
- ✍ Establishing Community Colleges to offer a number of ICT related and job oriented courses to the poor youth 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 VICs.
- ✍ Promoting partnership with the other stakeholders such as ICT based academic, research and business organisations to channelise resources and expertise to the grassroots





## Computer Literacy

The Village Information Centres (VICs) and Community Colleges (CCs) offer eight types of educational / training programmes related to computer applications such as Diploma in Computer Application (DCA), Higher Diploma in Computer Application (HDCA), Desk Top Publication (DTP), Certificate in Computer Appreciation (CCA), C Language, Web designing, multimedia and hardware training. The students who complete these courses can get employment in nearby towns and cities. During this year about 3253 students underwent these courses.

Of the 1646 students who completed the Diploma in Computer Application (DCA), 341 students have got employment after the course. Those who have got DCA can get registered at the employment exchanges. Apart from the education programmes, the e-school services were offered to the school students to enable them to prepare themselves for the school subjects. Similarly, the computer aided adult literacy programme was offered to women who are aged and illiterate, but some men who were literate have also availed this service. There were about 13,000 students who availed the service of e-schooling, of whom 49 percent were girls. Similarly 66 percent of the 750 people who have undergone Adult Literacy Programme were women.

## Collaboration with IGNOU

DHAN entered into a MoU with IGNOU to provide various educational programmes to the community. It has started with a one-month Computer Literacy Programme (CLP) and a six-month Certificate

in Computing (CIC) course, offered through the Community Colleges and Village Information Centres (VICs) promoted by DHAN. So far four batches of students have gone through the course, and 106 out of 164 students enrolled for this course were women. There were suggestion from both the students as well as from Community Colleges with regard to the content and management of the course. Suitable arrangements are being made to simplify the course and to reach out to more students.

## Interactive Multimedia Content Development & Deployment

The VICs have a rich collection of multimedia content on agriculture, animal husbandry, health, and education. Also, the VIC operators, with the feedback and need expressed by the users make locally relevant content in multimedia format in a vernacular language. They are screened to the community for whom it would be relevant and their feedbacks are collected to make refinements in the content and presentation. During this year around 33,600 users have viewed/ used the content, 60 percent of the users were women.

## Specialised Camps: Action followed by Information

Since the content and video conference alone are not sufficient to make the people to put information to use, holding camps on specific subjects was considered immediately relevant. The VICs bring experts and specialists to the villages to facilitate face to face interaction and implementation of relevant programmes. The camps on agriculture included the System of Rice Intensification, sugarcane cultivation, pest and disease management, and seed technology including selection of seeds.

Similarly, in healthcare, seasonal diseases, water borne diseases, child care were focused on. Exclusive camps for the women on subjects such as breast cancer, pregnancy, anemia and ulcer were organised. For the students, career guidance, preparation for examinations, spoken English were organised. In the



veterinary camps healthcare for cows, goats, sheep and poultry, artificial insemination and de-worming were provided. There were about 26000 participants who benefited from these camps, of which 63 percent were women.

### Video and Audio Conference

Video and audio conference has been one of the predominant services of the VICs and CCs. This is one of the services through which more people are getting attracted towards the technology. The video and audio conferences were conducted in the areas of agriculture, animal husbandry, health and legal counseling. Experts were made to interact directly with the rural users. About 18,800 people have used the conferencing facility during this year, and 63 percent of them were women.

The video and audio conferences have supplemented the camps organised at the villages. The users have shared their feedback on the use of such conferences. Some of them have shared that with the conference and camps, expenditure on cultivation was reduced and yield got increased; they have acquired knowledge on Cancer and HIV/AIDS, and heart diseases. Women could get information related to issues specific to them.

### Village Knowledge/Resource Centres

The video conference was organized in the Village Resource Centre network provided by the Indian Space Research Organisation (ISRO). There are 17 VRCs in Tamil Nadu and another 10 in Andhra Pradesh, and another 18 are in the pipeline. Various programmes through the VRCs were provided and people participated in programmes offered by other NGOs. A total of 321 programmes were organised and 2940 people have got benefited.

Similarly, the Village Knowledge Centres have been promoted with the support of CAPART. Eleven

such Centres have been set up. The installation is in progress, wherever the installations were completed, they have started using the high definition video conferencing. Each site has been equipped with a plasma monitor for bigger display, IP camera for video conference, wireless equipment mounted on tower, UPS and gen-set for backup power source and basic furniture. Central site contains additional infrastructure like DVD player, projector and necessary software. They will start functioning in a full-fledged manner in the coming year.

### Community Radio

Together with Kottampatty Vayalagam and Kalanjiam Federations, the ICT programme has established a Community Radio Station. The Community Radio is owned by the Vayalagam federation and space for tower and room has been provided by Kalanjiam federation. Audio content generation, programme dissemination, monitoring, narrowcasting of audio content at VICs are done by ICT team. Currently the audio programmes have been narrow-casted extensively through the public addressing systems fixed over VICs. The Station has applied for license with the Ministry of Information and Broadcasting, and it is in the final stage of clearance. It is expected to go on air soon.

### Other Services

The VICs also offer a range of services, both online as well as offline. The objective of providing such services is to make the work of the people simple and easier and at the same time fetch revenue for the centres. The e-governance services not only reduce the cost and time, but also create awareness among the rural people about the importance of birth and death registration. The offline services include photography and videography, job works, mobile recharge and hardware maintenance. About 19,900 users availed such services during the year.



# 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 by adopting the following strategies:

- ✍ Promoting functional groups and village development forums, strengthening and guiding working committees to integrate with the Panchayat system.
- ✍ Facilitating preparation of multiyear 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.





Working with Panchayats Programme is implemented in 25 village Panchayats for strengthening the democratic practices of Panchayat institutions, integrating localised and informal Peoples' Organisations with the Panchayat systems for effective governance, and enabling them for undertaking various development works.

There are 1,489 functional groups in these Panchayats including SHGs of women, farmers, fishermen and youths involved in the process of democratising the Panchayat governance. The programme alone has promoted about 319 functional groups and the remaining 1,170 groups have been functioning there already. There are 26,954 members from these functional groups trained periodically on Panchayat systems and operations. In order to coordinate with the Panchayats as single body, these functional groups have been networked into Panchayat Development Associations (PDAs) in 21 working Panchayats.

### Deepening the democratic practices

True democratic practices bring real democracy at grassroots level. The chief focus of the Programme is to find ways and means to promote democratic practices.

#### Panchayat Council Meetings

Conducting monthly council meeting with all the elected ward members is one of the mandatory functions for the village Panchayats. This is an important forum for the village Panchayats, where decision-making happens. The Programme has taken efforts to ensure that such meetings were

organised as planned and quality of discussion was enhanced. The PDAs have ensured regular monthly council meetings with enough quorums. Over 90 percent of the meetings were organised as scheduled. Wherever needed special meetings were also conducted.

#### Gramasabha meetings

Gramasabha is a Panchayat level forum where all voters are empowered to share their views, make clarifications and suggestions. Panchayats have been mandated to organise at least four Gramasabha meetings in a year. It was another important component for ensuring peoples' participation and it was a major thrust area for the Panchayat programme as well. With continued efforts there were visible changes in participation as well as conduct of the meetings. All the 25 Panchayats have conducted 2-3 meetings in addition to the mandated meetings to discuss on special agenda. In some places, the neighboring Panchayats could also follow this good practice.

#### Working Committee Meeting

Working Committee concept was introduced three years back at Panchayat level to strengthen its operations. The Panchayat Act envisages five committees at village Panchayat level for taking up specific tasks such as appointment, development work implementation, watershed/agriculture development, health and education. Also the Panchayats were empowered to set up need-based temporary committees. The working committee concept paves the way for the non-elected persons to take part in the Panchayat responsibilities. But in practice it could not pick up well. With continued efforts, the Programme has ensured at least 50 percent of working committees to meet and participate in Panchayat affairs.

#### Panchayat Parliament

Panchayat parliament was a novel idea experimented by the Working with Panchayats Programme. It is an informal forum to deepen the democratic practices in the Panchayats, where the Panchayat council members and other Panchayat level stake holders are brought to a forum and made



to deliberate on common village issues. It would function like a typical Parliament or Legislative Assembly session. This practice introduced by the Panchayat Programme was able to bring shared understanding between the Panchayat council and other stakeholders at Panchayat level. During this year 13 out of 25 Panchayats have organised such events.

### **Micro-plan for Panchayat development**

Multi Year Micro Plan (MYMP) was an innovative participatory tool evolved by the programme. It is prepared at the grassroots level with the participation of people for Panchayat development, and accepted by everyone a 'People Plan'. It is a very good tool for the Panchayats to mobilize people, collect their views and make them involved in implementation. With persistent handholding of the Programme for the last seven years, it has now been integrated well into the Panchayat system. During this year, MYMP was prepared for all the 25 working Panchayats. The quality of the plan document got refined further and become more realistic. They were prepared timely and made available to the Panchayat during the first quarter the year itself. During this year, Rs. 57 million worth of development programmes against the plan of Rs. 108 million could be accomplished.

### **Updating of Voters list**

In all the working Panchayats, steps were taken to update the voter lists and make it complete. It was carried out by the Panchayats with the participation of all the stakeholders at Panchayat level. The PDA associates have taken efforts to create awareness among the community and persuaded them to get involved in the whole process. Also, they have planned to update it in month of January every year. The updated voter list was placed for approval at the Gramasabha and was submitted to district administration.

### **Development focus**

Panchayat, as primary institution has the role of implementing various development programmes

for the villages and ensuring civic services to the community. The programme has oriented all the 25 Panchayats to implement locally the Millennium Development Goals. Concerted efforts were made on ensuring primary education for all the children, insurance for all the men and women, electricity for all the households, employment for all the working population in these Panchayats. During this year, there has been significant improvement in accomplishing the goals set out for each Panchayat. Primary education has been ensured for all the eligible children in 15 Panchayats. Similarly provision of electricity and insurance has been accomplished for seven Panchayats. With the advent of Mahatma Gandhi National Employment Guarantee Programme (MGNREGP), employment has been ensured for all the eligible people in 24 Panchayats.

All the working Panchayats have become nodal agencies for implementing Janasree Bima Yojana. They work towards covering all the families under this life insurance product. More than 1000 students have availed the scholarships to the tune of Rs. 0.7 million during this year and 26 death claims were facilitated.

### **MNREGP Experimentation**

As stated earlier, MGNREGP has been taken as a potential area for addressing the issues of poverty, primarily unemployment. This programme provides wage employment opportunity for all the working people for minimum of 100 days. With the support of rural development department of Tamil Nadu Government, the Panchayat Programme has taken up an experiment in five Panchayats. The Programme can enroll all BPL families in this scheme, and arrange to incorporate MGNREGP activities within the micro-plan document. All the laborers have been covered under life insurance programme, savings bank accounts have been opened for all the workers and timely disbursement of wages ensured. The Programme has facilitated employment for 4.3 lakhs man days in 25 Panchayats during this year and Rs. 69 million has been disbursed as wages benefitting 730 families with 100 days employment.



## **Exposures to Panchayat presidents**

DHAN as a resource institution in Panchayat programme has taken up an assignment from the Directorate of Rural Development, government of Tamil Nadu to arrange exposure-cum- training programme for the Panchayat presidents on Panchayat administration. During this year, 1300 Presidents in 24 batches got training under this programme, making a total of 1800 Panchayat presidents in 34 batches trained over the last two years.

## **Panchayat Education**

The Programme continues to offer the Diploma Programme in Panchayat Management for the serving presidents, members and aspirants. During this year, the DPM course was organised for the Presidents in association with DHAN People Academy. About 110 Presidents from all over Tamil Nadu have undergone this programme with the sponsorship of Directorate of Rural Development. In addition, Panchayat education for students studying ninth to 12th standards was organised in four locations for 11 schools, covering around 850 students. Basic concepts of Panchayat were taught to the students. Similar orientation was given to over 1100 youths and 2700 SHG members.

## **Panchayat Movement**

Panchayat movement was launched last year to reach more people and enable them to work on Panchayat affairs. So far 4635 members have been enrolled as members of Panchayat movement including the serving presidents, elected representatives and youths. The Panchayat movement publishes Panchayat Thoodhu, a quarterly vernacular magazine on Panchayat affairs. The Movement celebrates April 23rd, on the day when the 73rd and 74th amendment made in the Indian constitution, as Panchayat Movement day. Public meetings and rallies were organised to spread the awareness.

## **Voters' Day Celebration**

The Movement also celebrated Voters' day by organising a number of awareness programmes highlighting the value of vote, importance of exercising voting right, individual's duty, reaching 100 percent polling. There were campaigns, cycle rallies and handbill distribution to mark the event.

## **Manual on Tamil Nadu Panchayat Act and Rules**

Panchayat as a statutory body has well developed acts, rules, procedures, judgments and schedules to refer and follow. But many of the representatives at the primary level are not aware of such acts and procedures and there is no manual to refer. Hence the Panchayat programme has taken up the responsibility of compiling all the act, rules and procedures, with practical tips as a manual. A draft manual has been prepared and would be released soon.

## **Creating Panchayat President Relief Fund**

After visiting the Panchayats in Kerala, a pioneer in Panchayati Raj System, five locations have initiated the President Relief Fund concept, and mobilised donations around Rs. 4000 – 5000 from individuals in each Panchayat. This fund has been kept at Panchayat level for use in emergency and disaster situations. Efforts would be made to increase this fund.

## **Working on self-reliance for Panchayats**

To overcome fund constraints for implementing development programmes at village level, the Programme focused on increasing the sources of income of the Panchayats. This year, focus was on proper collection of house tax, water tax and other incomes. This resulted in the tax income during this year increase to Rs. 1.92 million for all the 25 Panchayats, which was 15-20 percent higher than the previous year. Similarly income from other sources was Rs. 2.37 million, which was 20-30 percent more than the previous year.



# 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' is 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.





## Positioning of the DHAN Tourism for development initiative



The tourism based SHGs promoted in both Kazhugumalai and Karaikudi locations have been organised into registered federations. Village tourism development committee met every month in both the locations. Efforts were made to include Kazhugumalai in the list of world heritage sites notified by UNESCO. A consultative workshop on outstanding universal value of Kazhugumalai to include it in the world heritage list was organised involving various stakeholders like Village Tourism Development Committee, State Archaeology Department, renowned historians, and representatives from Panchayat. DHAN Resource Centre for Tourism at has been promoted in Karaikudi for promoting tourism based livelihood opportunities.

## Expansion of tourism for development model in new locations

The Tourism for Development programme has started its programme in Theerthamalai location of Dharmapuri district jointly with the Rainfed Farming Development Programme of DHAN. Baseline survey has been conducted for exploring tourism promotion and a tourism perspective plan has been worked out through as a result of a multi-stakeholder consultation. Rainfed farming programme has been initiated there as a beginning. Similarly the Programme has joined with the Coastal Conservation and Livelihoods Programme of DHAN to promote Devipattinam in Ramnad district as a tourism destination. A multiyear micro plan

for Devipattinam Panchayat has been completed to mainstream the Tourism development with local Panchayat. A special plan for promoting solid waste management for Devipattinam Panchayat in consultation with district administration has been evolved. Similar initiatives have also been taken for Thirupudaimarudur location in Tirunelveli District in association with Vayalagam programme.

## Development Tourism / Village Cultural Immersion Programme

A 5-day development tour for Senegal team in association with the Friends of DHAN, The Netherlands was organised. The team got rich experience of Madurai heritage, chettinad heritage and famous chitra festival in Madurai. An architectural tour on chettinad building architecture was organised in collaboration with Department of Architecture, Thiyagaraja College of engineering. A special heritage tour was organised for the officials from MAVIM Maharashtra covering Rameshwaram, Danushkodi and Madurai Meenakshi temple. For a team from the Netherlands, a 5-day development tour was organised to get them oriented on culture and heritage of India. Similar tours were organised for teams from Canada, New Zealand, France, Thailand and Dubai.

## Promotion of Tourism based livelihoods

An exploration was made to understand opportunities in tourism based livelihoods for the Kalanjiam members' families in Thanjavur, Kumbakonam and Thiruvudaimarudur locations. A workshop on tourism based livelihoods was







organised. The workshop brought out the potential for promoting livelihood interventions around traditional food, handicrafts, green package products, guides and conducted tour, and accommodation. Similar exploration was made in Kancheepuram district as well. Heritage walks were organised regularly in Madurai for the public to various unexplored sites in and around Madurai. In these heritage walks, local host communities including Panchayat presidents were involved to expose them the potential. Initiatives have been made to promote village tourism development committees in these villages to facilitate conservation of monuments, improve cleanliness, ensure tourism ethics and tourism literacy among the host communities.

## Tourism Literacy

Collaborative works were taken up with Tamil Nadu Tourism Department to promote tourism literacy among the students of Madurai and Sivaganga districts through a week long campaign. To promote literacy among the students of Kazhugumalai, a heritage walk was organised and heritage club has been promoted in Kazhugumalai Higher Secondary School. For promoting literacy on eco-tourism among host communities, a collaborative tourism literacy programme was organised in Madurai with district administration, pollution control board and tourism stakeholders of Alagarkoil. As a result of this meet, the district administration has banned plastic bags in the vicinity of the temple.

Also village tourism committees have been promoted at Kutlampatty village in Vaadipatty taluk and Alagarkoil. DHAN Foundation as part of these committees has taken the responsibility of providing perspective plan for responsible tourism in these locations. The Programme has also organised a Pongal Festival in Thirumogur village, Madurai with the Tourism Department. About 180 foreign tourists participated in it. The Programme also continued its efforts in promoting Jain tourism circuit in Madurai district; joint explorations were made with the Deputy Director of Tamil Nadu Tourism Department.



# Centres for Integration

The Central office plays the integration role across themes, geographic locations, and functions through innovative integrating mechanisms and events. It provides strategic support to the thematic institutions promoted by it. The Central Office also coordinates resource mobilisation and its management, strategic planning, policy advocacy at higher levels. DHAN has a number of integrating mechanisms such as Strategic Forum, Consultative Forum, retreat, task forces and working groups for specific purposes. Besides bringing in a common culture, vision among all the members, these mechanisms help build collective leadership.

All the Programme leaders, Regional Coordinators and anchors of the Centres have met at the Monthly Institutional Development and Integration Meetings (MID-AIM) 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 directions for it.

Fourteenth Foundation Day was organised on October 2, 2010. DHANites, board of trustees, and collaborators have attended the Celebration. New themes such as Climate Change Adaptation, Youth and Development, Migration and Development were launched. In the induction ceremony, 58 newly inducted DHANites have taken the oath. In the afternoon, there was a development dialogue on the theme “The Anxiety of Growth in Microfinance” with a lecture by Prof. Sriram, IIM (B).

The Thirteenth Annual Retreat was organised at Valsad, Gujarat. DHANites reflected on their self, institutional growth and achievements. They have also visited the ‘Wadi’ model of development implemented by BAIF Development Research Foundation. There were deliberations by DHANites on the focus of the year 2011 – livelihoods; approaches and perspectives of DHAN and way forward.



## 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. It ensures online accounting system with the support of accounting software packages and builds the capacity of accountants and finance managers for it.

During this year, the Centre has facilitated Quality Assurance Audit (QAA) for all the financial responsibility centres (FRCs) in DHAN Collective and ensured external auditing in two phases. The Centre also made quality check visits to the

Peoples' Organisations in DHAN Collective to ensure quality in systems and functions across all the Organisations. The Centre also facilitated completion of audits commissioned by the Donors. It has coordinated remittance and claims with the Employees Provident Fund scheme with the Employees Provident Fund Organisation; maintained Staff Gratuity Funds, and fulfilled other legal compliances for the Institutions in DHAN Collective.

A national level Auditors' Seminar was organised with more than 40 auditors to deliberate on audit policies for the Peoples' Organisations and needed changes. They have shared their observations in the previous audits and evolved a uniform protocol for auditing this year. There were more discussions to arrive at a common understanding on new developments such as Direct Code Tax.

## Centre for Facilitating Philanthropy

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

### Fund raising for causes

The centre has been raising resources for the cause of water through the website since 2006. So far it has been successful in getting resources for 62 water bodies from various sources – the Indian Diaspora and their organizations abroad, alumni groups, individuals and small groups within India and in the last year students groups. The work began with Ooranis for drinking water and has diversified to include tanks, farm ponds and biosand filters

for safe drinking water. The project with Hope International, a Canadian agency, for the provision of bio-sand filters for safe drinking water to 400 families was completed.

The Friends of DHAN based in the Netherlands extended their support for setting up a vocational training centre in one federation and they have adopted one drinking water Oorani. They have supported the SUHAM health initiative of the Kalanjiam Foundation to get a building for the hospital at Theni. The centre facilitated the adoption of two new federations by the local Rabobanks in the Netherlands. One of them Rabobank West Zeeuws Vlaanderen took up a campaign to garner support for the provision of 700 biosand filters for the families in their adopted federation.

The Centre supported Dhan Karunai Illam, a home in Nilakottai for the education of children from poor and vulnerable circumstances. The activities have been diversified from a home for children to running an English medium primary school and a vocational education centre for women and youth.



### Fund raising by Students

The Centre has got a new way of support for Ooranis through young children who have taken up the cause of water as part of their science projects in school. They have moved from project to real life action and adopted a water body and raised funds for it. A group of Class XI students from Dubai Modern School took up a water body in Kazhugumalai for support. The school decided that it should be long term partnership between the school and DHAN with fresh batch of students coming in every year. Another team of Class 8 and Class 6 brothers took up fundraising for a water body as part of their science project. The fund raised by the two teams was about Rs.2.00 lakhs.

### Madurai Marathon on Climate Change Adaptation

The fifth edition of the Madurai Marathon was organized in January 2011 on the theme of Climate

Change Adaptation. Axis Bank Foundation came forward to support the Marathon. The fund raised for the cause will be used for farm ponds, tree planting, renovation of water bodies and piloting on solar energy. Awareness campaigns on Climate Change was organised through essay and drawing competitions.



## Centre for Human Resource Development

**H**uman Resource Development is one of the core purposes of DHAN Foundation which attracts and grooms professionals to work at the grassroots. The Centre for Human Resource Development (CHRD) creates opportunity for development professionals to pursue development career as way of life. It builds culture, commitment and competency within the individuals in order to deliver best to the poor communities. The centre ensures a structured growth path for the professionals. It also prepares them to occupy leadership spaces and anchor new development themes. The senior DHANites who act as field guides provide learning opportunity for the development professionals in development work.

The centre works closely with the academic institutions to build perspectives on development for the student community. The Centre organises wider exposure to the staff at national and international level for a continued study on advancements in their respective field of practice. It works towards building institutional culture within the staff through structured institutional events and through full-fledged mentor-mentee mechanisms.



During the year 2010-11, the centre has identified and placed 196 staff across various programmes in DHAN Collective. The newly inducted staff were oriented on institutional principles, mission and core values through structured induction programmes. The newly inducted colleagues were given opportunities to assess the merits and constraints of working at the grassroots, opportunities for self-growth and identify areas for gaining knowledge and skills.

Human Resource instruments were administered intensively in different occasions such as workshops



and appraisals in order to facilitate self-assessment and realisation of their commitment. The Development Apprentices were trained in 'Human process lab' for the field associates to help them build local teams. Specialised events on health, team building and accounting systems were organised for the field staff. Focus was given on improving their communication skills.

Ten Development Management Programmes (DMPs) were organised for the field staff during this year to enhance their implementation efficiency. These trainings have helped the participants to appreciate the perspectives behind the roles they perform, internalize them and plan for action. The DMP on accounts has helped the staff to connect accounting practice with the perspectives of development and poverty reduction. This training has emphasized on transfer of accounting knowledge and skill to the community as part of financial literacy.

## DHAN People Academy

DHAN Foundation's community organising strategies are centered 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, and workshops and seminars to help the people's leaders 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

The Programme in Perspectives on Development (POD) facilitated the staff to understand the issues and dynamics of poverty, DHAN's principles and approaches in poverty reduction. The DMP on Human Process Lab helped the participants to understand the uniqueness of 'self', to know the impact of one's behaviour on others, improving the effectiveness in interpersonal interactions to discover the self-motivation for a meaningful change.

The Centre has created internship opportunity for students from academic institutions at national and international level. The Annual Performance Enabling Programme (PEP) for the staff focused on productivity enhancement. The staff were made to connect their Key Performance Areas (KPA) with their roles affecting their self, programme, institution and development.



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.

### Trainings and Workshops

The Academy offers a one-year Diploma programme in Panchayat Development through distance education. In the 6th batch sponsored by Rural Development Department in Tamil Nadu, about 100 Panchayat Presidents were enrolled. For the Tamil Nadu State Non-Governmental Organisations and



Volunteer Resource Centre (TNVRC), the Academy has organised five capacity building programmes in accounting, financial management and governance.

Three-week residential training for the Kalanjiam and Vayalagam Movement Associates were organised for six batches. Two batches of associates from ICT Programme and one batch from Rainfed Farming Development Programme were offered induction training. A three-day Training of Trainers programme on community health promotion focusing on safe drinking water, sanitation and hygiene was held..

For the Tourism for Development Programme, the Academy has organised a training programme in preparing multi-year micro-planning, both for facilitators as well as Panchayat Council members. For Vayalagam Programme, the Academy has organised participatory tank appraisal in nine Vayalagams from four Vayalagam Federations through resource mapping and perception mapping. In order to demonstrate the process of conducting

future search exercise at Federation level, three workshops were conducted for the staff of Kumbakonam (Rural), Gangai and Singampuneri Federations. The process documentations were shared to all the federations for their follow up.

## Research and Material development

During this year the Academy has prepared a financial literacy manual for participants and trainers, manuals on self-regulation, federation future search process and multi-year micro-plan. DHAN People Academy also coordinates with all the DHAN Resource Centres in the regions. Two trainers' trainings were organised to build perspectives and skills in training. The Academy also took up an assignment with the Ministry of Rural Development, Government of India for undertaking participatory socio-economic study in 69 villages in five states. The study results were compiled into a report and sent to the Ministry and National Institutes for Rural Development.

# Centre for Development Communication

**T**he Centre for Development Communication facilitates documentation and dissemination of field learning within and outside the organisation 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 make them see, reflect and write on issues pertaining to development. The Centre also undertakes thematic campaigns combining digital and folk media for fostering Behavioural Change Communication.

## Audio Visual Communication

The Centre has produced a number of audio visual products for use in programmes in DHAN Collective. The annual feature of the Centre, Development Film Festival on the theme of 'Democracy and Development' was organised. In this sixth edition of the Festival there were films from all over the

world and selected films were screened to over 5000 students in the colleges around Madurai, 500 viewers in villages and for the public in the Festival venue, Gandhi Museum. In an International Conference organised by the International Association for the Studies on Commons (IASC) at Hyderabad, video presentation on the works of DHAN such as Lifeline for Livelihoods – Nalgonda Experience, Restoring Livelihoods – Backwater Fishing experience were showcased.

## Documentation and Publication

A set of promotional products depicting perspectives, principles and practices of DHAN on the theme of Livelihoods were published. The Centre also helped publishing the range of products for the programmes, which have been catalogued at the DHAN Website. A facelift was given to the DHAN website. The number of monthly unique visitors has doubled during the year. A two-day Workshop on Documentation supported by the Rabobank was organised for the integrators and field associates of the locations.



## Community Media



Being the first NGO operated community radio station in Tamil Nadu; the Kalanjiam community radio promoted by DHAN has been recognised as a resource centre. With the experience gained from Nagapattinam, DHAN has helped the Peoples' Organisations to setup Community Radios in Kottampatti, Tamil Nadu, and Punganur in Andhra Pradesh. The Kalanjiam Radio was represented at the International Conference on Community

Communication organised as part of global assembly of the World Association of Community Radio Broadcasters (AMARC) in Argentina. It was also represented at the national consultation on community radio organised by the Ministry of Information and Broadcasting (MIB) and UNESCO at New Delhi. As a follow up, a three-day workshop for the community radio practitioners was organised with the Community Radio Forum of India and MIB, Government of India in Nagapattinam.

## Campaign with folk-media

The Centre, jointly with four folk-arts troupe nurtured by it, has organised over 144 days of awareness programmes on different themes such as solidarity building, water and solid waste management, anemia and HIV AIDS. Over 99,000 participants have attended these programmes. Through participatory theatre, the people were encouraged to have discussions on some of the important issues related to these themes and prepare a plan of action.

## Centre for Policy and Planning

The Centre for Policy and Planning has been set up to support the programmes and institutions of the DHAN Collective so that they evolve, develop and modify their policies and plans to fulfill their aims. It provides frameworks and tool kits to the programmes in planning, review and monitoring performance in line with the perspective plan of DHAN Collective. It works with the programmes for advocating pro-poor policies by helping them undertake studies and policy research; organise policy seminars, publish policy briefs and policy notes on specific issues on respective themes. It 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 Briefs

Policy briefs prepared with the experience gained from field practice have been useful instruments to influence policies in favour of the poor. The

Centre for Policy and Planning has prepared a series of policy briefs on issues pertaining to tank and ponds. The policy briefs on Conflict Resolution in Conservation and Management of Tanks (Small Scale Water Bodies), Financial Inclusion-Savings and its relevance to poor: Issues and Solutions, Resource Mobilisation for Rehabilitation of Tanks involving people, Tank-Based Watersheds for Sustaining Farmer's Livelihoods were shared with Secretaries and Heads of relevant line departments.

The eleventh policy brief prepared is on Farm Ponds. The Centre has supported the Council for Conservation of Small Scale Water Resources to organise its consultations and a note on Tank-fed Agriculture Mission for Tamil Nadu was prepared in consultation with the members and it was shared with Agriculture secretary. The Centre also facilitated the Rainfed Agriculture programme to present their experiences on crop insurance to the Chief Secretary, Government of Tamil Nadu.



## Policy process for DHAN Collective

A tool kit for facilitating policy process in DHAN Foundation was prepared and circulated to all the programme and team leaders for evolving and shaping their programme, location and federation policies. On gender mainstreaming, the Centre has initiated a study on women in agriculture. The Centre has collected and compiled policies and acts sectorally for the use of programmes. Policy demand notes of States, budget notes of Central and States, Central and State policies, schemes and acts, working group reports and studies for the different sectors have been assembled at one place for reference and use.

## Consultancy

The Centre continued to provide consultancy services to the IFAD sponsored Post Tsunami

## Centre for Research

The Centre for Research facilitates field-based research on issues common to the sector and the Foundation. It undertakes sectoral research on microfinance, tank-fed 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 micro-studies and action-research on the issues concerning them to come out with operational solutions to improve the performance. It works with educational and research institutions, and universities on common research interests to exchange expertise and to bring academic rigour to the research outcomes.

## Studies

The Centre undertook an assignment for the Indian Institute of Management, Bangalore (IIMB) to conduct an Impact Study on the Short Term Credits from Cooperative Societies (STCCS) Revival Package in Tamil Nadu. This study covered 100 Primary Agricultural Cooperative Societies in five districts and Central Cooperative Banks in eight districts.

The Centre for Research undertook an assignment for preparing City Human Development Reports

Sustainable Livelihoods Project implemented by the Tamil Nadu Women Development Corporation. The outcome of the baseline survey conducted for the project was shared with district and field teams for facilitating interventions. A report of the survey of vocational institutes recommending they have linkage with institutes for skill training was shared with them. Another report on Annual Outcome Monitoring Survey to Project Management Units was prepared and shared. Appraisal and field quality check of resource maps for Villupuram, Kancheepuram and Thiruvallur districts were initiated and a final document on Panchayat-wise participatory livelihood resource mapping and livelihood micro-plan for Villupuram district was shared with the project management unit.

for Madurai and Salem Corporations, awarded by the Directorate of Municipal Administration, Tamil Nadu. The study has been completed and draft report has been submitted to the Municipal Corporations concerned.

## Baseline Surveys

For Kalanjiam Programme, the Centre has undertaken a baseline survey on Knowledge, Attitude and Practice on HIV/AIDS in Sellur location of Madurai Urban Region and Ponnampattai and Kondalampatti locations of Salem Region. For People Mutual, the Centre has facilitated mortality rate study to design a social security product. A total of 92,893 households were surveyed from 51 locations and the report has been shared to them. Based on this study, the Centre was awarded another baseline survey for launching a micro-pension scheme in 20 locations. Based on the results of baseline data analysis ten locations were selected for further feasibility study. With the specialisation in conducting baseline studies, the Centre was awarded another survey on Knowledge, Attitude and Practice on anaemia control in two Kalanjiam locations.



## Housing for the Poor

The Centre represented DHAN in a community exchange visit to Building and Social Housing Foundation (BSHF), Poland to acquire knowledge and experience through a range of knowledge-sharing activities facilitated by Barka Foundation for Mutual Help, Poland. This visit has brought an in-depth understanding of the practical techniques, training methods and project management approaches in housing for the poor. Similar visit was made to Sweden and Philippines to understand the shelter design and development. The Centre has guided two interns, one on Panchayat settlement

plan, context-based toilets and housing for poor and heritage project; and the other one for efficient utilisation of energy in rural and urban settlements.

The Centre for Research continued to play the secretarial role for the JNNURM. A regional workshop on Community Participation Fund was organised at Pondicherry. Another regional workshop on Urban Poverty and Launching of CVTC was organised at Tirupathi. Meetings of City Voluntary Technical Corps and City Technical Advisory Group for Madurai City were organised by the Centre.







# Impact





# Impact of Kalanjiam Community Banking Programme<sup>1</sup>



## Graduation of Women's Federations through Holistic Development

Kalanjiam Foundation (KF), a subsidiary of DHAN Foundation [Development of Human Action Foundation or DHAN], evolved as a result of DHAN's broad-based focused efforts towards promoting women's SHGs and their higher level institutions (Cluster Development Associations, CDAs and Federations) in the field of micro-finance, as part of its now famous Kalanjiam Community Banking Programme (KCBP).

KCBP or KF are promoting three-tier nested institutions viz., SHGs (of 10-20 members), CDAs (of 20-35 SHGs) and Federations (of 150-300 SHGs in 7-10 CDAs). Each of these institutes is governed by its (representative) general body, executive committee and office-bearers - President, Secretary and Treasurer and managed by appointed staff in CDAs and Federations. SHGs meet every month and discuss loans, savings, insurance and other activities. CDAs provide supportive supervision and consolidate SHG plans in the Cluster. The Federations perform the role of collaborating with Banks, Insurance companies, Government and other institutions to carry out the process of financial intermediation and spearhead the process of social change. Federations have also started coming together at regional level to serve as resource centre for the member Federations. As of now, about 5.0 lakh women have come together in 27,000+ SHGs in 149 locations across the country [this does not include the SHGs formed in coastal areas and other areas in partnership with Government(s)]. They have more than Rs. 200 crore own funds and their loan outstanding has exceeded Rs.300 crore.

Having achieved this massive scale, KCBP has taken the shape of a movement, known as Kalanjiam Movement. Also, the Federations have promoted a few apex people's institutions (with specific objectives) viz., Kalanjiam Thozilagam Limited (for supporting livelihoods activities), People's Mutuals (for insurance activities) and Kalanjiam Development Financial Services (for providing loans to SHGs). The KCBP has received continuous support from Sir Ratan Tata Trust for more than a decade now, with the current phase (i.e. third phase, called GROWTH, started in 2007) ending on 31 March 2011. In this context, at the request of SRTT, Akshara Livelihoods Pvt Ltd., has assessed the impact of GROWTH on the SHG members and their institutions, during April – July 2011.

The study has been conducted in 10 sample locations in 8 regions of KF's area of work, selected in consultation with KF and SRTT. These locations represent the three contexts - rural, urban and tribal; and three stages - self-managed, graduating and promotional. The sample includes 529 SHG members, 53 SHGs, 39 CDAs and 9 Federations. In-depth interactions in the field were also with 49 SHG members, 55 SHG leaders, and 54 field staff. 2007 evaluation study report [Prof. MS Sriram] and 2008 baseline report [KF] have provided some reference data. The qualitative and quantitative data so generated has been consolidated, analysed and interpreted to arrive at this report.

**Profile of the respondents:** 90 percent of them live below poverty line. Around 47 percent of them are illiterate. Wage labour (40 percent) and agriculture (24 percent) are their major livelihoods. About 43 percent of them have 100-250 days of work and

<sup>1</sup> Summary of an evaluation taken up by a team from Akshara Livelihoods Private Limited headed by Mr. G. Muralidhar, prepared for Sir Ratan Tata Trust



38 percent have over 250 days of work. Around 15 percent of the people have shifted from wage-labour to self-employment. Annual income has not grown proportionally as expenses. Income from MGNREGS contributes 10 percent of the total income in tribal and 5 percent of total income in rural households, which is significant. Expenditure on food is highest (52 percent of total), followed by expenditure on education (8 percent), health (5 percent) and clothing (5 percent). The reasons observed for high expenses on food are inflation and more nutritious intake by members, comprising more of pulses, meat, vegetables and fruits etc.

**The impact:** All the members, irrespective of the context and age of SHGs, are engaged in savings activity, with their average saving standing at Rs. 124 per member per month (range is Rs. 50-200 per month). They are having two types of saving viz., regular and special. The amount saved, purpose and duration varies. They find savings in SHGs safe, friendly and accessible. Apart from SHGs, the members have also saved money in other places like bank, private chits, post office etc. 24 percent members save in Community Chits because of ease in its withdrawal, high interest rates and easy accessibility. Total savings per member is Rs.5769 and the SHGs in the age group of 4-7 years show higher savings (Rs.6951) than older SHGs (Rs.6928). Savings are not very different in graduating and self-management locations.

All the members except the members from new SHGs have taken loans. 33 percent members have taken loans for agricultural purposes with an average amount of Rs. 10,783, followed by loans for house upgradation (23 percent) and house purchase (13 percent at Rs.17548 average). Average highest amount of loan (Rs. 23277) is taken by 11 percent respondents for business development. They are also taking loan for education, health and clearing old debts. Where the livelihoods activities are in force, members have taken loan for investing in assets like purchase of land and livestock. Average loan from SHG per member is Rs. 8521. Members in older SHGs have borrowed more than younger SHGs. In terms of context, members of SHGs in rural areas have borrowed more than urban areas, who

in turn have borrowed more than tribal areas. SHGs in self managed category are showing the highest average loan amount followed by graduating and promotional SHGs. Average loan size from outside is more than twice the amount borrowed from SHGs. The loans borrowed from outside are of bigger size (Rs. 10000-Rs. 20000) compared with SHGs (less than Rs. 10000). SHGs are catching up fast with loans for more purposes and with more varied sizes.

Over a period of 4 years, there is a significant increase in the number of members accessing facilities like anganwadi/ balwadi, healthcare facilities, markets including outside markets, schools and banks. Across the contexts, there is a considerable improvement in the quality of house i.e., number of huts have decreased in the tribal area; and RCC roof houses have increased in urban areas. More members are using closed toilets and bathrooms in their houses. Majority of the members are still dependent on public water system for drinking water, wherein KF can chip in to provide more of bio-sand and other filters to improve the quality of water. There is a sharp increase in usage of cell phones, TVs, watches and cooking gas in all the three contexts. Value of land has almost doubled in the last four years. However, there is only a marginal increase in the ownership of land.

Significant increases are noticeable in health knowledge and health seeking behaviour. As a result, there is improvement in anaemia (among mothers & adolescent girls) control, low child malnutrition and low morbidity. 91 percent respondents have invested in life insurance (up from 41 percent earlier) followed by 23 percent in health insurance. There are some successful experiments, which could be scaled up viz., setting-up of SUHAM hospital in Sellur location; and meeting the life-insurance premium cost by investing the members' savings and not charging the members in Salem region.

Comparison with KF's baseline (year 2008) reveals that the average savings have doubled while the average loan outstanding has come down by half. Also average income has marginally decreased by 6 percent while the average expenses have



grown by 4 percent over a period of three years. Comparison with 2007 study (only for SHGs of rural context) indicates that average cumulative savings have increased across all age group SHGs with an overall increase of 50 percent. Overall loan outstanding of members (outside and in SHG) has grown significantly but with SHGs, it is showing only a marginal increase. Incomes have not kept pace with the inflation. A substantial rise in food expenses is attributable to inflation and higher spending on nutritional food. Contrary to the overall performance on various parameters, a notable increase in savings, loan outstanding and average income is seen in the SHGs formed during 2004-07. Ownership and quality of various assets like house, TVs, motorcycles and utensils has improved over a period of 4 years.

**Perceptions:** Members, across the contexts, consider loaning as the most important and useful element (59 percent) in the entire program, followed by insurance (38 percent), solidarity (34 percent), low interest rate (33 percent) and savings (30 percent). They have become more credit worthy. Members perceive significant changes in social life - increased solidarity, more confident, less vulnerable, adequate food security and better control over all resources. Increased mobility, ability to take independent decisions and identity in the family and community are some of the other perceivable changes across.

Members, leaders and staff consider the broad achievements as increased mobility and articulation; increased savings and reduced dependency on money lenders; asset purchases including improved houses; increased investment in education of children; more and bigger loans; increased access to healthcare, banks, schools and other services; increased mobiles and communication; increased recognition to women; and reduced alcohol consumption.

The challenges, they perceive include retaining women in the groups with multiple loan products to cater to multiple loan needs of their members, in the face of competition from MFIs; and collaborating with government agencies. Their training needs are in accounts, collective business, livelihoods

promotion, vocational training, group management, conflict resolution, development interventions in tribal areas, and government schemes etc. Their plans include – Livelihoods Resource Centres, federation buildings, houses for members, school(s) for children, hospital(s), provision stores, collective purchase, processing and marketing and fertilizer/ inputs shops etc.

Looking at their capabilities, there is a growing interest shown by various outsider agencies like bank, insurance agencies and business houses in partnering with the Federations. The government agencies also trust them more for extending the benefits of various schemes.

### Way Forward:

While looking forward to the future, there is a need for intensively covering the existing locations and include in its fold more number of poor and needy families, as perceived by the community itself. A detailed exercise is needed to get clarity on the roles of multiple institutions existing under Kalanjiam movement and articulation of these roles at all the levels is also necessary. The regional resource centre has to transform into a federation of federations at the regional level and subsume KF's regional office.

More number of products under savings, deposits (linked with income), credit (housing, skill development and education) and insurance (assets, crop etc) to address the wider needs of members should be designed and introduced. Insurance activity (life and health) should ensure 100 percent coverage like savings and credit activity. Looking at the outreach and scale, a comprehensive sustainable health-care model should be taken up after necessary piloting and experimentation.

Self-managed locations can actively take up activities for improving the quality of life like housing, safe drinking water, sanitation, and electricity, etc. There is also a need to find ways to work in partnership with various Government programmes like, NRLM, MGNREGS, Mega watersheds and employment generation in order to ensure increased benefits to members. Further, sustainable agriculture e.g., organic and Non-



pesticidal Management and Non Timber Forest Produces practices in tribal areas could be scaled up.

There is a need to initiate collective livelihood or business related interventions by leveraging the existing institutional structure and social capital. The intervention should be designed in such a way so as to cover the entire value chain of the commodity. These collectives could be formed around a business activity or around a geography catering to the multiple needs of the members in that region.

All this would mean, KF needs to front-end a national shared vision and framework for meeting the multiple needs and integrating myriad

activities that are active in one place or the other to all the locations. Based on this, local visioning can take place at regional or federation level and operationalised.

KF is working across a large area in 14 states with varied micro-contexts. Only the government agencies have larger target populations than KF. It needs to convert small pilots into scalable activities and integrated into the overall KCBP. It needs to learn to handle the institutions with varying ages, capacities and needs. The staff need to pace up with the growing aspirations of the organised communities. It needs to front-end livelihoods support, along with savings, credit and insurance.



# Behavioral Change Communication for Anaemia Control among Pregnant women and Adolescent Girls<sup>1</sup>

## The Project

The State Health Society (SHS), Tamil Nadu, which is implementing National Rural Health Mission, envisages Reproductive and Child Health (RCH) as one of the critical components which focuses more on women and children's health. Anemia may have adverse effects on the health of women and children, and may become an underlying cause of maternal mortality and prenatal mortality. As per estimates, 20 percent of maternal deaths in India are due to anemia. A severely anemic woman faces nine times more risk to life during pregnancy than those with normal hemoglobin levels. Anemia also results in an increased risk of premature delivery and low birth weight. Early detection of Anemia can help prevent complications in pregnancy and delivery, as well as child development. Anemia control has been integrated as a critical intervention in the initiative to achieve the standards of RCH.

DHAN Foundation has over a decade of experience in implementing anemia control project for the member families of women self-help groups. The interventions showed significant changes in Knowledge, Attitude, Practice (KAP) on anemia and haemoglobin level among the high risk groups of anemia such as pregnant mothers and adolescent girls. The major emphasis of DHAN's anemia control project was on sustained behavior and practice change towards anemia control using behavioural change communication (BCC).

DHAN Foundation and State Health Society of Government of Tamil Nadu jointly evolved an anemia control project through community participation. The assumption was the learnings from the pilot would be critical in evolving strategies for other components of RCH project and other health related interventions. The project was launched in October 2008.

The project was implemented in five blocks in five districts of Tamil Nadu such as Shanarpatti in Dindigul, Kottampatti in Madurai, Mudukulathur in Ramanathapuram, Thiruvudaimaruthur in Thanjavur, and Bodinayakanur in Theni district.

The core objective of the project was to develop a model for community based anemia control interventions and the specific objectives were:

- ✍ Building the capacity of Village Health and Sanitation Committee to take the health agenda forward at village level
- ✍ Promoting behavioural changes among the people for anaemia control applying BCC as strategy.
- ✍ To test the BCC messages under various programme conditions distribution of IFA through school, link volunteers etc.
- ✍ Reducing the prevalence and intensity of anaemia among pregnant women and adolescent girls

The following project strategies were used in implementation.

1. Promoting and nurturing Village Health and Sanitation Committees (VHSC)
2. Building capacity of VHSC
3. Evolving a system to track changes in Haemoglobin (Hb) status and behavior of the target population
4. Behavioural Change Communication for anaemia control
5. Case management and Referral services

<sup>1</sup> An evaluation report prepared with baseline and end line surveys taken up by Tata Dhan Academy, with support from Dr. Rajaratnam Abel a Public Health Consultant and Dr. Jolly Rajaratnam a MIS Consultant.



## EXECUTIVE SUMMARY

The “Pilot Project on Implementing Anaemia Control Programme among Adolescent Girls and Pregnant Women using Behavioural Change Communication as a Strategy” was initiated by the State Health Society -Tamil Nadu (SHSTN), of the Government of Tamil Nadu in five blocks from five districts of Tamil Nadu. DHAN Foundation implemented the project. This project was initiated in October 2008 and was to be completed in September 2010 but was extended up to June, 2011.

A total of 500 and 1770 adolescent girls and 250 and 1378 pregnant women were the samples in the baseline and end evaluation surveys respectively. Both the surveys obtained information on the haemoglobin levels, knowledge, attitudes and practices on anaemia among both adolescent girls and pregnant women. The women from the project villages, who had passed 10th/12th standard, experienced in data collection and involved in similar evaluations, were employed for data collection. They were specially trained for this evaluation.

### Decrease in anaemia prevalence

The major finding of the end evaluation was a significant decrease in the prevalence of anaemia from 85.8 percent to 54.4 percent among adolescent girls indicating a decrease of 31.4 percent.

There was also a significant reduction of very severe anaemia prevalence among adolescents from 0.42 percent to 0.0 percent as well as a significant decrease of severe anaemia prevalence from 13.1 percent to 0.5 percent and a non significant decrease of moderate anaemia prevalence from 40.88 to 14.0 percent. There was a corresponding significant increase in normal Haemoglobin (Hb) prevalence from 15.25 percent to 45.6 percent as well as an increase among mildly anaemia prevalence from 30.29 percent to 39.9 percent.

Adolescent girls in the end evaluation had their Hb assessment done before intervention. Hence their mean Hb was compared. The mean Hb among adolescent girls increased from 9.8141 g/dl to



11.2881g/dl before intervention and after for the end evaluation subjects. The minimum Hb had increased from 3.5g/dl to 7.0g/dl and the maximum Hb from 13.2 g/dl to 13.5 g/dl.

The other major finding of the end evaluation was a significant decrease in anaemia prevalence from 86.7 percent to 59.4 percent indicating a decrease of 26.9 percent among pregnant women. There were no cases of very severe anaemia in both the baseline as well as end evaluation among pregnant women. There was a decrease in severe anaemia prevalence from 3.6 percent to 0.4 percent as well as a decrease in moderate anaemia prevalence from 58.7 to 13.4 percent. There was also an increase of mild anaemia prevalence from 24.5 percent to 45.7 percent among pregnant women.

Pregnant women in the end evaluation had their Hb assessment done before intervention. There was also an increase in the mean Hb among pregnant women from 9.8 g/dl to 10.57 g/dl, with the minimum increasing from 6.0 g/dl to 6.5 g/dl and the maximum increasing from 13.5 g/dl to 14.0 g/dl.

### Increase in Knowledge

There was adequate increase in knowledge relating to anaemia among adolescent girls relating to; definition, method of detecting, signs and symptoms for adolescent girls, causes, consequences for adolescent girls and pregnant women, prevention and treating anaemia and the increase was highly significant between the baseline and end evaluation. Significantly larger number of adolescent girls could state the normal Hb level for adolescent girls, places where Hb is tested and weight is taken. They had



shown increased knowledge on Iron Folic Acid (IFA) tablets, the frequency of IFA tablets to be taken, places where it is obtained at free of cost, its side effects and iron rich foods. They had complete knowledge on entry of hook worm, advantage in the use of chappals, the frequency of de-worming for adolescent girls and the gestational months for de-worming of pregnant women after the intervention

Pregnant women had shown adequate increase in knowledge relating to anaemia such as definition, method of detecting, signs and symptoms for pregnant women, causes, consequences for pregnant women, prevention and treating anaemia and the increase was highly significant between the baseline and end evaluation. Significantly larger number of pregnant women could state the normal Hb level for pregnant women, places where Hb is tested and weight is taken. They had shown increased knowledge on IFA tablets, the number of tablets to be taken, places where it is obtained at free of cost, from which month of pregnancy it is to be taken, side effects, and iron rich foods. They had complete knowledge on entry of hook worm, advantage in the use of chappals and the gestational months for de-worming of pregnant women after the intervention.

### Changes in attitude

There were significant positive changes in attitude relating to most areas of anaemia among both adolescent girls and pregnant women because of the intervention. However, adolescent girls' belief on the need for consuming de-worming tablets during pregnancy and the pregnant women's belief on the need for consuming de-worming tablets during adolescence did not change significantly.

#### Changes in practice

Although there were highly significant changes observed relating to knowledge on and attitude towards anaemia, there were varying levels of practice changes observed. Significant changes included ANC registration, number of ANC visits, Hb testing, weight taken, the month of starting IFA and wearing chappals while going out. Regarding IFA consumption, more than two thirds had consumed more than 60 -100 tablets and

those who consumed less than 60 have consumed iron tonic which is a significant change. There was no significant increase in practices relating to using toilet as well as in hook worm treatment among pregnant women in the prevention of anaemia. There continues to be policy differences on hook worm treatment of pregnant women with Albendazole as no one received this medication. Consumption of iron rich foods like greens, tomatoes, cabbage, ragi, dates, guava, jaggery, meat and fish have considerably increased.

### BCC materials

The BCC materials prepared and used for this project for adolescent girls and pregnant women included flip charts, posters on anaemia concepts, hoardings with anaemia concepts – placed in all the PHCs of each block and hand bills. There was an exhibition booth – covering all the anaemia concepts through pictorial depiction and a hand book on anaemia. The increase in knowledge is an indication of the effectiveness of the BCC methods used.

The strengths identified were a clear cut approach in design, committed financial and human resources, interaction by the government team, the DHAN infrastructure, rigorous, effective and regular training, and a good monitoring and review system. The BCC materials were very valuable.

### Recommendations

The following are the broad recommendations arising from the findings of this evaluation.

- ✍ To ensure that the VHSC functions effectively the Health Department should take advocacy steps within government policy making levels to ensure that there are periodic planning and review meetings and monitored regularly by the District Collector supported by the BDO and BMO jointly so that the prevention and control of anaemia is possible.
- ✍ To ensure similar levels of impact on anaemia control IFA tablets and Albendazole tablets should be made available on time without any break especially for adolescent girls.



- ✍ To assess whether pregnant women maintain normal Hb concentration at the time of delivery the Hb concentration of individual pregnant women must be regularly measured preferably in the 4th month (early months) and after 7th month.
- ✍ The appropriate BCC materials, methodology and approach piloted in the project blocks backed by proper monitoring could be adopted to ensure desired results in anaemia reduction.
- ✍ The changes in the attitudes resulting from this project should be maintained. There is a need for policy clarity on the administration of de-worming tablets for pregnant women. There appears to be a difference of opinion between clinicians and public health specialists on the above issue. A clear policy needs to be evolved based on World Health Organisation and national guidelines on this issue. Whatever policy is decided must then be communicated to the practicing doctors at various levels of government health institutions by senior health professionals preferably by an obstetrician so that it is accepted by the doctors without reservations. Efforts should be made to bring this into the medical curriculum so that young doctors are trained according to any revised policy that might emerge.
- ✍ The above process is important as households in rural areas do not have toilet facilities (70 percent) and people use open air defecation and walk without slippers. Hookworm infestation contributes to anaemia prevalence. The Health Department should utilize existing linkages in the Total Sanitation Programme for construction of household toilets. Simultaneously toilet use must be promoted using creative approaches even while recognizing the repeated failure in constructing toilets.
- ✍ Consumption of iron rich foods must be promoted for adolescent girls and pregnant women by promoting kitchen garden and growing trees and plants rich in iron such as, moringa, guava, mint and greens like 'palak, and moringa leaves. Frequent consumption of these items should be promoted. Mint is rich in iron, hence mint chutney may be used with rice, dosa and idly.
- ✍ Since ragi is a good source of iron, but whose use has declined over the years, it might be worthwhile considering making ragi available through the PDS. It is important to stress that ragi is an iron rich food and encourage people to use it as often as possible. Ragi can be used in making 'kulu,' 'kanji,' roti, dosai, puttu, laddu and in other forms. Ragi biscuits are available in bakeries and that can be promoted. This region of Tamil Nadu does not use ragi as much as in some other parts.
- ✍ While health care delivery at the HSC level covers a number of areas which will have to be continued, anaemia control should be focused in planning and exclusively reviewed as a special component under Reproductive and Child Health project.
- ✍ Based on the experience gained a manual should be prepared clearly specifying the anaemia control programme to be implemented with objectives, methods of working, the records to be maintained and the MIS developed for the programme. It should also include the BCC messages for adolescent girls and pregnant women separately. The roles and responsibilities of each government health worker for the prevention and control of anaemia should be defined as well as the lines of authority and the support should be defined. The various formats developed for the various tasks should also be presented. Various staff at different levels could be trained using this manual. This would facilitate for the replication of the pilot project.
- ✍ This pilot project needs to be replicated throughout the state as the intervention resulted in more than 20 percent reduction of anaemia prevalence among both adolescent girls and pregnant women.



## Stories of Impact



### Renovating tank, reviving livelihoods!

Idaiyoor is a remote agrarian village with a total population of 856 in Pudukkottai district. The small and marginal farming households cultivating in 120 acres of land suffered from acute shortage of water due to poor storage of irrigation tank. Due to water scarcity, the total cultivated area shrunk from 120 acres to 100 acres. Poor tank maintenance also led to flooding and crop inundation during the monsoon. When repeated crop failures crippled the livelihoods of poor communities, CALL programme of DHAN Foundation entered this village and organised them to renovate their tank to restore its original capacity. After renovation, now the tank supports paddy cultivation in 120 acres of land, which produced 156 tons of paddy this year.

Idaiyoor village is located in Senkanam panchayat of Avudayarkovil block in Pudukkottai district, Tamil Nadu. The total population of the village is 856. Agriculture is the only source of income for all the households in this village. Farming is a seasonal activity here, which provides employment only for four months in a year. In the remaining period they migrate to adjacent towns in search of work. A small portion of the aged population has an access to employment offered by the government sponsored Mahatma Gandhi National Employment Guarantee Scheme (MGNREGS).

There is an irrigation tank in this village that supports the farmers to harvest at least one assured crop in a year. The tank benefited both Idaiyoor and Idaiyoor Aenthal villages. The total water-spread area of the tank is 95 acres and the total command area is 120 acres. The length of the tank bund is 2.5 kilometer. This tank was not renovated for the past 50 years and the tank bund was very weak and unable to hold adequate water. Despite the efforts of the Panchayat to strengthen the tank bund through MGNREGS works, it did not yield expected results. Considering the weak tank bund, villagers did not store water up to full tank level. Whenever tank received heavy flow of water, the tank bund

was breached. The people in this village suffered due to water scarcity during summer and flood during in rainy season. In the past 10 years, the farmers have not cultivated a second crop.

DHAN Foundation's Coastal Conservation and Livelihoods programme identified Idaiyoor tank for renovation. Though people in this village belong to different castes, they came together to promote Tank Farmers' Association to renovate the tank. In June-2010, Idaiyoor tank farmer association was promoted by organizing 68 farmers. The association, in its first meeting, evolved bylaw for its day-to-day operation and decided to mobilise community contribution to renovate this tank. As the tank bund was too weak to store water, bund strengthening was their priority. With farmers' contribution of 25 percent of the cost of renovation, DHAN Foundation managed to mobilise the remaining from philanthropic sources, and the tank was renovated in August 2010. To monitor and implement the renovation work the association formed a committee, which reported to the association at regular intervals. As part of the renovation work, earth removed from the tank water-spread area was deposited on the tank embankment. The earth applied over the bund was consolidated using tractors and earth movers.

<sup>1</sup> Summary of an evaluation taken up by a team from Akshara Livelihoods Private Limited headed by Mr. G. Muralidhar, prepared for Sir Ratan Tata Trust





Apart from bund strengthening, the silt deposited in the supply channel was removed to facilitate smooth flow of water. The thorny shrubs around the tank bunds and water-spread area were also removed. The total volume of earth removed through the renovation was 10,889 Cubic Meter. Now the renovated tank can hold water to its full tank level. With subsequent monsoon shower, the tank got filled in December 2010 itself. As a result of the renovation works, the village did not face any threat of flood even with heavy shower. The net yield expected out of 120 acres of land was 156 tons of paddy crops. In addition, the farmers decided to cultivate second crop considering the water available in the tank.

The assurance of water to cultivate paddy not only benefited the farmers but also the labourers who dependent on farming. The tank renovation work created about 10,000 man days of employment



opportunity to the landless labourers.

Mr. Subramaniam, President of Idaiyoor Tank Farmer Associations said, "In the past ten years, we suffered a lot due to water scarcity and floods. The breach of the tank bund used to lead to crop inundation. We have paid a lot for our inaction of repairing the water body. Thanks to the cooperative efforts taken up by the village and DHAN for reviving the tank and our livelihoods dependent on it; after renovation of the tank, we have got an assured supply of water for cultivating two crops a year. The renovation work was carried out in a transparent manner. After seeing the quality of renovation work farmers in the adjacent villages admired and appreciated us. If the same work is implemented through a contractor only about 50 percent of the work would have been done. Since the renovation work was implemented by us, we have ensured efficient use of money and labour".

## Rising Confidence! Reviving Lives!

Sethunatchiar, a marginal farmer, was making her income from agriculture. The tsunami disaster in December 2004 damaged her cultivable land, swallowed her assets and engulfed her livestock. She lost all her assets except hope. With uncompromising determination, she fought back and gradually reclaimed the agricultural land, established a farm pond, and purchased a diesel engine pump. Now owns six goats to supplement her livelihood.

Kovilpattu is a coastal village in Vedharanyam Taluk of Nagapattinam district in Tamil Nadu. Sethunatchiar lives in this village with her husband, three daughters and a son. Farming was their only source of income. She owns two acres of land and a small farm pond with a water storage capacity of 150 cubic meters. The soil type

of the land was sandy loam and it was suitable for cultivating groundnut. They used a 1.5 HP diesel engine pump to irrigate water from the farm pond. Since her land was located within 500 meters of the sea shore, it was prone for damages due to various natural calamities. Her life was peaceful till the disaster in December 2004.

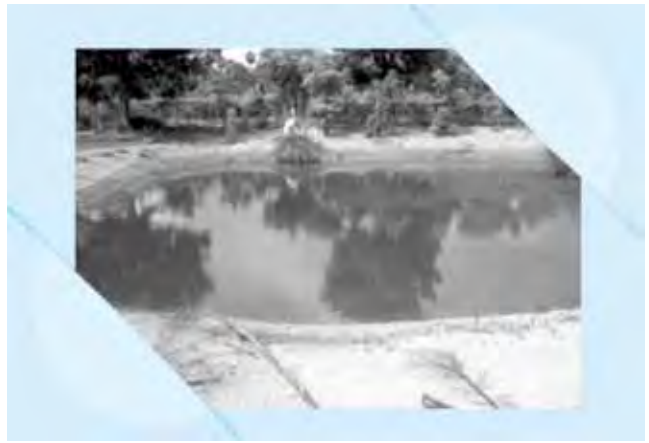




The tsunami in December 2004 reached her field and destroyed the standing crops. As a result of sea water inundation, the soil became completely saline and she could not cultivate any crop. The sea debris brought by the giant waves settled as a layer over the land. She was unable to find her diesel engine, which was swallowed by waves. The destructing effect of tsunami not alone left her land uncultivable; it also engulfed six of her goats that supported her family.

She needed Rs. 100,000 to reverse the adverse impact on her land due to the tsunami. Since her family's livelihood was totally disrupted, she was searching for loans to rehabilitate her land, but no one came forward to help her. Hence they have started going for agriculture labour work, leaving their land fallow.

It was that time DHAN Foundation entered this village to organise the affected communities and to restore their livelihoods. Sethunatchiar joined the Mahalakshmi Vayalagam SHG promoted in that village. She got her first loan of Rs. 17000 to renovate the agriculture land. Initially she restored half acre of land using Rs.7000 and she purchased a 1.5HP oil engine pump with the remaining money. She drew water from a pond owned by an adjacent land owner. Using the pump, she irrigated groundnut crop cultivated in 0.5 acre of land. She harvested 15 groundnut bags and earned Rs.15000. She bought three goats from the surplus and used the groundnut stalk for feeding them. The goat purchased multiplied and now she owns six goats. She had a plan of renovating the farm pond and reclaiming the remaining portion of affected land.



In this context, Sethunatchiar came to know about an opportunity to construct a farm pond through a water conservation programme implemented by the SHG-federation. She made a request to the federation seeking support to establish a farm pond. Finally she got an approval from the federation and established a farm pond to store 500 cubic meters of water. The fertile soil excavated to establish the farm pond was filled in the remaining 1.5 acres.

The SHG-Federation supported her to buy quality groundnut seeds and *Gloriosa superba* seeds, a medicinal plant with better market value and more suitable to coastal context. She got 50 kilograms of *Gloriosa superba* stumps worth of Rs. 12500 through the primary producer group (PPG), an association of farmers promoted by DHAN Foundation. While the local intermediaries were providing credit at 36 percent per annum, the PPG gave her this loan at an interest rate of 15 percent per annum. She cultivated the crop in 0.5 acres and after seven months she harvested 28 kilograms of *Gloriosa superba* seeds and sold it for Rs. 42,000 at the rate of Rs.1500 per kilogram through her PPG. She repaid Rs.13, 823 to the producer group with interest from the income she earned. In addition to 28 kilograms of seeds, she also got 40 kilograms of stumps and the market value of the same is Rs.10000. After deducting all expenses, the net profit gained by her was Rs.30, 187. Now she has planted *Gloriosa Superba* in 0.75 acres of land and expecting a net surplus of Rs. 50,000 to 60,000.

In January 2010, she also cultivated groundnut in the land left as fallow for many years. She received three bags of groundnut seeds from PPG and cultivated in one acre of land. After four



months, she harvested 28 bags of groundnut. The groundnut was marketed at Rs. 1,200 per bag and the total income of Sethunatchiar was Rs. 33,600. The net income gained by her was Rs. 23,100. After the harvest, she has planted coconut seedlings in 0.5 acres of land.

Not succumbing to the destruction caused by the tsunami, even after losing her productive livelihoods assets like land and livestock, she rose again and leading a decent life with the support of Vayalgam SHG.

## Glimpses of Impact

### Farm Ponds



Newly established farm pond in Ramnad district



Women carrying a pot filled with water to irrigate her field – Nagapattinam District



Farmers raise *Gloriosa superba* – a medicinal plant by irrigating water from farm pond in Nagapattinam District

### Impact of Farm Pond

- ✍ Establishment of farm ponds have helped the farmers to double the food production
- ✍ Uncertainty of yield averted and food production is assured
- ✍ Farmers are able to choose commercial crops to earn better
- ✍ Farmers are raising fodder crops to supply of green fodder to livestock
- ✍ Farmers are cultivating vegetables in the bunds of farm ponds which supplies nutritional food to the family members.
- ✍ Fresh water stored in farm pond increases the moisture level of soil and reduces salinity
- ✍ Farm ponds established has multiple utility like bathing, fish rearing, irrigating crops, livestock feeding, and washing clothes.



## Tank Renovation



Renovated tank filled with water in Pudukkottai District



Renovated tank filled with water in Ramnad District

### Impact of Tank Renovation

- ✍ Tanks serve as flood moderator and mitigates drought
- ✍ Excavation of earth in tank water-spread area and bund strengthening has lead to increased water storage
- ✍ Renovated tanks are able irrigate registered ayacut and in addition the unregistered ayacut are also irrigated due availability of excess water
- ✍ Renovated sluice supports effective water management
- ✍ Until previous year, the tanks were holding water up to February. Post renovation the tanks are expected to hold water up to June 2011
- ✍ Farmers are able to cultivate second crop and enhance food production
- ✍ Employment opportunity for the poor households has increased
- ✍ Renovated tank and dead storage pit (a pit created in the tank to store water and use for bathing, feeding animals and fish rearing.

## Pond Renovation



Newly established pond in Velvarai village Pudukottai District



Pond partly filled with water at Velvarai Village, Pudukottai District





Community members drawing water from the pond



Pond filled with water

### Impact of Pond Renovation

- ✍ Village ponds are the only source of fresh water for drinking, bathing, washing clothes and feeding animals.
- ✍ After the renovation or establishment of village pond women are able to access water throughout the year
- ✍ Work burden of women is reduced. Women are able to access water within the village throughout the year.
- ✍ Members of the associations are allowing people from the adjacent villages to access water
- ✍ Families involved in livestock farming are able to access water.

### Inland Fisheries



Renovated tanks and ponds used for inland fishery



The sale proceeds of fish catch is shared among the members

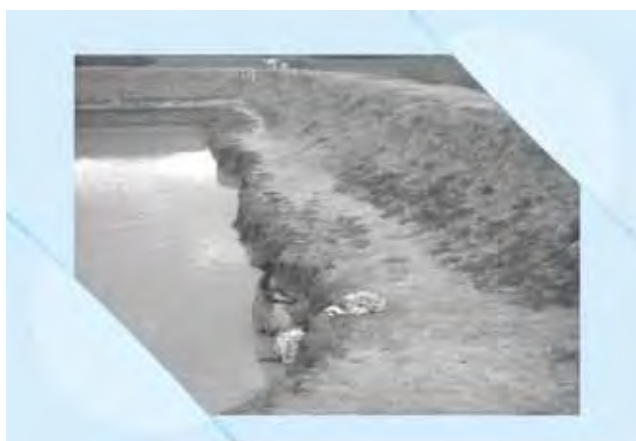


## Reducing drudgery of women



- ✍ The responsibility of collecting water rests with women
- ✍ Women traveled 3 to 5 kilometers a day to collect fresh water before the renovation of ponds
- ✍ Each pot carried by them weighs about 14 – 17 kilograms when it is filled with water
- ✍ They wait for their turn for about 30 – 45 minutes in the water collection point

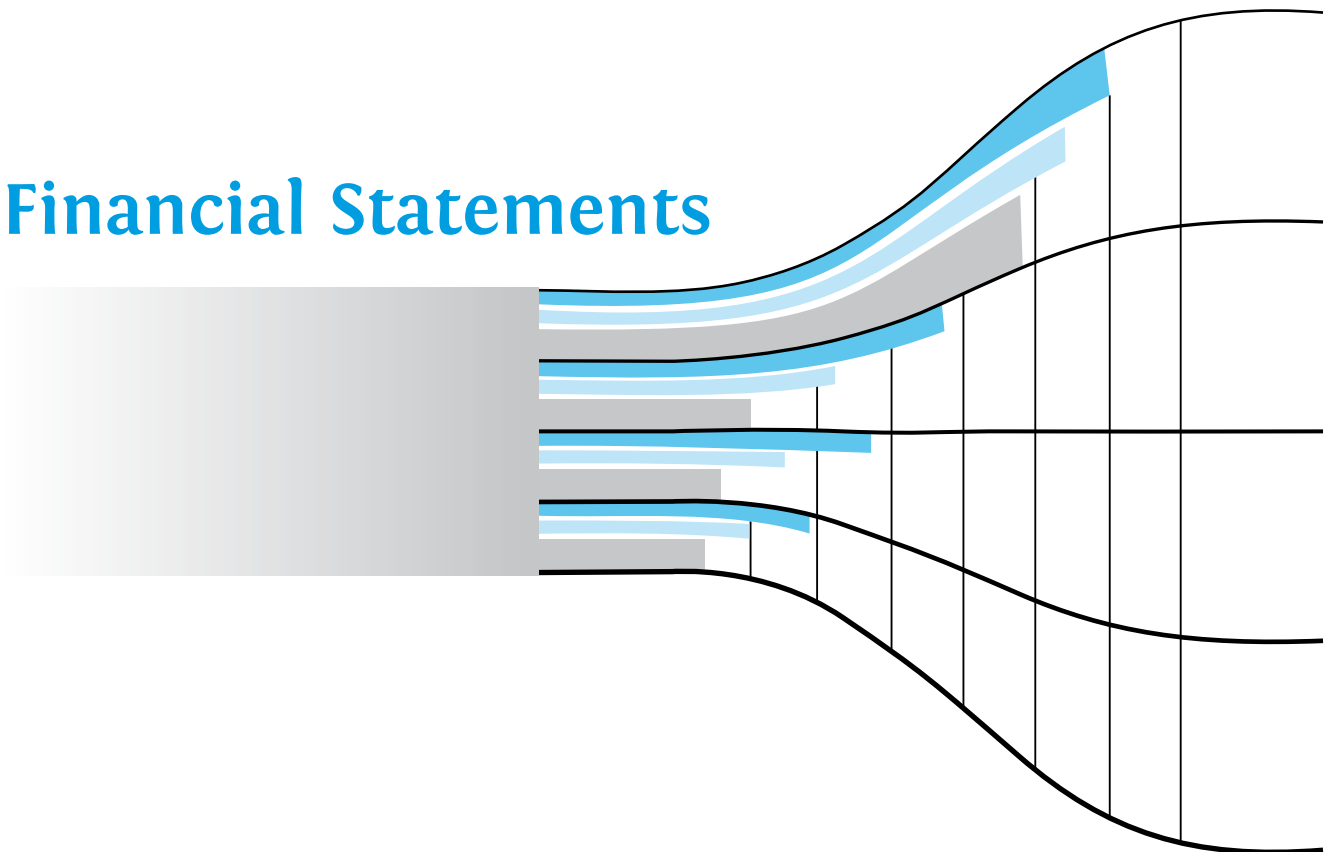
## After renovation of village ponds



- ✍ Post-renovation, women are able to access water within their village (Within 200 - 300 meters)
- ✍ The time spent on collecting water is reduced from 2.5 hours to 10 minutes
- ✍ Women are able to access water during their leisure hours without affecting their occupation.



# Financial Statements







# Financial Statements

*Sunanda & Sheshadri*  
Chartered Accountants

‘TRIDIPA’ Ground Floor, 46/2, I Cross,  
Someswarapura Extension, (1A Cross, Cambridge layout),  
Ulsoor, BANGALORE - 560 008.  
Tel.: 91-80-25364740 / 25368228 Fax: 91-80-25367711  
Email: k\_sheshadri@yahoo.com

## 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, Tamilnadu, India (Permanent Account Number : **AAA TD 2591 B**) as at 31 March 2011 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 2011 and
- ii) in the case of the consolidated income and expenditure account of the excess of income over expenditure of its accounting year ending on 31 March 2011.

The prescribed particulars are annexed hereto.

for **SUNANDA & SHESHADRI**  
Chartered Accountants

Sd/-

**K.SHESHADRI**

Partner

Membership Number: 20956.

Firm Registration Number : 004191S

Place : Madurai

Date : 09 July 2011



**DHAN (Development of Humane Action) Foundation**
**CONSOLIDATED BALANCE SHEET**

		<i>(in Rupees)</i>	
	Schedule	March 31, 2011	March 31, 2010
<b>ASSETS</b>			
FIXED ASSETS			
Written off as per contra	1	109,425,544	108,041,075
Land and Building funded from DHAN Corpus	1	15,052,593	2,958,906
INVESTMENTS	2	112,368,009	120,619,678
CURRENT ASSETS, LOANS AND ADVANCES			
Bank Balances	3	41,956,605	44,326,300
Loans and Advances	4	16,384,047	9,748,169
SPECIFIED FUNDS	6	21,119,707	14,544,339
<b>Total</b>		<b>316,306,505</b>	<b>300,238,467</b>
<b>LIABILITIES</b>			
CORPUS AND CAPITAL FUND	5	135,986,759	127,132,031
SPECIFIED FUNDS	6	69,664,549	63,208,618
CURRENT LIABILITIES	7	1,229,653	1,856,743
FIXED ASSETS WRITTEN OFF AS PER CONTRA	1	109,425,544	108,041,075
<b>Total</b>		<b>316,306,505</b>	<b>300,238,467</b>
Notes on Accounts	12		

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

Sd/-  
Chairman

Sd/-  
Treasurer

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

Sd/-  
Executive Director

Sd/-  
**K. SHESHADRI**  
Partner

Madurai  
July 09, 2011



# DHAN (Development of Humane Action) Foundation

## CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT

		<i>(in Rupees)</i>	
FOR THE YEAR ENDED	Schedule	March 31, 2011	March 31, 2010
<b>INCOME :</b>			
Grants Received	8	183,851,691	172,691,836
Other Receipts	9	14,929,762	27,922,775
<b>Total</b>		<b>198,781,453</b>	<b>200,614,611</b>
<b>EXPENDITURE:</b>			
<b>Community Banking Programme</b>			
Programme Implementation	10	46,900,892	56,237,558
Capital Expenditure	1	6,650,856	1,438,722
<b>Tank fed Agriculture Programme</b>			
Programme Implementation	10	38,319,426	33,889,759
Capital Expenditure	1	1,380,227	915,404
<b>Coastal Agriculture and Livelihood programme</b>			
Programme Implementation	10	29,792,487	8,502,852
Capital Expenditure	1	16,900	3,393,950
<b>New Themes and Other Programmes</b>			
Programme Implementation	10	47,458,706	42,164,267
Capital Expenditure	1	6,452,426	7,217,679
<b>Central Support System</b>			
Programme Implementation	10	12,791,671	11,409,243
Capital Expenditure	1	944,962	832,903
<b>Excess of Income over Expenditure</b>		<b>8,072,900</b>	<b>34,612,274</b>
<b>Total</b>		<b>198,781,453</b>	<b>200,614,611</b>
Appropriation of Excess of Income over Expenditure	11	8,072,900	34,612,274
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 09, 2011



**SCHEDULES TO CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2011**

(in Rupees)

Schedule 1 : Fixed Asset		GROSS BLOCK AT COST			DEPRECIATION			NET BLOCK	
Particulars	As on 01.04.2010	Addition (Transfer)	Deletion (Transfer)	As on 31.03.2011	As on 01.04.2010	Rate	for the year	As on 31.03.2011	As on 31.03.2010
<b>Community Banking Programme</b>									
Freehold Land	2,016,436	-	-	2,016,436	-	-	-	2,016,436	2,016,436
Land & Building	5,469,614	6,000,000	-	11,469,614	1,577,128	10	989,248	2,566,376	8,903,238
Furniture and Fixtures	997,157	59,152	-	1,056,309	525,079	10	53,123	578,202	478,107
Office Equipments	371,612	22,329	-	393,941	243,694	15	22,537	266,231	127,918
Professional Equipments	4,508,390	363,890	-	4,872,280	3,976,578	60	537,421	4,513,999	531,812
Electrical Fittings	349,477	10,660	-	360,137	235,689	10	12,445	248,134	113,788
Vehicles	5,486,225	-	-	5,486,225	3,153,435	15	349,919	3,503,354	2,332,790
Staff Vehicles	466,390	194,825	147,052	514,163	-	-	-	514,163	466,390
Plant & Machinery	1,304,686	-	-	1,304,686	497,210	15	121,122	618,332	807,476
<b>Total I</b>	<b>20,969,987</b>	<b>6,650,856</b>	<b>147,052</b>	<b>27,473,791</b>	<b>10,208,813</b>		<b>2,085,815</b>	<b>12,294,628</b>	<b>10,761,174</b>
<b>Tank Fed Agriculture Programme</b>									
Freehold Land	176,689	-	-	176,689	-	-	-	176,689	176,689
Furniture and Fixtures	641,141	44,794	-	685,935	291,701	10	39,424	331,125	354,810
Office Equipments	307,366	21,350	-	328,716	187,122	15	21,239	208,361	120,355
Professional Equipments	3,146,553	1,241,118	-	4,387,671	2,762,457	60	975,129	3,737,586	650,085
Electrical Fittings	171,541	22,840	-	194,381	110,076	10	8,431	118,507	75,874
Staff Vehicles	124,015	50,125	49,933	124,207	-	-	-	124,207	124,015
Vehicles	1,773,575	-	-	1,773,575	993,330	-	117,037	1,110,367	663,208
Plant & Machinery	1,323,300	-	-	1,323,300	1,137,520	15	27,867	1,165,387	185,780
<b>Total II</b>	<b>7,664,180</b>	<b>1,380,227</b>	<b>49,933</b>	<b>8,994,474</b>	<b>5,482,206</b>		<b>1,189,127</b>	<b>6,671,333</b>	<b>2,323,141</b>
<b>Coastal Agriculture and Livelihood programme</b>									
Freehold Land	6,977,521	-	-	6,977,521	-	-	-	6,977,521	6,977,521
Land & Building	22,007,184	-	-	22,007,184	5,680,775	10	1,632,641	7,313,416	14,693,768
Furniture and Fixtures	865,165	-	-	865,165	342,180	10	52,299	394,479	470,686
Office Equipments	837,169	-	-	837,169	383,663	15	68,026	451,689	385,480
Professional Equipments	6,156,015	16,900	-	6,172,915	5,613,285	60	335,778	5,949,063	223,852
Electrical Fittings	388,364	-	-	388,364	164,561	10	22,380	186,941	201,423
Plant and Machinery	11,291,517	-	-	11,291,517	3,133,405	15	1,223,717	4,357,122	6,934,395
Vehicles	5,703,756	-	-	5,703,756	3,276,379	15	364,107	3,640,486	2,063,270
<b>Total III</b>	<b>54,226,691</b>	<b>16,900</b>	<b>-</b>	<b>54,243,591</b>	<b>18,594,248</b>		<b>3,698,948</b>	<b>22,293,196</b>	<b>31,950,395</b>
									<b>35,632,443</b>



## DHAN (Development of Humane Action) Foundation

**SCHEDULES TO CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2011**

(in Rupees)

**Schedule 1 : Fixed Assets (Contd..)**

Particulars	GROSS BLOCK AT COST			DEPRECIATION			NET BLOCK	
	As on 01.04.2010	Addition (Transfer)	Deletion (Transfer)	As on 31.03.2011	Rate	for the year	As on 31.03.2011	As on 31.03.2010
<b>New Themes and Other Programmes</b>								
Freehold Land	2,470,674	-	-	2,470,674	-	-	2,470,674	2,470,674
Building	3,422,644	47,709,099	-	51,131,743	10	5,020,420	5,947,957	2,495,107
Building work in Progress	43,565,469	4,143,630	(47,709,099)	-	-	-	-	43,565,469
Furniture and Fixtures	1,692,810	116,103	-	1,808,913	10	109,112	826,913	975,009
Office Equipments	690,206	74,127	-	764,333	15	55,470	450,001	295,675
Professional Equipments	7,396,841	599,132	-	7,995,973	60	698,789	7,530,115	565,515
Electrical Fittings	516,359	16,184	-	532,543	10	24,670	310,520	230,509
Vehicles	2,121,431	-	-	2,121,431	15	159,946	1,215,073	1,066,304
Staff Vehicles	329,402	-	256,012	73,390	-	-	-	329,402
Plant & Machinery	767,721	1,503,250	-	2,270,971	15	298,698	578,346	488,073
<b>Total IV</b>	<b>62,973,557</b>	<b>54,161,525</b>	<b>(47,453,087)</b>	<b>69,169,971</b>		<b>6,367,105</b>	<b>16,858,925</b>	<b>52,311,046</b>
<b>Central Support System*</b>								
Freehold Land	5,983,156	-	-	5,983,156	-	-	5,983,156	5,983,156
Furniture and Fixtures	218,347	-	-	218,347	10	10,588	123,055	105,880
Office Equipments	91,630	-	-	91,630	15	3,231	73,319	21,542
Professional Equipments	618,526	-	-	618,526	60	22,286	603,669	37,143
Electrical Fittings	84,924	-	-	84,924	10	2,350	63,780	23,494
Vehicles	869,501	894,812	-	1,764,313	15	228,455	469,741	628,215
Staff Vehicles	184,317	50,150	-	234,467	-	-	-	184,317
<b>Total V</b>	<b>8,050,401</b>	<b>944,962</b>	<b>-</b>	<b>8,995,363</b>		<b>266,910</b>	<b>1,333,564</b>	<b>6,983,747</b>
<b>Total (I+II+III+IV+V)</b>	<b>153,884,816</b>	<b>63,154,470</b>	<b>(47,256,102)</b>	<b>168,877,190</b>	<b>-</b>	<b>13,607,905</b>	<b>59,451,646</b>	<b>108,041,075</b>
<b>Office Building Funded from Own Corpus</b>								
Free hold land	2,094,344	-	-	2,094,344	-	-	2,094,344	2,094,344
Building work in Progress	864,562	12,093,687	-	12,958,249	-	-	-	864,562
<b>Total</b>	<b>2,958,906</b>	<b>12,093,687</b>	<b>-</b>	<b>15,052,593</b>	<b>-</b>	<b>-</b>	<b>15,052,593</b>	<b>2,958,906</b>

Madurai

July 09, 2011

Sd/-  
ChairmanSd/-  
Executive DirectorSd/-  
Treasurer



**SCHEDULES TO CONSOLIDATED BALANCE SHEET**

		<i>(in Rupees)</i>	
		March 31, 2011	March 31, 2010
<b>Schedule 2 : Investments</b>			
Ford Foundation Corpus Deposits with :			
Housing Development Financial Corporation	17,200,000		7,500,000
Fixed Deposits with REPCO Bank	17,500,000		17,500,000
Fixed Deposits with City Union Bank	5,000,000		5,000,000
Fixed Deposits with Pandiyan Grama Bank	6,657,422		6,640,066
Fixed Deposits with Canara Bank	821,225		6,950,640
Govt. of India - RBI bonds	-	47,178,647	2,430,000
Sir Dorabji Tata Trust Corpus Fund Deposits :			
Govt. of India RBI bonds	8,636,000		16,373,500
Post office - Kisan Vikas Patra Scheme	7,500,000		7,500,000
Fixed Deposit with REPCO Bank	17,060,775		8,696,667
Fixed Deposit with Pandian Gramma Bank	426,917	33,623,692	411,000
DHAN own /Tata-Dhan Acadmey /Other Corpus Fund Deposits :			
Fixed Deposits with City Union Bank	3,545,000		2,500,000
Fixed Deposits with Pandiyan Grama Bank	9,542,495		14,880,610
Fixed Deposits with REPCO Bank	1,824,522		6,791,412
Fixed Deposits with Canara Bank	2,377,157		-
Others	-	17,289,174	4,622,500
Community Risk Reserve & Other Funds with:			
Fixed Deposits with Pandiyan Grama Bank	5,560,261		5,463,283
Fixed Deposits with HDFC	5,716,235		5,260,000
Fixed Deposits with Canara Bank	3,000,000		
Fixed Deposits with State Bank of India	-	14,276,496	2,100,000
<b>Total</b>		<b>112,368,009</b>	<b>120,619,678</b>
<b>Schedule 3 : Bank Balances</b>			
In Savings accounts		22,664,279	18,161,853
In Fixed Deposits		19,292,326	26,164,447
<b>Total</b>		<b>41,956,605</b>	<b>44,326,300</b>
<b>Schedule 4 : Loans and Advances</b>			
Advances Recoverable:			
Project Advances to staff		180,229	250,121
Deposits		1,933,034	2,411,948
Other Advances Recoverable		14,270,784	7,086,100
<b>Total</b>		<b>16,384,047</b>	<b>9,748,169</b>

Madurai  
July 09, 2011

Sd/-  
Chairman

Sd/-  
Executive Director

Sd/-  
Treasurer



## DHAN (Development of Humane Action) Foundation

**SCHEDULES TO CONSOLIDATED BALANCE SHEET**

Particulars	Opening balances as on Apr 1, 2010	Amounts not included in Income and Expenditure account Receipt / (Advance)	Appropriation from Income and expenditure a/c	Transferred to Building Corpus	Closing Balance as on Mar 31, 2011
			Income	Surplus / (Expenses)	
<b>Schedule 5 : Corpus and Capital Fund</b>					
Corpus Fund					
Ford Foundation	46,016,482	-	2,442,961	(2,850,572)	45,608,871
Sir Dorabji Tata Trust	32,710,496	-	2,417,278	(1,505,075)	33,622,699
DHAN Foundation Own	26,516,425	1,266,400	5,094,681	-	20,783,819
Tata DHAN Academy	2,000,000	-	120,473	(120,473)	2,000,000
DHAN Foundation Own Building Corpus	2,958,906	-	-	-	15,052,593
<b>Total</b>	<b>110,202,309</b>	<b>1,266,400</b>	<b>10,075,393</b>	<b>(4,476,120)</b>	<b>117,067,982</b>
	<b>16,929,722</b>		<b>-</b>	<b>1,989,055</b>	<b>18,918,777</b>
<b>TOTAL</b>	<b>127,132,031</b>	<b>1,266,400</b>	<b>10,075,393</b>	<b>(2,487,065)</b>	<b>135,986,759</b>
Capital Fund					
<b>Schedule 6 : Specified Fund</b>					
Donors' Account - Net	34,144,425	(604,009)	-	(2,884,501)	30,655,915
Sir Ratan Tata Trust (SRTT) Revolving Fund	376,000	-	-	-	376,000
Other Revolving fund returns	4,806,544	-	593,787	-	5,400,331
Community Risk Reserve Fund	7,828,591	-	2,793,366	-	10,621,957
Book Fund	412,419	-	-	-	412,419
Vehicle Fund	1,096,300	-	876,732	(894,812)	1,078,220
<b>TOTAL</b>	<b>48,664,279</b>	<b>(604,009)</b>	<b>4,263,885</b>	<b>(3,779,313)</b>	<b>48,544,842</b>
Less: Donors' account net balance included above	34,144,425				30,655,915
	14,519,854				17,888,927
Add: Donors' account Surplus balances	48,688,764			51,775,622	51,775,622
Donors' account Deficit balances	14,544,339			<b>21,119,707</b>	
<b>TOTAL</b>	<b>63,208,618</b>				<b>69,664,549</b>

Madurai

Sd/-

Chairman

Sd/-

Executive Director

Sd/-

Treasurer



**SCHEDULES TO CONSOLIDATED BALANCE SHEET**

		(in Rupees)
	March 31, 2011	March 31, 2010
<b>Schedule 7 : Current Liabilities</b>		
Payables	1,229,653	1,856,743
<b>Total</b>	<b>1,229,653</b>	<b>1,856,743</b>

**SCHEDULES TO CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT**

		(in Rupees)
	March 31, 2011	March 31, 2010
<b>Schedule 8 : Grants Received</b>		
<b>From Foreign Agencies</b>		
Oxfam Novib - The Netherlands	11,088,190	85,298,457
Rabobank Foundation, The Netherlands	16,799,789	22,444,671
HIVOS - The Netherlands	29,335,324	12,222,171
Population Service International - USA	1,234,231	3,909,000
International Labour Office - Switzerland	6,586,260	3,747,033
Karunai Illam Trust, Newzealand	2,123,433	2,343,559
Health Net TPO, Combodia	398,360	1,293,139
Consortium of DEWATS dissemination Society	319,500	515,472
International Water Management Institute	880,590	496,055
HOPE international	173,420	438,088
Donations for Tank renovation works	619,437	430,250
New Zealand High Commission, New Delhi	441,143	400,000
IBEKU, Japan	62,000	258,000
Oxfam India	44,528,479	-
International Development Research Centre (IDRC)	12,033,784	-
CARITAS, Switzerland	5,500,446	-
Ekal Vidyalaya Foundation of India	2,000,000	-
Green Foundation	455,255	-
Others	623,502	4,617,823
<b>From Indian Agencies</b>		
Hindustan Unilever Limited	15,000,000	6,650,000
Sir Dorabji Tata Trust	6,000,000	-
State Health Society, Tamilnadu	4,000,000	2,524,500
National Bank for Agriculture and Rural Development	3,687,815	1,866,300



**SCHEDULES TO CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT**

		(in Rupees)
	March 31, 2011	March 31, 2010
Tamilnadu Vaazhndu Kaatuvom Project - GoTN	2,595,685	1,755,988
National Agricultural Innovation Project (NAIP), Govt. of India	2,421,119	703,622
ITC Rural Development Trust	2,171,676	2,437,000
State Planning Commission - GoTN	807,945	600,000
Directorate of Tourism - GoTN	1,480,000	3,346,916
Madurai Marathon Grants	1,347,501	300,000
Jala Samvardhane Yojana Sangha - GoK	1,197,854	397,875
District Rural Development Agency -Tamil Nadu	561,829	339,200
APCBTMP , Govt. of AP	956,505	1,354,159
National Institute of Rural Development	862,327	360,000
Care Today Fund	554,000	2,590,846
MAVIM, Govt of Maharashtra	330,000	-
FIMSUL	190,000	-
CAIM Project , Govt. of Maharashtra	125,000	-
Donations for Tank renovation works	52,000	750,000
Bharat Petroleum Corporation Limited	586,000	-
Others	3,721,292	8,301,712
<b>Total</b>	<b>183,851,691</b>	<b>172,691,836</b>
<b>Schedule 9 : Other Receipts</b>		
Interest from Investment of Corpus and other funds	9,962,546	22,462,091
Other Interest from Banks	2,433,096	1,926,358
Other Income	2,507,620	3,345,967
Donations	26,500	188,359
<b>Total</b>	<b>14,929,762</b>	<b>27,922,775</b>

Madurai  
July 09, 2011

Sd/-  
Chairman

Sd/-  
Executive Director

Sd/-  
Treasurer



**SCHEDULES TO CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT**

SCHEDULES TO CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT							(in Rupees)
Activity / Expenditure / Items	Community Banking Programme	Tank fed Agriculture Programme	Coastal Agriculture Livelihood programme	New Themes and Other Programmes	Central support system	March 31, 2011 Total	March 31, 2010 Total
Schedule 10 : Programme Implementation							
Endowment and other Grants to Tank Farmers Associations, NGOs, Panchayats etc.,	-	-	-	200,000	-	200,000	5,516,000
Orphanage Centre	-	-	-	1,474,941	-	1,474,941	1,055,807
Volunteer Allowances and Travel	10,934,751	3,943,796	1,085,127	5,243,283	102,522	21,309,479	16,108,240
Training / Expenses on Volunteers, Groups, Members & Federations	2,615,227	856,449	222,907	6,332,439	-	10,027,022	13,317,578
Civic Programmes - Health, Education	10,286,414	1,577,134	-	3,258,054	-	15,121,602	12,093,042
Support for Income generation by members	1,408,715	726,900	-	89,100	-	2,224,715	3,106,271
Crop Production & Water Management Training	-	1,414,699	-	2,834,465	-	4,249,164	2,286,668
Drinking Water Ponds Programme	-	5,263,382	20,363,358	-	-	25,626,740	9,088,653
Convention, Workshop, Events and meetings	1,760,873	1,324,306	430,237	2,104,666	2,724,389	8,344,471	9,353,458
Employees remuneration and benefits	14,525,755	16,926,704	5,723,234	19,114,272	7,202,994	63,492,959	59,185,626
Professional / Consultancy Charges	264,250	820,113	49,299	860,482	600,546	2,594,690	2,483,683
Travel / Conveyance	2,291,447	2,928,365	518,229	1,571,858	322,678	7,632,577	5,973,941
Vehicle maintenance	606,414	440,236	587,939	836,181	183,076	2,653,846	2,505,527
Books and Audio Visual Expenses	26,218	62,459	14,111	13,301	35,506	151,595	239,078
Printing and Stationery	349,986	498,677	179,170	453,429	173,100	1,654,362	1,563,231
Communication	330,356	340,527	140,754	440,012	256,684	1,508,333	1,749,952
Rent, Water, Electricity and Maintenance	1,444,922	1,179,580	448,614	2,563,829	1,131,138	6,768,083	6,470,482
Miscellaneous Expenses	55,564	16,099	29,508	68,394	59,038	228,603	106,442
Total	46,900,892	38,319,426	29,792,487	47,458,706	12,791,671	175,263,182	152,203,679
Previous year	56,237,558	33,889,759	8,502,852	42,164,267	11,409,243	152,203,679	

Madurai  
July 09, 2011

Sd/-  
Chairman

Sd/-  
Executive Director

Sd/-  
Treasurer



## SCHEDULES TO CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT

		(in Rupees)
	March 31, 2011	March 31, 2010
<b>Schedule 11 : Appropriation of Excess of Income over Expenditure</b>		
Excess of Income over expenditure	8,072,900	34,612,274
<b>Transfer :</b>		
<b>From Investment income</b>		
Ford Foundation Corpus Fund	2,442,961	15,824,334
Sir Dorabji Tata Trust Corpus Fund	2,417,278	3,032,757
DHAN Foundation own Corpus Fund	4,094,681	2,986,621
Tata-Dhan Academy Corpus Fund	120,473	165,000
Revolving Fund	593,787	165,000
Community Risk Reserve Fund	293,366	288,379
Community Risk Reserve Fund from Grant Income	2,500,000	3,600,000
Vehicle Fund	876,732	1,008,300
SRTT from Interest on Building fund	-	145,103
DHAN Corpus from TMS Receipts and other income	1,000,000	1,000,000
Tata-Dhan Academy Corpus fund from other income	-	126,151
<b>Of Expenses to Corpus funds</b>		
DHAN Foundation Own	-	(594,562)
Sir Dorabji Tata Trust	(1,505,075)	(1,481,984)
Ford Foundation	(2,850,572)	(2,922,621)
Vehicle Fund	(894,812)	-
Tata Dhan Academy Corpus fund	(120,473)	-
<b>Of Surplus / (Deficit)</b>		
Capital Fund - Net Surplus	1,989,055	2,724,461
Other Donors' - Net (Deficit) / Surplus	(2,884,501)	8,545,335
<b>Total</b>	<b>8,072,900</b>	<b>34,612,274</b>

Madurai  
July 09, 2011

Sd/-  
Chairman

Sd/-  
Executive Director

Sd/-  
Treasurer



**Schedules to Balance Sheet & Income and Expenditure account - Consolidated - for the year ended March 31, 2011**

**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 & interest free 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 expenditure in the income and expenditure account subject to Note 7 below.



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.

Where land and buildings are purchased for a consolidated consideration without break-up, depreciation has been provided on such consolidated amount.

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.

Professional equipment includes computers, projectors, cameras etc., and have been depreciated at the rate applicable to computers.

7. Office building funded to the extent of Rs. 1,50,52,593/- (including opening balance of Rs.29,28,906/-) from own corpus has been retained as a separate item in Schedule 1 to ensure the disclosure of the corpus and the corresponding utilization against it. To conform to this practice the opening balance of Rs. 29,28,906/- which had been written off in the year of addition through the income and expenditure account has also been restored both in Schedule 1 as a separate item and in Schedule 5 under the head Corpus fund.
8. Fixed deposits of Rs. 1,71,056 (Previous year Rs 1,36,830) are under lien with Banks as 100% margin for the bank guarantees issued by them in favour of CAPART and Government of India.
9. Previous year's figures have been regrouped / reclassified wherever necessary.

Madurai  
July 09, 2011

Sd/-  
Chairman

Sd/-  
Executive Director

Sd/-  
Treasurer





# 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

Sir Ratan Tata Trust, Mumbai  
Sir Dorabji Tata Trust, Mumbai  
Oxfam Novib, the Netherlands (Oxfam India)  
Hivos, The Netherlands

## Our Overseas Partners

American Service to India  
Anand Charity, USA  
Canadian International Development Agency (CIDA)  
CARITAS, Switzerland  
Consortium of DEWATS Dissemination Society  
Eureko Achmea Foundation, The Netherlands  
European Union  
FondsFamilie van Beek, The Netherlands  
HealthNet TPO, Cambodia  
HOPE International  
HugueninRalapalli Foundation, USA  
Karuna Illam Trust, New Zealand  
Klein Hofwijck Foundation, The Netherlands  
Micro Insurance Association Network, The Netherlands  
New Zealand High Commission, New Delhi  
Pension and Development Network, the Netherlands  
Population Service International, USA  
Rabobank Foundation, the Netherlands  
Rabobank Centraal Twente, The Netherlands  
Rabobank Haarlem, The Netherlands  
Rabobank Hage-Beek, The Netherlands  
Rabobank Maas en Waal, The Netherlands





Rabobank Regio Schiphol, The Netherlands  
Rabobank West-Zeeuws-Vlaanderen, The Netherlands  
Rabobank Zuidwest-Drenthe, The Netherlands  
Stichting Vrienden van DHAN , The Netherlands  
United States Agency for International Development(USAID)  
Westberg Foundation, The Netherlands  
WorldGranny, the Netherlands

### Our Water Partners

International Water Management Institute – RUAF Foundation  
National Agricultural Innovation Project–ICAR  
National Bank for Agriculture and Rural Development

### Our CSR Partners

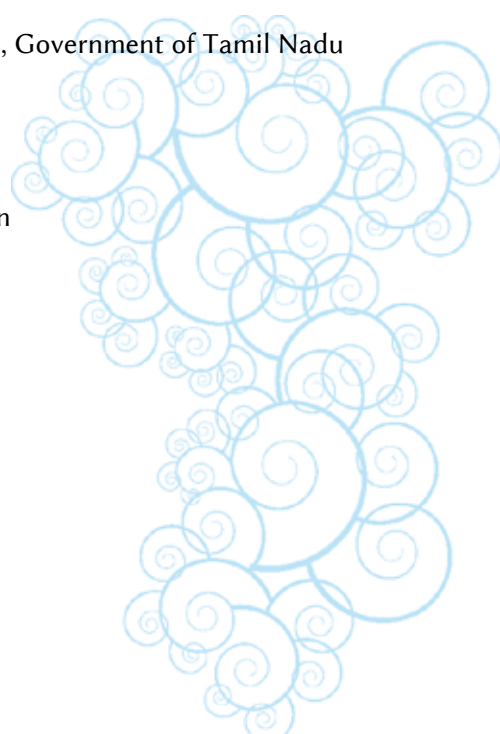
Arghyam Foundation, Bangalore  
Axis Bank Foundation  
Bharat Petroleum Corporation Limited  
Care Today Fund  
Hindustan Unilever Limited  
Hitech Arai Limited, Madurai  
ITC Rural Development Trust

### State Government

Andhra Pradesh Community Based Tank Management Project  
Convergence of Agricultural Interventions (CAIM) Project, Government of Maharashtra  
Department of Tourism, Tamil Nadu  
Fisheries Management and Sustainable Livelihood (FIMSUL) Project, Government of Tamil Nadu  
Health and Family Welfare Department, Tamil Nadu  
JalaSamvardhaneYojanaSangha (JSYS), Government of Karnataka  
Madurai Corporation  
MAVIM-Maharashtra Women's Economic Development Corporation  
National Watershed Development Programme for Rainfed Areas  
Pudhu Vaazhvu Project, Government of Tamil Nadu  
State Health Society, Tamil Nadu  
State Planning Commission, Government of Tamil Nadu  
Tamil Nadu State AIDS Control Society

### Government of India

Central Planning Commission  
Central Water Commission  
Coir Board  
Cotton Corporation of India





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  
United Nations Agencies / Projects  
Food and Agriculture Organisation  
International Labour Organisation (ILO)  
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 GrameenaVikas Bank  
Bangalore Rural District Central Cooperative Bank  
Deccan Gramina Bank  
KalapatharuGrameena Bank  
NagarjunaGrameena Bank  
PandiyanGrama Bank  
SaptagiriGramina Bank  
Sri SaraswathiGrameena Bank  
Sri VenkateswaraGrameena Bank  
Sri VisakhaGrameena Bank  
Thanjavur Central Cooperative Bank





### Apex Banks

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

### Insurance Companies

Agricultural Insurance Company  
Birla Sun Life  
HDFC Standard Life Insurance  
Life Insurance Corporation of India  
National Insurance Company  
Oriental Insurance Company

### Academic and Research Institutes

Anna University, Chennai  
Central Marine Fisheries Research Institute (CMFRI)  
Ekal Vidyalaya Foundation of India  
Indian Space Research Organisation (ISRO)  
Indira Gandhi National Open University (IGNOU)  
International Development Research Centre (IDRC), Canada  
National Institute for Disaster Management, New Delhi  
National Institute of Rural Development  
National Remote Sensing Centre (NRSC)  
Rajiv Gandhi National Institute of Youth Development (RGNIYD)  
Tamil Nadu Agricultural University, Coimbatore

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 Limited., an Indo-Japanese joint venture at Madurai. He has over 30 years of 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 (CII) 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**, *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 of 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.



Ms. K. Noorjehan

Mr. R.D. Thulsiraj



**Mr. R.D. Thulsiraj**, *Treasurer*, DHAN Foundation is an MBA from Indian Institute of Management, Calcutta, is the 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 the board of Seva Foundation (an U.S.-based NGO) for more than 15 years. He has a number of published papers to his credit, and has presented papers at international conferences on eye care.



**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 (MIT), 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,



**Dr. Nirmala**

**Dr. Priscilla Daniel**



**Dr. Priscilla Daniel** holds two Master's degrees and a Ph. D. in Social Marketing of Health Education. She was 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 ECLO, 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** 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 authored and co-authored a number of technical papers in reputed journals and presented papers at 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.



**Dr. V. Abhai Kumar**

**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 (SEBI), on consent orders and also as a Director of Small Industries Development Bank of India (SIDBI). He is a member in the Research and Development Advisory Committee of the National Housing Bank and the Oversight Committee of India Infrastructural Finance Corporation Limited (IIFCL). During the span of his 37 years of operational banking, he has held positions at various capacities and covered Priority Sector, Corporate Credit and International Banking.



**Ms. N. Shanthi Maduresan** is a post graduate in Rural Economics and Extension Education. She has more than 20 years of experience in Microfinance. She was instrumental in promoting Federations of Kalanjiam women SHGs in Ramnathapuram and Tuticorin districts of Tamil Nadu. She is currently working as a Faculty in Tata-Dhan Academy, teaching Participatory Learning Methods (PALM), Building People's Organisations (BUD) for development and gender. She is also coordinating Development Management Programmes (DMPs) in the Academy on microfinance, livelihood, health and team building for NGOs. She is also serving as the Chief Executive of Indian Network of Federations of Microfinance Self Help Groups (INFOS ). Her areas of interest are building community-based institutions and capacity building for development.



**Ms. N. Shanthi Maduresan**

**Mr. C. Sudhakar**



**Mr. C. Sudhakar** is a post graduate in Commerce and Intermediate in Institute of Cost Works Accountant (ICWA) of India. He is presently leading the 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 programmes for NGOs on Financial Management and on legal aspects. He is currently involved in setting up systems for financial accounting and monitoring in the people 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**, *Executive Director* of 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 and 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, livelihood promotion and institutional development. He has traveled extensively 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 governments. His areas of interest are institution building, leadership development and promoting various development themes for poverty reduction.



**Mr. M.P. Vasimalai**



# DHAN Foundation - Addressess



## Programme offices

### Central Office

#### DHAN Foundation

18, Pillaiyar Koil Street,  
S.S Colony, Madurai-625 016  
Tel: +91-452-2610794, 2610805  
Fax: +91-452-2602247  
Email: dhanfoundation@ghan.org  
Website: <http://www.dhan.org>

### Kalanjiam Foundation

N0-7, Valmigi Street,  
S.S.Colony, Madurai-625016  
Tel: +91-452-2604256, 2608949  
Email: kfpomdu@ghan.org

### DHAN Vayalagam (Tank) Foundation

No-17, Vellai Pillaiyar Koil Street,  
S.S.Colony, Madurai-625016  
Tel: +91-452-2601673, 2601683  
Email: dhantank@ghan.org

### Tata-Dhan Academy

T.Malaipatti, Thenkarai  
Mullipallam Post,  
Vadipatti Taluk,  
Madurai District-627 207  
Tel: +91-4543-293406  
Email: tatadhanacademy@ghan.org

### Center for Development Communication

DHAN Foundation  
7E, Valmigi Street,  
S.S.Colony, Madurai-625 016  
Tel: +91-452-0452-4353983  
Email: dhancdc@ghan.org

### ICT for poor Programme

No: 34/22, Pillaiyar Koil Street,  
S.S.Colony, Madurai-625 016  
Email: ictpo@ghan.org

### DHAN People Academy & INFOS

Pulloothu, Ellis Nagar Via  
Madurai - 625 016  
Tel: +91-452-2475416, 2475305  
Email: dpa@ghan.org

### DHAN Livelihood Initiative with Functional Education (LIFE)

No: - 55, Kennett Road,  
Ellis Nagar, Madurai-625016  
Tel: +91-452-2300084  
Email: life\_mdu@ghan.org

### People Mutuals & ASKMI

No-22, Pillaiyar Koil Street,  
S.S Colony, Madurai-625 016  
Tel: +91-452-2301510  
Email: pm@ghan.org

### Kalanjium Thozhilagam Limited (KTL)

52, La selle Towers, II Floor  
T.B.Road, Opp. ESI Hospital,  
Mahaboopalayam  
Madurai-625 016  
Tel: +91-452-2301112, 4358001  
Email: ktl@ghan.org

### Kalanjiam Development Financial Services

21, Pillayar Kovil Street,  
S.S. Colony, Madurai-625 016,  
Tel: +91-452-0452-2301102, 6505978  
Email: kdfs@ghan.org

### INAFI - INDIA

New No 65, Ist Floor,  
Harvey Nagar III St  
(Near Raj Scans)  
Madurai -625 016.  
Tel: +91-452-2300490, 4358490  
Email: inafiindia@gmail.com

### Center for Policy and Planning

DHAN Foundation  
23, West Park Road, I Floor  
Shenoy Nagar, Chennai-600 030.  
Tel: +91-452-26280236, 26265189  
Email: - cpp@ghan.org

## REGIONAL OFFICES

### Tamil Nadu

#### Madurai Rural Region

DHAN Foundation  
28. Ponmeni Narayanan Street  
S.S.Colony, Madurai-625016  
Tel: +91 452 4212152

#### Madurai Urban Region

DHAN Foundation  
52. Kathanapillai Street  
Jawahar Main Road  
S.S.Colony, Madurai-625016  
Tel: +91-452-2300569

#### Madurai Vayalagam Region

DHAN Foundation  
667/B7, Mohan Earth Mover  
Complex  
II Floor, Opp to PKN Boys School,  
Thirumangalam  
Madurai District, Tamil Nadu,  
Tel: +91-452-0452-281053



**Dindigul Region**

DHAN Foundation,  
1/198, Paradise House, AB Nagar  
Opp. Government ITI  
Natham Road, Dindigul-624 003  
Tel: +95-451-2470909

**Theni Region**

DHAN Foundation  
34, Sowdeswari Nagar, 1st Floor  
Near PC Patti Police Station  
Theni-625 531  
Tel: +91-4546-324449

**Ramanathapuram Coastal Region**

DHAN Foundation  
(Regional Office)  
1/372 I street, Nehru Nagar  
Collectorate Post  
Ramnad-623 503  
Tel: +91-4567-231676

**Ramanathapuram Kalanjiam Region**

**Kamudhi Kalanjia Mahalir Vattara Sangam**  
MudhukulathurRaod  
Kalanjia Nagar  
Kottaimedu, Kamudhi

**Ramanathapuram Vayalaga Region**

DHAN Foundation  
Santhananivasillam  
Kamudhi Road, Muthukulathur  
Ramanathapuram Dt.,  
Tel: +91-4576-320052

**Thanjavur Region**

DHAN Foundation  
No. 19A, Upstair  
Municipal Colony, MC Road  
Tanjore-613 007  
Tel: +91-4362-270353

**Salem Region**

DHAN Foundation  
No. 49, Dr. Ramanathan Road  
Near District Central  
Cooperative Bank  
Salem-636 001

**Kancheepuram Region**

**Thiruvallangadu Vattara Kalanjiam**  
CMC Garden, Upstairs of  
Saravana Welding Shop  
Kanagammachatram  
Tiruvallur District  
Tel: +91-44-27874368

**Cuddalore Region**

DHAN Foundation  
49, Dowlath Nagar  
Opp. KNC College  
Semmandalam, Cuddalore  
Tel: +91-4142-292234

**Nagapattinam Region**

DHAN Foundation  
No 6, Anthoniar Kovil Melsanthu  
Nagapattinam-611001  
Tel: +91-4365 – 240045

**Tuticorin Coastal Region**

DHAN Foundation  
2/603A, New Sundaram Nagar,  
Madhanvan Nagar (W)  
Sorispuram, Korampallam  
Tuticorin - 628 101.  
Tel: +91- 461-2341246

**Thiruvallur Region**

**Thiruvallangadu Vattara Kalanjiam**  
3/442, Bazar Street,  
Kanakammachatram-631204  
Thiruvallur District  
Tel: +91-44-27874368

**Tuticorin Vayalagam Region**

DHAN Foundation  
45, Keelakottaivasal Street,  
Sri Vaikundam-628601  
Tuticorin District  
Tel: +91-4630-256980

**Kanchipuram Vayalagam Region**

DHAN Foundation  
20/1, GST Road  
Opp. Indian Overseas Bank  
Acharapakkam-603301  
Kanchipuram District

**Krishnagiri Rainfed Region**

DHAN Foundation  
HIG 94, Phase II  
Tamil Nadu Housing Board  
Krishnagiri-635 001  
Tel: +91-4343-226568

**Puducherry Magalir Vattaram**

45, 4<sup>th</sup> cross street, Moogambigai  
Nagar, II<sup>nd</sup> main Road  
Nainar Mandapam, Puducherry  
Tel: +91-413-6538865

**Adilabad Regional Office****Sri Indrayee Mahila Kalanjia Samakya**

Beside Andhra Bank, Main road  
Indervelly-504 346, Adilabad Dist.  
Tel: +91-8731-277501

**Hyderabad Region**

DHAN Foundation  
H.No:1-8-522/7  
SISS Building 1<sup>st</sup> Floor  
T.V.Meekshamma Memorial  
Bhavan, Chikkadapally,  
Hyderabad-500 020  
Tel: +91-40-65169017



**Chittoor Kalanjiam Region**

DHAN Foundation  
Sri Padmavathy Mahila  
Abyudhaya Podhupu Sangam  
D. No. 6/113, New House  
Near Leprosy Hospital  
Akkarampalli, Tirupati-517 507  
Tel: 0877-2283614

**Vizag Region**

DHAN Foundation  
D.No.54-6-2, Ramalayam Street  
Besides Post Office, Isukathota  
Vishakapatnam-530 022  
Tel: +91- 891-6578990

**KARNATAKA****Bangalore Region**

DHAN Foundation  
C/o M. Ravindra Building, No.14,  
2<sup>nd</sup> Floor, Subbaiah Reddy Road  
Near Subramanya Swami Temple  
Ulsoor, Bangalore-560008

**Tumkur Kalanjiam Region**

DHAN Foundation  
1st Floor, Shree Shyla  
Near Chami Depot  
Basavanapalya, Sirgate  
Devarayadurga, Tumkur  
Tel: +91-816-2212650

**Tumkur Vayalagam Region**

DHAN Foundation  
C/o. Ramamurthy, House No.711  
Veeranjaneya Nagara  
Gokul College Road  
Kolar-563101, Karnataka  
Tel:+91-8152-0222171

**Mysore Region**

DHAN Foundation  
No.1169, 1<sup>st</sup> Floor, Aarihara Nilaya  
Near Vidyavardaka School  
3rd Cross, Lalithadri Road  
Kuvembunagar, Mysore-571323

**Gulbarga Region**

DHAN Foundation  
C/o. Arjun Rao G. Mitra  
H.No. ENS 94. Shanti Nagar  
Near Hanuman Temple  
Opp. Central Bus Stand  
Gulbarga-585103  
Tel: +91 8472 250195

**MADHYA PRADESH****Sailana Region**

DHAN Foundation  
Plot No. 38/39,Vivekanand Colony  
Kamala Nehru Marg  
In front of MPEB  
Sailana-457 550, Ratlam District  
Tel: +91-7413-279153

**ORISSA****Koraput Region**

DHAN Foundation  
Near District Head Quarters  
Hospital, Behind Vijayakrishna  
Medical Store  
Pujariput, Koraput - 764020  
Tel: +91-6852-252916

**RAJASTAN & MAHARASHTRA****Solapur Region**

DHAN Foundation  
Block No 9, 3rd Floor  
145, Shiv Shakti Complex  
Near Kothadiya Hospital,  
Siddheshwer Peth,  
Solapur-413004, Maharashtra.  
Tel: +91-217-2721535

**Yavatmal Region**

DHAN Foundation  
C/o Gangaram Ganpatrao  
Navhate  
Beside Jalaram Mandir  
Ghatanji - 445301  
Yavatmal District, Maharashtra  
Tel: 08055034914

**ASSAM**

DHAN Foundation  
Professor colony  
Near Barama Bazar  
Barama 781346  
District Baksa (Assam)  
Pin-781346  
Barama (BTAD), Assam  
Tel: +91-3624 282440

**JHARKHAND**

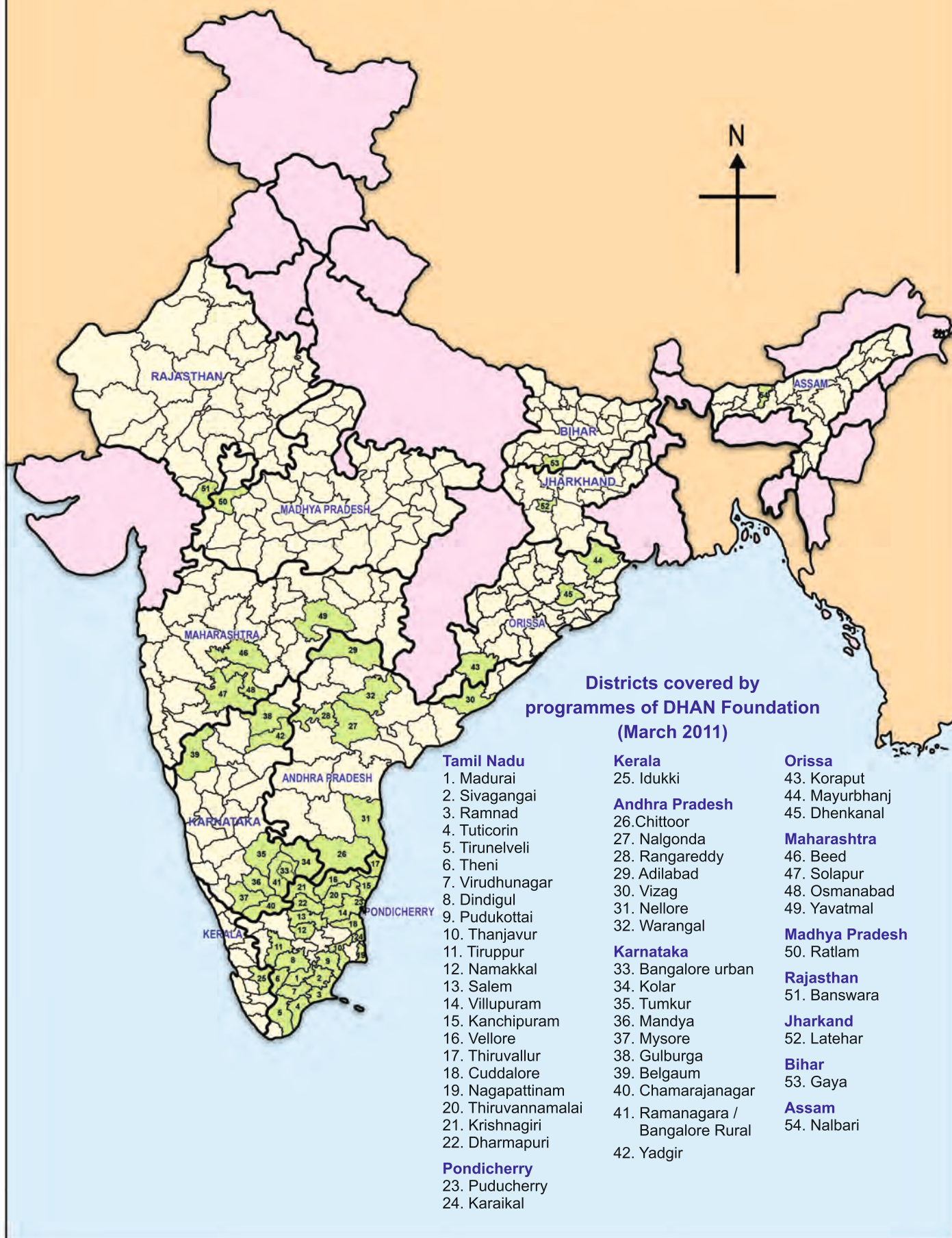
DHAN Foundation,  
House No. 122, Ward No.6,  
Chatnahi (on Bye Pass Road),  
Latehar – 829206  
Tel: +91-6565 248423

**BIHAR**

DHAN Foundation  
C/O Anand Prasad Singh  
West Church Road  
Opp. Khalish Park  
GayawalBigha  
Gaya District- 823001  
Tel: +91-6565 248423



# DHAN Foundation - Area of Operation - 2011







**A** mudra is a bodily posture or symbolic gesture. Mudra positions are usually formed by both the hand and the fingers. Mudras are a non-verbal mode of communication and self-expression, consisting of hand gestures and finger-postures, retaining the efficacy of the spoken word. It is an external expression of 'inner resolve', suggesting that such non-verbal communications are more powerful than the spoken word.

Democracy seeks to guarantee equality and basic freedoms; to empower ordinary people; to resolve disagreements through peaceful dialogue; to respect difference; and to bring about political and social renewal without convulsions. The democratic practices are guided by the mediating values such as trust, mutuality, solidarity, autonomy, independence, interdependence, self-governance, self-renewal, ownership, equality, equity, transparency, accountability, collaboration, negotiation, shared responsibility, and self-regulation. The mudras visualised here depict the expression of some of these values.

DHAN Foundation envisions a poverty free and democratic society. Poverty reduction and deepening grassroots democracy are the two overarching goals of DHAN. The Foundation promotes Peoples' Organisations owned and governed by the poor communities to achieve these goals. This report presents the Foundation's perspectives, principles and practices in deepening the grassroots democracy.



**DHAN Foundation (Development of Humane Action)**

18, Pillaiyar Koil Street, S.S. Colony, Madurai - 625 016. Tamil Nadu, INDIA.

Tel: +91-452-2610794 / 805, Fax: 2602247

Email: [ghanfoundation@ghan.org](mailto:ghanfoundation@ghan.org) Website: <http://www.dhan.org>