Livelihood Matters

Annual Report 2012 DHAN Foundation



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Abbreviations & **Acronyms**

ACEDRR Advanced Centre for Enabling Disaster Risk Reduction

ASKMI Advanced Centre for Skill and Knowledge on Mutual Insurance

BCC Behaviour Change Communication

CALL Coastal Conservation and Livelihoods

CDA Cluster Development Association

CIT4D Communication and Information Technology for Development

CURE Centre for Urban Water Resources

DEWATS Decentralised Wastewater Treatment Systems

DHAN Development of Humane Action

DPA DHAN People Academy
DRC DHAN Resource Centre

JnNURM Jawaharlal Nehru National Urban Renewal Mission

JSYS Jala Samvardhane Yojana Sangha

KAMPCOL Kalanjiam Milk Producers Company Limited
KDFS Kalanjiam Development Financial Services

KRCH Kalanjiam Reproductive and Child Health

KTL Kalanjium Thozhilagam Limited

LIFE Livelihood Initiative with Functional Education

MAVIM Mahila Arthik Vikas Mahamandal MDG Millennium Development Goal

MFG Microfinance Group

MGNREGS Mahatma Gandhi National Rural Employment Guarantee Scheme

NABARD National Bank for Agriculture and Rural Development

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 Tata-Dhan Academy

TFA Tank Farmers' Association
VIC Village Information Centre

VTADP Vayalagam Tankfed Agriculture Development Programme

VTDC Village Tourism Development Committee

WASH Water, Sanitation and Hygiene

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:

- Mothering of Development Innovations: The institution intends to promote and nurture new ideas on development themes, such as microfinance, small scale irrigation, dry land agriculture, and working with Panchayats which can impact on poverty in a significant manner.
- 2. Promoting Institutions to reach scale: Exclusive thematic organisations will be promoted to take up development work with a sub-sectoral focus. The primary role will be to promote and ensure that quality benefits reach a large number of poor.
- 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

 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 subsectoral 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.

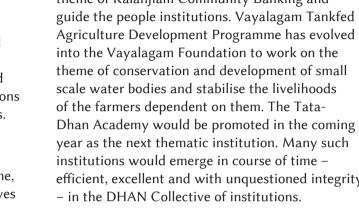
Conceptually, the interaction among these three factors put the primary institutions at the centre, which are ideal platforms for practicing participatory democracy and ensuring collective empowerment.

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.

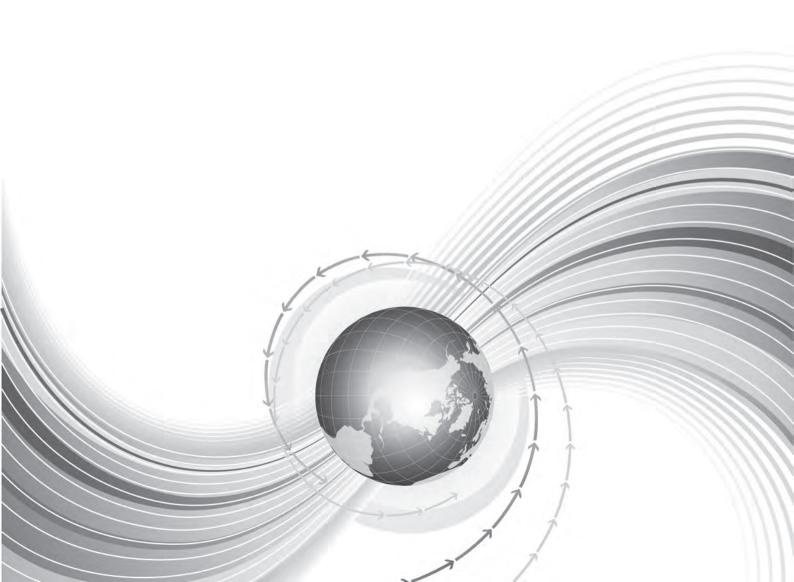
The Kalanjiam Community Banking Programme, one of DHAN Foundation's pioneering initiatives and its first institution, has evolved into an institution, the 'Kalanjiam Foundation', to take up the promotional role. It would scale-up the theme of Kalanjiam Community Banking and guide the people institutions. Vayalagam Tankfed Agriculture Development Programme has evolved into the Vavalagam 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



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Perspectives, Principles and Practices of DHAN Collective



Livelihood Matters

Perspectives, Principles and Practices of DHAN Collective

DHAN works to make significant changes in the livelihoods of the poor through building scalable, cost effective and sustainable development programmes for self-reliance. DHAN as a mothering institution intends to promote and nurture new ideas in development and scale them up to benefit poor and marginalised communities. DHAN as a HRD institution attracts socially concerned professionals, grooms and places them in grassroots development work to make poor lives different with dignity and right livelihoods. These professionals promote people's organisations around the livelihood themes to ensure entitlements and to build an effective demand system to promote people's interest. The Peoples' Organisations work in collaboration with mainstream institutions and Government to demonstrate new and effective intervention and to impact their policies and practices.

The reasons for poverty are dynamic and complex. The poor are characterized by inadequate access to assets, inadequate income influenced by seasonality, poor nourishment resulting poor health condition, exposed to risks associated with their lives and livelihoods. They are constrained severely and severally by lack of access to resources, entitlements meant for them are often beyond their comprehension and their reach. They have been chronically kept away from the mainstream financial services and viewed as poor creditworthy. They are unorganised, socially and

economically marginalised, live in the peripheries and do not have say over the matters affecting them. The vicious cycle of poverty, unless intervened, would perpetuate beyond generations.

Poverty reduction is the overarching goal of DHAN Foundation. DHAN's development themes are ultimately aimed at making the poor and vulnerable communities to come out of poverty and achieve self-reliance. DHAN initiates an exclusive theme and evolves a replicable and adaptable community organisation model for scaling up. A common thread that binds all the themes is strong focus on livelihood promotion. Therefore the poverty reduction strategy of DHAN aims at building institutions and creating an enabling environment for the poor to work on the factors that are affecting their lives and livelihoods directly.

DHAN's Perspectives in addressing the issues of poverty and livelihoods

Local Economy and Livelihoods

DHAN is working actively for more than two decades on livelihoods. Dominant model of DHAN is to increase market share of poor in local economy by providing microfinance (savings, credit, insurance) services to existing livelihoods activity, existing market and skill; skill building to increase the productivity of their

activities and relevant technology (pro-poor). It is a kind of structural transformation in existing local economy. It has resulted in reducing and eradicating exploitative practices in local economy, there by poor-led, poor-driven local economy initiated. Labour is the primary factor of production in this kind of model. There is a slack or gap in poor segment and that was addressed in DHAN model. It is also a kind of conservation approach of livelihoods by arresting leakages and exploitation (Affordable finance, risk mitigation and healthy market practices).

Poorest of poor (POP) who are in survival livelihoods, do multiple seasonal activities as their livelihood adaptation strategy and they are highly vulnerable with high risks in doing those livelihood activities. They are subjected to high exploitation and poor living condition. Migration and mobility are the coping mechanisms with wage economy. Special external efforts are required for them to graduate into next level of subsistence livelihoods. Partial wealth creation is the prime mover at this stage to create productive assets. Package of seasonal activities are narrowed to two or three livelihood activities. Land and livestock become their factors of production with wage labour. Next single family livelihood activity emerges as full self-employment with adequate productive asset or secured salary employment with adequate productive asset or secured salary employment. It requires all factors of production-land, skilled labour, capital for stabilized family economy. All these livelihoods are conditioned by local economy. Hence a thorough understanding of local economy is essential to map-out drivers of change, key players, level of technology and market practices. Graduation of livelihoods has to take place in local economy for stability and sustainability. Boundaries of economy are breaking down and the virtual market adds complexity to the issue of boundary. A development professional has to understand and quantify the local economy with different economic activities; connects the thematic intervention for graduating the livelihoods with local economy; tapping mainstream resources to shape the local economy and become key drivers of change.

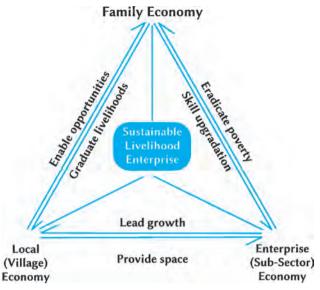
Family Economy and Livelihoods

Livelihoods vary with the stage of family. Newly married couples are economically active and generate and their family surplus. Both could earn on different activities and their family economy is growing at a faster rate. If they live with joint family, they could contribute positively for the entire family. They would enter into a child bearing and rearing stage. It takes away the livelihood contribution of a family member, also other to take care of her for time to time. There is going to be a huge delivery expenditure, also nursing care. Family economy goes through a stress and it is not sufficient to meet their expenditure. Social security is not adequate to take care of their health expenditure. Usually there is negative balance in cash flow of the economy. If it is a joint family, there is buffer to absorb this risks, shocks and stress. Family livelihood is under stress.

Third stage is very high productive phase when children are also earning along with parents. During this phase family economy moves into next level of creating housing and other assets. Stabilised family livelihoods are the feature of this stage. Fourth stage is to marry their children and they move into a nucleus family. Family livelihoods get divided or through a stress phase. Some families manage third and fourth phase well and they don't fall into a debt trap again. Because of false pride, some families take loan to showoff and get into a deep debt trap. Livelihoods go through a change and sometime go back to unviable situation. Fifth stage is aged parents with low productive energy. They need care and social security. But their experience is rich and available for younger people. Pension would provide stability and dignity.

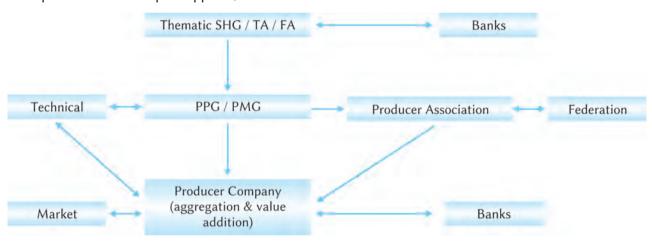
Livelihood enterprises

Many families in an area, are doing a particular livelihood activity and constitute an enterprise belt so that local economy grows with leaps, results in prosperity of the area. Any enterprises has many linkages with distinct value addition. Both



forward and backward linkages are essential for enterprise development. It requires few decades for its constant evolution and sustainability. Multiple stakeholders-input suppliers, credit providers, technical service givers, processors, whole range of marketing system etc., are involved in creating livelihood enterprise with their interest and valuable contribution. Mapping multiple stakeholders' roles, responsibilities, rights and their investment are critical for building enterprises. It shapes into community collective enterprises with legal identity and market brands. Graduating livelihoods to enterprises is a long term development process. Three economics are interacting each other to become a sustainable enterprise through a FEEL web of livelihoods as given in Figure.2.

For instance, in the dairy initiative of DHAN, for greater understanding of this concept, we need to define enterprise an (livelihood) watershed for promoting the enterprises with nested institutions (depicted in the following figure)



Nested Institution for Livelihood enterprises

(SHG- Self Help Groups; TA-Tank Association; FA-Farmer Association, PPG – Primary Producer Group; PMG- Primary Marketing Group)

During social intermediation phase, PPG and PMG would also be formed to group the members on activity basis. They would also shape their experiences at producer association at block level to increase their productivity with co-learning and exposure visits. This is the member foundation stage of enterprises. Scaling-up of the activity would happen during financial intermediation phase. Selected activities would expand with additional capital from the bank. Slack or gap of production potential of each producer would

be addressed with technical support along with capital infusion. It becomes activity foundation stage of enterprises. Value addition would be attempted to process the primary product to get an additional economic gain to the producers. For example, gathered medicinal plants would be processed as medicines or collected milk would be homogenized and packaged after pasteurization. Branding is also done to position the product. Now it graduates to value chain and marketing stage of the enterprises. It requires huge capital and

state of the art technical know-how to sell in the market. Time is needed to cross the awkward size of operation to break-even with viable business proposition. It is called gestation period. Infact value chain stage has to be initiated after-market assessment and assurance. It has to start from market end, not from production end. Another feature of this third stage is to develop market with distinct brand. Competition would teach many practical lessons to position the brand. Distinct culture, business culture, would be established with competent human resources for this phase. Enterprises would generate surplus to sustain development work without external support. Let us develop more and more enterprises to eradicate poverty and to continue our development work. It is not going to be easy but it is not impossible.

Phased intermediation

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. For e.g. Community organising for poverty reduction by the Community Banking theme of DHAN starts with social Intermediation phase, wherein the poor women are organised into Self Help Groups (SHGs) after a thorough process of identification, formation, evolving bye-laws, nominating leaders by consensus. Then the SHGs start with savings, credit and insurance (financial services) to the members. Members meet regularly to interact, understand each other, their needs, and priorities in addition to taking up financial services. This phase builds solidarity and basic systems in the institutions. In this phase the poor families stop or reduce their dependence on exploitative money lending system to which they were bonded earlier.

Then starts Financial Intermediation Phase; though the financial services start in the previous phase itself, the SHGs get linked with local commercial banks to mobilise resources for meeting higher amounts of credit needs of its members for strengthening existing livelihoods and initiating new livelihood activities to come out of poverty. The poor families who are in subsistence level will move towards self-employment. In the Livelihood Intermediation phase, the Network Associations of SHGs and Federations facilitate both forward and backward market linkages, collective bargaining through the scale advantage. Subsequently the SHGs and the Federations transform into Civic Institutions with specialised inputs and support to take up education, healthcare and village development needs. This is called Civic Intermediation phase. DHAN's role of promotion ends here and it would become a resource institution for support to these Civic Institutions. Depending on the context, each phase would go for 3-4 years.

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.

Livelihoods to Move People out of Poverty

The poor household's choice and continuity of livelihood activities are dependent on their level of vulnerability and stage of the family life cycle. They are more often exposed to risks, which causes losses that are beyond their means. They have diverse priorities, needs and wants. They take livelihood decisions either to stay with a particular livelihood strategy or to initiate a new livelihood strategy based on their immediate personal and familial factors. The poorest of the poor households opt for diverse livelihood activities in order to escape from the pressing needs for survival. Graduating them from their survival state to make them self-employed needs focused interventions.

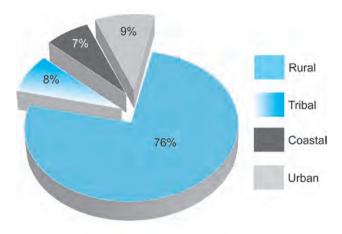
Status and Graduation of Livelihoods

	Survival	Subsistence	Self-employed
State of livelihood	Highly vulnerable	Endurance with limited security	Stabilised and secured
Nature of Livelihood	 Wage earners with no assets Uncertain and seasonal employmen t Burdened by debts Vulnerable to health and life risks 	 One or two additional sources with a main activity Fragile assets Vulnerable to health, life and livelihood risks Influenced by market changes 	 Earning from own and single activity Vulnerable to life and livelihood risks Influenced by market changes
Livelihood Strategy	 Multiple activities Borrowing for consumption Migration (permanent) 	 Migration (Seasonal) Adjusting cash flows with consumption credit 	
Needs	 ✓ Credit for consumption ✓ Insurance for health and life ✓ Ensuring access to entitlements ✓ Arresting leakages 	 ✓ Credit for consumption ✓ Credit for asset creation and working capital ✓ Insurance for health, life and assets ✓ Creating market linkages 	 Credit for expansion, working capital Insurance for health, life and assets Credit for housing / up-gradation

Livelihoods are contextually defined

Poverty is complex and contextual, so also the livelihoods of poor households. The poor households' livelihoods are determined by the socio-economic context in which they are living. Prosperity of a particular livelihood activity is dependent on an inter-play of a multiple factors such as access to and performance of personal and public assets critical for their livelihoods,

availability and accessibility to market and financial institutions, opportunities and threats in the existing value chain, mainstream policies and programmes that could ensure necessary infrastructure, allocations, and civic entitlements, and also the macro environment scenario such as changing global economic and market environments, emerging opportunities and crisis in them. Understanding the context, the intrinsic strengths, weaknesses, opportunities and



constraints in it are very important to evolve a sustainable livelihood intervention strategy. DHAN operate in four distinct livelihood contexts. Out of 10.5 million poor households organised by it in 12 Indian States, the distribution of households in the rural, urban, coastal and tribal contexts is given in the chart.

Rural livelihoods

The distribution of households elucidates that three fourth of the families organised by DHAN are living in rural contexts, depending on agriculture as their main source of living. Access to land and water has direct relevance on livelihoods of these households as farming and livestock are their primary livelihood strategy. Nearly half of these households are dependent on rainfed farming for their livelihoods, which is complex, diverse and risk prone, and characterized by low levels of productivity. With the resources tapped from the mainstream institutions, the local communities are involved in enhancing the performance of common water resources and creating new water harvesting structures. Through focused interventions, rainfed farming development programme works on enhancing viability of rainfed agriculture with a combination of land and allied activities to improve productivity, risk mitigation and support for the poor and landless to acquire land; and promote livestock as a livelihood support strategy.

Urban livelihoods

Over nine percent of the organised poor families are living in the urban slums. Urban livelihoods

strategies are largely dependent on selling labour, often within the informal sector or within service industries of the formal sector. Living closer to the employment opportunities, the poor often stay in squatter settlements with limited access to civic services. Producers and processors located close to cities have comparative advantages of supplying to these markets. The Kalanjiam Federations promoted in the urban locations are addressing the needs of the poor households through skill building, creating access to financial services, arresting income drainage, housing and so on. Ensuring entitlements meant for the urban poor is a major thrust of the programmes.

Coastal and marine based livelihoods

Seven percent of the member families organised by DHAN are living in coastal regions of Tamil Nadu and Andhra Pradesh. DHAN's engagement with the coastal communities got intensified after Tsunami in 2004. DHAN started working with the fisher-folk and people dependent on marine based livelihoods. Coastal and marine areas offer diverse and abundant livelihood opportunities. The traditional and small scale fishers are highly vulnerable due to depleting marine resources, exploitative markets, risks and uncertainties associated with the work, lack of access to investment and working capital. Support to the reduction of pressure on coastal and marine ecosystems through by enhancing and diversifying livelihoods and supportive market mechanisms are the critical needs in this context.

Tribal livelihoods

The livelihood security of tribal communities is determined by forests, land and water. Understanding the lifestyle, culture and socioeconomic reality of the tribal people, also their unique social organisations are critical for creating favorable environment for building sustainable livelihoods for the tribes. Since they are deprived of health and educational entitlements, exposed to high level of exploitation by outsiders, it needs an integrated approach with a combination of freeing them from financial bondedness of exploitative

traders, creating and strengthening forest based livelihoods, water resource development and building health and educational services from the inception.

Holistic and family focus

In addition to contextual factors, individual and familial factors have a larger say over the livelihood decisions of poor households. The livelihood strategy that each poor family opts out would be based on their access to and performance of land and water (natural capital); skill sets they possess (human capital); structures and mechanisms aiding mutuality and self-help (social capital). These factors are very critical for the poor families to turn the natural resources into physical assets. Also there are a range of personal factors shaping their livelihood decisions including their motivation and determination to act and accept change, culture and lifestyle that influence their decisions, knowledge and awareness on the larger environment that can affect their livelihoods. Therefore DHAN adopts family focused livelihood interventions that would keep the development goal of the families at the centre and facilitate group's effort and willingness to work for the outcome of their choice.

Livelihoods of the Members' Households – A Sectoral View

As discussed earlier, DHAN's interventions are spread over four distinct contexts such as rural, urban, coastal and tribal. The livelihood activities taken up by the member households organised by DHAN are largely influenced by the contexts. An internal assessment taken up by the programmes of DHAN has brought out a fact that the member households are engaged in around 700 different types of livelihood activities

as their primary source of living. According to the popular classification of activities these livelihoods are grouped into primary, secondary and tertiary sectors. The distribution of members across four contexts into three sectors is given in the table below.

Primary Sector

The livelihood activities that are undertaken by directly using natural resources constitutes primary sector. Sub-sectors included under this primary sector are agriculture, dairy, fishing and forestry. This sector is also called agriculture and related sector. If we look at the distribution of member households organised by DHAN, most part of the tribal households are dependent on primary sector (97 per cent), followed by rural and coastal contexts, where the households engaged in primary production are 78 and 63 per cent respectively. It indicates more than three fourth of the households organised by DHAN are engaged in livelihoods activities of primary sector, mostly farming, dairy and fishery activities. This group is vulnerable to shocks and trends in climate, seasonality and price.

Secondary Sector

Activities under this sector are next step after the primary production, which includes processing and manufacturing, using the primary products. This could be in a factory at small scale, a workshop or an activity at the home. Sixty three per cent of the families organised in the urban contexts are involved in such activities. It includes small scale production or processing units, weaving, home based cottage industries, factories and workshops. In coastal, rural and tribal contexts, the households involved in such activities constitute 19, 12 and two per cent respectively. Though the livelihoods under this sector seemed to earn a certain income

Percentage of households engaged in livelihood activities	Rural	Urban	Coastal	Tribal
PRIMARY SECTOR (Agriculture and Allied)	78	0	63	97
SECONDARY SECTOR (Manufacturing)	12	63	19	2
TERTIARY SECTOR (Service)	10	37	18	1

to the households, they are subjected to a number of risks associated with the activities such as price fluctuation, storage, availability of raw materials and their costs, finance for continued engagement in the activity. Interventions such as skill building, provision of working capital, market linkages are very much needed to sustain the livelihoods in this sector.

Tertiary Sector

After primary and secondary, there is a third category of activities that falls under tertiary sector. These activities help in the development of the primary and secondary sectors. But these activities, by themselves, do not produce goods but they are an aid for the production process. Activities under this sector include petty trades, vending in head loads and carts, small scale hotels, transportation, personal services such as washing, barbers, cobblers, housemaids, repair services, tailoring and so on. Since these activities generate services rather than goods, the tertiary sector is also called the service sector. While 37 per cent of the urban households organised by DHAN are involved in service based livelihoods, in the coastal, rural and tribal contexts it constitutes 18, 10 and one per cent respectively. These livelihoods are basically built on individuals' labour. The poor households in this category needs skill enhancement, social security for their life and health and finance for smoothening their consumption needs.

Principles guiding livelihood interventions of DHAN

Guiding principles for livelihood intervention build on the above core principles. They need to be flexible and adaptable to diverse local conditions. The guiding principles for Livelihood Intervention are:

Family focus: Member family would be the unit for livelihood intervention and the family specific factors like poverty category need available resources, capabilities, etc. will be considered for designing the development interventions.

Build on existing livelihoods strengths: Build on people's existing activities, strengths, and opportunities rather than beginning with new activities. It supports in strengthening the local economy led by the poor.

Collaboration and convergence: DHAN facilitates collaboration between individual family members (and/or their people institutions) and various stake holders related to the member's livelihood, like private sector, government bodies and banks, to serve as demand stream, to ensure smooth flow of services and goods and to improve the role of members in value chain governance. Besides, the convergence with available or emerging opportunities will also be given focus as part of collaboration. (Eg: MNREGS, NRLM)

Graduation of livelihoods interventions:

Taking up successful livelihoods intervention on a significant scale needs huge financial resources, strong social capital (in terms of trust and necessary relationship to handle difficult situations) and higher level of skills. So there is need for graduation in livelihoods intervention along with strengthening of financial, social and human capital.

Collective Action: The intervention and efforts by DHAN have to be for collective or group of members as activity group to support forward and backward linkages on a scale and sustainable.

Sustainability: The livelihoods interventions at family level or enterprise level have to be sustainable socially and financially and have potential for replication.

Ecologically sound: The livelihoods interventions have to be either environmental friendly or do not result in any damage to environment or over exploitation of natural resources. It should focus on preserving biodiversity.

Gender equity: The livelihoods interventions should not discriminate against women and wherever possible should include women as livelihood anchor in both individual and collective enterprises. Livelihood Intervention requires equal contribution, control and ownership of both

men and women within the family. DC believes that when women gain control over financial and livelihood resources they gain visibility and stay within their family and the society.

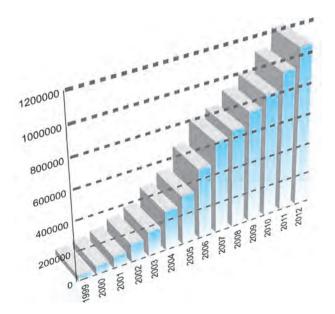
Ensure entitlements: Getting access to rights is one of the empowerment processes in development. DHAN's programmes people institutions, people movement provide awareness and take collective action to access to rights on common property resources.

DHAN's Experiences

More than two decades of our intensive engagement at the grassroots in working with the poor communities has brought us a number of insights on the livelihoods and its inherent relationship with the poverty reduction.

Social capital is a pre-condition

DHAN believes that the organised social capital in the form of self-governed nested institutions around microfinance, water, rainfed farming and ICT is a key determinant for achieving sustainable livelihoods. The institutionalized processes would enable them to work in collaboration with the mainstream to conserve and develop the natural capital such as land and water bodies traditionally enjoyed and protected by them; gain access and control over financial capital through linkages with



banking and financial institutions; enhance human capital by building appropriate production and marketing skills; create and strengthen physical capital in the form of income generating assets.

The concept of promoting People's Organisations around development issues is a unique contribution of DHAN Foundation. The approach has proved its success in terms of effective management, reaching the poorest segment, ensuring the reach of benefits and building democracy at the grassroots.

The peoples' organisations operate based on mutuality and self-regulating mechanisms. The quality ensuring mechanisms strengthens the links within the group, and builds up social capital, contributing to broad-based growth. They engage in constant interactions with mainstream institutions to promote public good. The social capital built within the networks influence how markets operate, and relationship with formal financial institutions and government institutions. The social capital thus built among the poor communities help them negotiate with and building pressure on the mainstream institutions, to influence their policies in favour of the poor, the marginalised and the excluded.

Mutual trust and reciprocity lower the costs of working together. By improving the efficiency of economic relations, social capital thus help increase people's incomes and savings (financial capital). The social capital also helps reduce the 'free rider' problems associated with public goods, reinforce the individual as well as collective responsibilities for managing common resources (natural capital) and the maintenance of shared infrastructure (physical capital). Social networks facilitate innovation, development of knowledge and sharing of that knowledge. It also facilitates people's sense of well-being through identity, honour and belonging.

Believing in the concept of scaling-up, DHAN is always on the lookout for emerging new opportunities for the poor; design a theme around the issue, experiment for few years to evolve a replicable and adaptable community

organisation model in different contexts, and then consolidate the experience to launch it as a programme for scaling up. The criteria for evolving a new programme are its potential to impact large number of poor for their better living and its replicability in different contexts. Through its thematic programmes, DHAN has been able to reach over a million poor households, who are organised into 45,525 primary groups of women, farmers and fishermen in 12 Indian states.

Development finance for livelihoods

The finance for enhancing livelihoods has four distinct characteristics of availability, accessibility, appropriateness and affordability. DHAN's enabling model of microfinance motivates the

poor households to conserve their resources and widens their opportunities to access financial capital from the mainstream financial institutions, which enables them to take appropriate livelihood decisions. SHGs play a vital role in creating and strengthening the livelihoods of the poor by providing timely credit. Credit from SHGs enable the poor to initiate a new livelihood activity, have adequate working capital, have access and control over productive assets, be able to upgrade existing assets, make investment in new assets, diversify into new activities. Provision of separate line of credit for consumption and emergency credit needs, insulates their working capital and business capital from being diverted. So far the SHGs promoted by DHAN have issued Rs. 16.9 billion worth of loans to their member families.

Financing for Livelihoods - Experience from Salem

Salem is one of the largest districts in Tamil Nadu. The major sources of livelihoods for most of the households in this region are weaving and farming. A Major part of the mineral wealth of the Tamil Nadu is confined to Salem District, where a variety of important minerals like Magnesite, Dunite, Bauxite, Limestone, Iron ore, Quartz and Feldspar are found here. Despite availability of such rich minerals, the rural blocks in this district are found in industrially backward locations, where farming is the only source of livelihood. More than half of the farm lands are rain-fed and the farmers toil under the vagaries of monsoon. They heavily borrow from money lenders at exploitative interest rates to meet their production and consumption needs. The slums located in Salem corporation are not better than any other slums elsewhere. The miseries faced by the slum dwellers with lack of basic amenities, improper housing and sanitation, high level of income drain due to alcoholism among men were some of the reasons that attracted DHAN Foundation to initiate its Kalanjiam Community Banking Programme in 1999.

The Kalanjiam Programme has been expanded to both urban and rural areas of Salem district. So far 31146 poor women have been organised into 2005 Kalanjiam SHGs in 345 rural hamlets and 289 urban slums. These Kalanjiams have been federated into 10 independent Kalanjiam Federations, which are in different stages of growth.

Livelihood Analysis

- Only 11 per cent members own farm lands. Members give high priority for livestock maintenance. More than 5000 milch animals, over 15,000 goats are being maintained by the Potential for Dairy activity more than 5000 animals are available. Eighteen per cent of the total members are engaged in this activity.
- Members and their spouses are involved in around 40 different types of livelihood activities including farm, non-farm and service sectors
- Over 78 per cent of members have own house. But in urban locations most of them are residing in rented houses. While 89 per cent member households have electricity connectivity, only 23 per cent households have sanitation facility.

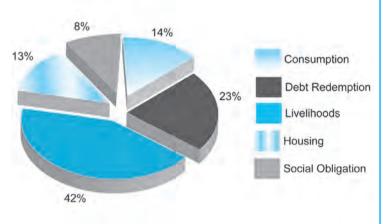
A shocking fact was that over 28 per cent of members' husbands were addicted to alcohol, which drains away a considerable portion of family income. Another 8 per cent members' families have reported that they spent a major portion of their income towards medical expenses on chronic illness. Around 15 per cent members are widows, either living alone or survived by their children.

Pillars of progress: Savings, credit and insurance

The Kalanjiams have provided space for the members to save for their future. With high emphasis on savings all the members have saved over Rs. 220 million in their groups, which is available for lending as well as to leverage credit from commercial banks. They were successful on mobilising loans from commercial banks all through the years. So far the Kalanjiams have mobilised Rs. 1010 million worth of loans from banks, which was on lent to members for various production and consumption needs. Almost all the members and their spouses have been covered under life insurance programme of LIC of India – Janashree Bhima Yojana. Over 1500 members have got death claim amounting to Rs. 40 million since 2001. The entitlement benefit of this JBY scheme is scholarship for members' children. Nearly 40,000 students got scholarship benefit worth of Rs. 40 million. Around 12000 members have been covered under health insurance product of National Insurance Company.

Lending for Livelihoods

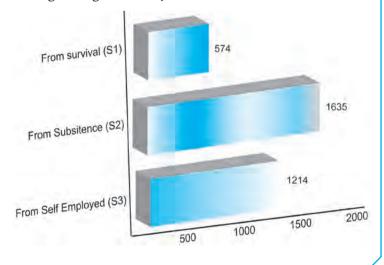
Over the last 13 years, all the Kalanjiams have generated and issued 310,643 loans to all the members worth of Rs.2654 million for various production and consumption purposes. A total of 104,643 loans amounting to Rs. 1117 million have been issued for livelihood enhancement for all the members. It accounts to 42 per cent of total loans issued by the Kalanjiams. The loans have been issued for a specific purpose of livelihood enhancement, which includes creation



of new livelihood assets or activities, strengthening existing activities, working capital for existing activities and so on. The current loan outstanding among the Kalanjiam members is Rs.360 million.

People moved out of Poverty

An annual assessment done with the members individually as well as at group level revealed that 3424 members have moved out of Poverty. The groups have declared this graduation and were accepted by the members themselves. The members from all three levels of poverty such as survival (S1), Subsistence (S2) and Self-employed (S3) have come out of poverty as shown in the chart.



Skill building for Livelihoods

Skill is an important asset though it is intangible and it is a human factor in livelihood promotion. Appropriate knowledge and skills are essential for the poor to successfully respond to the livelihood opportunities and challenges of economic and technological changes. Building livelihood skills enables the poor, particularly youths to gain

employability and acquire capability of becoming entrepreneurs. DHAN has evolved a strategy 'Livelihood Initiative with Functional Education (LIFE)' to the poor women and youths, to build new skills in response to the market needs and enhance their employability at the local level. Skill building, facilitation of market linkages, credit and employment are the integral part of the LIFE.

Livelihood Initiative with Functional Education (LIFE)

Most of the members, especially women in the people organisations promoted by DHAN have the entrepreneurship potential. But they need training for acquiring new skills as well as upgrading the skills that they already possess. The People organisations promoted by DHAN already have the experience of providing skill training on established activities such as dairy and tailoring to their members. And 25 federations have been running Community Colleges, providing computer based job oriented courses to the rural and urban youths. There was a need expressed by the members on other trades that could fetch employment in nearby towns and cities.

DHAN People Academy, after having a series of consultations with these people's organisations evolved a model for establishing skill building centers called LIFE (Livelihood Initiative with Functional Education) Centres. LIFE aims at imparting livelihood oriented skills to the poor women and men, particularly youths through vocational education. The expected outcome is to make them employable and capable of becoming an entrepreneur, and thereby enabling them to come out of poverty. The livelihood initiatives are implemented in collaboration with government, industries, polytechnics and industrial training institutes. The Centre reaches the people through Women and Farmers' Federations.

Skill building for enhancing livelihoods

The first LIFE Centre was initiated in Madurai to serve the member families living in urban slums and rural areas adjoining Madurai city. In the beginning, the LIFE Centre had started offering the courses related to computer education and later, the skill building areas were diversified in various trades. Based on the experiences gained over two years, eight more centres have been initiated during 2009-2010 in the locations such as Viraganur, Kazhugumalai, Maraimalainagar, Nillakottai, Pallathur, Tanjore and Singampuneri federations in Tamil Nadu and Chittoor in Andhra Pradesh.

These centers were initiated with an initial need assessment exercise, in which the peoples' existing skill sets, their needs and expectations in the Market were assessed. Training courses were short listed based on the assessment. These Centres provide services to the poor families in Kalanjiam groups as well as the other poor families. So far, over 12,500 youths have been trained in the Community Colleges run by the Federations on various trades and facilitated to get employed in nearby towns and cities as well as to initiate their own units with the assistance from Kalanjiams.

Mitigating risks, reducing vulnerability

The Poor households are more often exposed to risks, which causes losses that are beyond their means. Insurance cover for the member's life, health and productive assets can insulate the

savings and credit, which are often at the risk at times of emergencies. Risks associated with the livelihoods of the poor households can be mitigated with simple, contextually relevant and affordable social and livelihoods security products.

Social Security for Livelihood Security

The peoples' organisations promoted by DHAN have collectively promoted People Mutuals, an exclusive institution to work on social security measures such as insurance and pension. The People Mutuals works for ensuring social security for the poor either through their mutual programmes or in partnership with various social security schemes and development programmes of the mainstream insurance companies. It also works on insurance literacy and researching on social security issues for policy advocacy. Through the Peoples' Organisations, the Peoples' Mutuals offers a number of social security products and services.

Covering life risks of the poor

Existing life insurance products of insurance companies cover the life risks up to 60 years of age and no insurance company product is providing life cover to poor after 60 years of age. This need is addressed by term or whole life mutual help programmes, which provide life risk cover irrespective of age. Safety net mechanism by way of risk sharing arrangements through People Mutuals and a cross guarantee fund ensures sustainability of life mutual help programmes.

Whole life insurance programmes involve payment of contribution by people up to 60 or 65 years of age for the life risk cover their entire life time. The quantum of contribution varies with age and sex. Whole life insurance cover has been ensured to 17,995 poor, of which 13,030 are women. Such premium is unaffordable for most of the people, who are at their middle ages above. Therefore, the locations where whole life mutual insurance was taken earlier have started switching over to term life insurance.

The poor communities have expressed that they need a life insurance cover irrespective of age for an equal contribution of premium by everyone. The contribution is subsidised by the young to the aged in the process of uniform contribution. Such a term life mutual insurance programmes are run by 16 Federations. A total of 104,575 people comprising of 61,366 women and 43209 men have been covered.

Health security

Health mutual programme is in operation for the past 10 years in the federations promoted by DHAN. The Government sponsored Universal Health Insurance Scheme (UHIS) was found to be an appropriate and affordable product for the people. UHIS provides hospitalization cover of Rs.30,000 apart from personal accident cover of Rs.25000 to head of the family and wage loss compensation on account of hospitalization of the head of the family. The health mutual insurance programme has reached to 50,148 people so far. Of them, 25,173 are women and the rest are men. The total premium paid under this programme was Rs.3.38 million for a cover of Rs.275 million. The members have availed the benefits worth of Rs.1.5 million during this year.

Insurance for People Living with HIV

It is pertinent to note that the People Living with HIV are excluded under the life and health insurance products of commercial insurers. Whereas tailor made insurance product by them would involve high premium rates and small benefits which would make them inappropriate and wean the PLHIV from accessing these products. A pilot project for providing insurance to PLHIV was implemented in the federations of Salem region for ensuring financial support to their families. The project involves safeguarding PLHIV from life risks and providing them as well as their family members, a health risk cover. DHAN Foundation collaborated with Population Services International for working out an affordable risk solution for the life and health risks of PLHIV. The life and health risks of PLHIV were retained at the People Mutuals.

Mitigating weather risks

Farming is fraught with many risks and vagaries of nature. Uncertainty of crop yield owing to excess or deficit rains, pest or disease attack is a matter of grave concern for farmers. They also face price risks. The uncertainty of income from their farms over years is a matter of serious threat to the very existence of farming since farmers are unable to earn their living. Protecting them from crop risks would make farming as the viable and sustainable livelihood.

The crop mutual insurance is implemented in 15 federations of Tank-fed Agriculture, Rainfed Agriculture and Coastal conservation programmes of DHAN. 159 automatic rain gauges were installed in 15 locations. The rainfall received in these rain gauges would be basis for deciding the pay-out. Thus, it can be called as rainfall indexed crop insurance. Crop insurance is done for six crops such as Paddy, Chillies, Pulses, Pearl millet, Sorghum and Maize. People Mutuals collaborated with Agricultural Insurance Company which takes the basis risk on the basis our village automatic rain gauge data. During the crop insurance was done in 1558.76 hectares of land owned by 5914 farmers of thirteen federations. The farmers have paid a premium of Rs.1.6 million for a cover of Rs.20 million. The benefit paid during the year was Rs.2.4 million.

Securing livelihood assets

Livestock is the major shock proof for the families involved in farming. Livestock mutual help programme was initiated from 2009. About 1004 animals worth Rs.9.5 million were covered. The people paid a contribution of Rs.130,000, and received a compensation of Rs.63,200 for their losses.

Micro Pension for the aged poor

India, like most other developing countries, does not have a universal social security system to protect the elderly against economic deprivation. The old age population increased three-fold from about 19 million in 1971 to around 62 million in 2011, and it is expected to double by 2026. Most of the working poor in India have traditionally been excluded by formal pension provisions. This population is very vulnerable to old age poverty, as barely five per cent of them are presently saving for retirement. The poor communities had always been willing to save for their old age, but there were no institutional mechanisms to make it happen.

DHAN Foundation with the support of Micro Pension Foundation, The Netherlands initiated a micropension project. With the consideration of needs articulated by the members, a pension product was designed and offered with the support of Life Insurance Corporation of India, one of the largest insurance agencies in India.

Graduation Approach in Livelihoods

The livelihood intervention strategy for each of the location, where DHAN is implementing its development programmes evolve over the years depending on existing livelihood opportunities, potential for expansion and graduation into a larger business enterprise impacting a large number of poor households. The graduation is dependent on the advancement and maturation of the programmes and growth of the federations

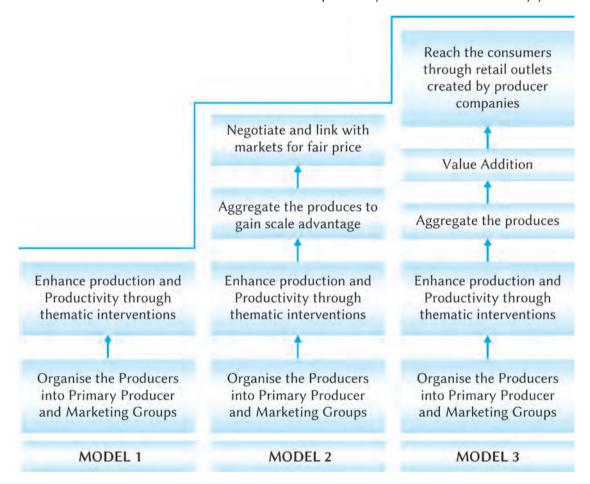
to handle larger livelihood enterprises. The intervention is modeled into three levels.

In Model 1, the poor households who are involved in similar livelihood activities are organised into Primary Producer and Marketing Groups (PPGs and PMGs). These are the business based peoples organisations organised to take up focused interventions, nurture and deepen them, develop into potential activity for enterprise promotion in future. The interventions at this level are confined

to facilitating finance for livelihoods that the households are already involved in, ensure creation of new livelihood assets or increasing performance of existing assets, creation of community infrastructures such as irrigation tanks and ponds, soil and moisture conservation. All these interventions are aimed at enhancing production and productivity from the existing livelihood activities of the member households.

In Model 2, the PMGs engage in aggregating the produces, establishing linkages with the existing

markets after a negotiation for better price. The scale advantage provides space for the PMGs to negotiate for competitive price. This process eliminates the middlemen involved traditionally in the activity and who had been enjoying the major benefits leaving the primary producers with marginal profits, many a times pushing them into loss. An example for this model is 'Medicinal Plan Collection Activity', where just collection and marketing of medicinal plants by the PMGs ensures fair price for the gatherers who had been exploited by the middlemen for many years.



Collective marketing of farm inputs and outputs

The PMGs promoted with farmers of Vayalagam and Rainfed Farming Development programmes of DHAN are involved in collective purchase and marketing of farm produces such as maize, cotton, chillies and groundnut. Similarly the PMGs facilitate collective purchase and supply of seeds, fertilisers, hire of farm equipments. A pilot project for linking the primary vegetable producers of Magadi block of Bangalore rural district with the Bangalore urban vegetable markets was taken up. Results of the pilot were encouraging as it proved to be highly beneficial for the primary vegetable producers. They got backward and forward linkage supports through the pilot and as a result they

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were able to increase their productivity and also realize higher market margins. To build on the positive experience a Producer Company has been promoted to scale up the activities.

For instance Shri Indhryee Mahila Kalanjiam Samakhya started the Fertilizer Business in June 2010. The purpose of the business was to support the poor farmers by providing quality fertilizer on time at affordable prices. The fertilizer was made available to Dodanda cluster covering 7 villages. To start with, there was a meeting of Federation Board of directors. The members raised the concern of not getting the timely supply of fertilizers. It was decided to address the issue by proposing to start the fertilizer Business.

Six members from Board of Directors formed a primary marketing group (PMG) and acquired the License from Joint Director(JD), Agriculture department, Adilabad. Having obtained the license, they went about identifying the requirement. After the need assessment was made, two BOD members met MARKFED and JD-agriculture for the purpose of Fertilizer booking. PMG took a loan of Rs. 1 lakh from Federation's own fund. Initially, the members started with just 17 tonnes i.e. 370 bags of DAP.

With this effort, PMG made a net profit Rs.27000 after meeting expenditure on Transport, Hamali charges, Interest on loan, Stationery etc. This year, they are planning for more than 4 truckloads of fertilizer Business of 400 bags each of Urea & DAP. The PMG has put in place the complete system of documentation and record keeping. It has established a system with Receipt book, Cash book, Minutes book, stock register, Bank Pass book, Filing System, Voucher.

Producer Company for Medicinal Plant Gatherers

In selected pockets of foot hills of Western Ghats, the landless labourers, mostly the poor women are involved in medicinal plants collection. They have been selling their collection to the local merchants, who are the middlemen for big Pharmaceutical companies. The gatherers would usually get a meagre income. To eliminate such an exploitative practice, the KTL has promoted around 35 PPGs of herbal gatherers; educate them on sustainable collection practices, link them directly with the Pharmaceutical companies. A warehouse has been hired at Silvarpatti, in Tamil Nadu to accommodate more than 100 Metric Tonnes of produces to undertake cleaning, packing and processing the medicinal plants. These PPGs have been federated into Medicinal and Aromatic Plants Urpathiyalar Producer Company (MARUTHI).

In Model 3, the PPGs and PMGs, with their enhanced skills and production and marketing are engaging in value addition and reaching out to the consumers directly. An example for this model is dairy initiative, which transformed to a producer company in Cuddalore district Tamil Nadu. The Kalanjiam Milk Producers Company Limited (KMPCL), promoted by the Dairy PPGs is now handling the activities of procuring, processing and marketing of milk and milk products. KMPCL strongly believes that by organising the unorganised milk producers into collective enterprises with requisite capabilities and localised value chains, they can be enabled to become a major market player. This would

eliminate exploitation, enhance viability of small enterprises, strengthen and sustain local economy. By converting raw milk to Pasteurised Homogenised and Standardised milk, KMPCL adds value to the produce. Through value addition it ensures generation of higher revenues for the producer than if were to be marketed as it is. The higher returns bring with it a higher element of risk in handling a biologically active product. Also, the concept of value addition gains significance only if one is able to brand it and make it available for the end consumer. In order to realize the 'Power of Branding' it has established the brand 'Anandham' for the Processed Milk. 'Anandham' means 'Happiness' and brand name truly reflects

KMPCL's intent to spread happiness amongst poor producers. Appropriate infrastructure and the technology have been deployed to process the milk. KMPCL is currently engaging around 800 members directly in the milk procurement process and touches over 180 villages around a radius of 100 Kms.

Graduation within the livelihoods

The poor households possess different levels of livelihood assets and skills. Their livelihood decisions are often influenced by the stage of their family life cycle and degree of vulnerability to shocks and uncertainties. By acquiring a few productive assets and skills they secure their subsistence first and start expanding their assets and skills. They get acquainted with market, increase their credit worthiness and absorption capacity. With scaled up production and productivity they ensure secured income and stabilised cash flow. The poor households go through the process of graduation in their respective livelihood activities with the support rendered by their primary groups and network institutions. Their livelihood graduation happens parallel with the graduation of the institutions where they own membership.

For instance, a member, who owns a cow, with her skills in maintaining it and loan support from her SHG adds an additional cow. She also borrows money from the group for meeting its operational expenses such as purchase of feed, cultivate green fodder, and receive veterinary care to the animals. Though she starts with just a loan support from the group initially, when she becomes the member of a Primary Producer Group, she gets all the value added services. Through her PPG, she gets a fair and competitive price, and timely payment. With all these support services, enhanced knowledge and skill in dairy farming, increased motivation and congenial market environment, she adds a few more animals, making it a mini dairy unit. From managing livestock just as a survival strategy she graduates herself into a full-fledged dairy farmer, making it a sustainable and primary source of livelihood to her family. Like this, the member households gets graduated within the livelihoods, making them own a micro-enterprises, which grows at par with the growth of the Primary Producer Groups, which gets graduated into a Producer Company over the years.

Promoting Community Owned Dairy Enterprise - Dindigul Experience

Dairy is one of the most talked about livelihoods promotion activity in the Dindigul region. The region has 25 Primary producer groups. In the study area, seven PPGs are under Sanarpatti cluster and 5 in Kannivadi cluster. The intervention was started in 2005, inspired by the success of dairy intervention in Connor, where the milk is being procured, chilled, packed and distributed under the brand name 'Anandam'.

The idea of forming PPGs is introduced to only those groups where most of the members are already rearing cattle and selling milk for additional income. PPG is formed at the village level comprising of maximum 15-20 members. If there are more members then another PPG is formed in the same village. It is compulsory for a PPG member to be part of the Kalanjiam group.

Formation: The PPG formation and functioning is facilitated by Dairy regional coordinator Mr. Kanaka raj. He has been exclusively trained by Veterinary University on technical aspects of artificial incrimination, acclimatizing new breeds of cows to the new environment, primary veterinary care, nutritional aspects for the cattle rearing, milking using machines etc. He is also trained on managerial skills of forming PPGs, linking them to chilling centres and others by Dhan academy.

Functioning: At the village level the PPG group members function like any other SHG group. They have monthly meetings during which they do savings, take loans and also learn about different aspects

of cattle rearing and care. The condition is that the member has to pour milk only to the centre and they are not supposed to do any local sales of the milk. Member is allowed to take away $\frac{1}{2}$ to 1 litre of milk for consumption. Member of this group is provided with:

- Loans to buy cattle
- Access to veterinary camps
- Access to mineral mixture (feed) from the veterinary university
- ✓ Potassium (anti-bacterial) to clean up the cattle before milking
- Training on cattle rearing
- Facility for collective milking of the cow

Collectively selling the milk to the chilling centre.

Collective Milking: This arrangement was thought of because not all members had the skills of milking. The practice was to hire a person who would come twice a day in the morning and evening to milk the cows for a fee. To reduce the expenditure the group decided to collectively hire a person who would milk the cows in the member's house. The fee was paid by the PPG. It was the responsibility of the PPG leaders to organize and ensure that the milking person goes to all the members' house regularly. Milk thus collected was together poured to the chilling centre with which the PPG had an understanding.

This idea didn't work very well. Because the cows were milked in the members house where the PPG was unable to ensure hygiene and not adding water to dilute the milk. It was difficult to sell the milk as the chilling centre refused to take such milk. Because of this, others who were doing it well also suffered. So they thought of setting up a shed where all the cows would be milked and measured in front of the maintenance person appointed by PPG, which worked well. In the mean-time in year 2009, the cattle shed maintenance person and two other PPG members were trained to use milking machines to milk the cows.

Pricing of the Milk: PPG collects milk from members at Rs. 17 per litre and sells it to chilling centre at Rs. 19 or 20 depending on Solids Not Fat(SNF). SNF testing for individual member pouring milk is not done. All the milk is poured together and single SNF testing is done at the chilling centre, which is entered in the book against the name of the PPG. Every year PPG gives a bonus of Rs.0.25 for every litre of milk poured by the member in that year.

Leader's View: Kolandeyesu Kalanjiam of Vadakatupatti village in Sanarpatti cluster of Dindigul region is one such group which has a dairy PPG. The group is 10 years old and has seen many members joining and leaving the group. Today it has only 6 members but continues with its activities in all its vigour. A. Arokyamary, the maintenance in charge of the shed as well as the PPG leader, shares that on a average 10 cows come for milking in the shed twice a day. On an average a cow gives 10 litre of milk a day which is sold at Rs. 17 per litre. A member incurs an expenditure of Rs. 100 per day on each cow and earns an income of Rs.170-200 per day. The payment is made once a month during the PPG meeting. PPG incurs other costs like paying monthly salary of Rs. 2, 200 to the shed maintenance person and other miscellaneous expenses. These expenses are met from Rs. 2 per litre of milk, it earns from selling milk at higher rate to the chilling centre.

Like Arokayamary, Vadevimary is also a woman, who earns income by dairy activities to provide for her family. Both these women say they earn not less than Rs. 8000 per month which is sufficient for them fulfil basic needs. Both of them share that if more members join the PPG then they can have their

own chilling and packing centre thereby they can earn better income from this activity. Mr. Kanaka raj, says the microfinance institutions have disturbed the group activity. Members have left the groups as the MFIs give more loans without considering their income. Unlike their groups where loan is provided based on the savings, they get loan 4 times their savings in the group and the maximum limit is fixed to 50,000. He also says that some people want money every day so prefer to sell milk to outside vendors who pay them immediately. He also said that they are working towards addressing these issues and create more awareness about the benefits of being part of PPG.

Farm based livelihoods

Conservation of resources in any form, either man-made or natural contributes directly to the livelihoods of poor and marginalised communities. Arresting leakages of income through savings, conservation of water and land resources, traditional knowledge of rainfed farming and fishing, artisanal skills and craftsmanship form the basis of livelihood enhancement strategies. Conservation approach in livelihoods built on local wisdom, resources and capabilities enhances self-reliance and sustains development.

DHAN Foundation's Vayalagam Programme was initiated to conserve small-scale water bodies and bring back the local management of the tank

system in the long run; the programme promotes people institutions, at various levels from tanks to cascades, watersheds and at basin level. Water, now, has become a unique tool for alleviating poverty. Around 299,000 poor farmers have been organized into 2980 Vayalagams (or Tank Farmers' Associations) and 187 Cascade associations in conserving traditional water structures like tanks, ponds and cascades. The programme was able to mobilize and implement Rs. 900 million worth of conservation and development programmes in partnership with development agencies of state and central governments, national and international donors. These conservation and development efforts have resulted in stabilizing cultivation in 75,000 hectares of tank command area.

Stabilising farm-based livelihoods: Chittoor Experience

Chittoor is one of the most drought prone districts in Andhra Pradesh, where droughts and crop failures are a common scene almost every year due to erratic rainfall, depleted ground water and degraded water harvesting structures and so on. The farming communities in this district have always been on the lookout for a better alternative to survive. More often they resorted to dairy as the next best solution and they tried different cropping patterns to mitigate the vagaries of monsoons.

DHAN Foundation entered this district in 1998 to promote its Vayalagam Tank-fed Agriculture Development Programme. In partnership with the district administration the Foundation has evolved an inclusive model of Tank-based watershed development, breaking a conventional approach of excluding irrigation tanks from treatment. The project was started in Punganur mandal. With the restoration of irrigation resources and soil and moisture conservation works, the farmers were able to reap at least one crop in a year and secured water for their livestock. They found promotion of farm orchards as a viable alternative to cope up with assured droughts. Seeing the success of such initiatives, the programme has been subsequently expanded to nearby Palamaner, Gudipala and Ramasamudram mandals. The Programme has reached out to 6995 farm families, who have been organised into 175 Vayalagam Farmers' Associations in 285 villages.

Livelihood Status

Around 67 per cent members are involved in dairy farming, which shows the importance of dairy activity, a coping up strategy of farmers.

- Around 72 per cent of members belong to small and marginal farmers' category which is the prime target group of the Vayalagam Programme.
- Landless contributes Around 20 per cent families are landless, who are part of micro-finance groups organised by the Vayalagam Federations.
- Nearly half of the members solely dependent on farming as their primary occupation and one third of the families are labourers.
- Other occupations includes sheep rearing, masons, tailors, carpenters, electricians, petty business, drivers and factory workers.

Interventions of Vayalagams Programme in enhancing livelihoods

Over these years, farmers' organisations promoted in Chittoor district have taken up a number of activities to sustain tank-fed agriculture, which is a critical livelihood strategy of the farming communities. In addition to restoration of irrigation tanks and land development activities to enhance farm production and productivity, the microfinance operations taken up by the farmers themselves have ensured flow of credit for make use of the harvested water.

Poverty levels	Farm credit (Rs. in million)	Farm Ponds (Nos.)	Horticultural plantation (ac)	Land development (ac)
S 1	56.3	137	110.42	421.35
S 2	42.2	241	249.3	259.87
S3	8.6	128	96.3	194.56
S4	5.6	67	195.45	121.32
Total	112.7	573	651.47	997.10

- More than Rupees 112 million worth of credit has been mobilised and issued to members for various agriculture and livelihoods development activities. Of this, 87 per cent of loans have gone to S1 and S2 families.
- 651.47 acres of dry land was brought under horticulture plantation to enhance productivity and income. Fifty five per cent of plantations were raised on the lands belong to families living in S1 and S2 categories.
- Around 1000 acres of land was developed through various land development activities like field-bunding, tank silt application to dry lands, land leveling, and laying pipe lines. Sixty eight per cent of developed lands belong to families living in S1 and S2 categories.
- Renovated 91 tanks to stabilize tank-fed agriculture in 5750 acres. Every year around 4500 members are covered under life insurance to provide social security
- Every year the Vayalagam Federations facilitate supply of quality farm inputs such as seeds and fertilizers at lower price to around 200 farmers. Community nurseries have been established in two places to supply quality vegetable seedlings for around 200 farmers. It has been reported that supply of quality seedlings has increased yield by 15 per cent.
- Every year around 100 farmers are benefited through fish rearing in ponds and getting an additional income ranging from Rs. 3000-15000

Advancing livelihoods

Having completed over a decade in promoting tank-based watershed development, the Federations in Chittoor district are now working on graduating the livelihoods of members to next level. In the coming years the Federations will focus on

- Working with paddy cultivators for enhancing productivity by at least 15 per cent through production and supply of quality seeds, collective input procurement and output marketing, promoting technologies such as system of rice intensification (SRI) and drum seeding, building capacity of the farmers through farm field schools.
- Promoting 'dairy farming' at large scale by evolving exclusive loan products and mobilizing credit from financial institutions, promotion of 'mini dairy' concept for ensuring 50-100 liters of milk production per day, introducing regular veterinary care and promotion of green fodder plots, collective procurement of quality livestock feed.
- Promoting Fruits and Vegetables collective marketing through Producer Company
- Establishing LIFE centers in all locations to impart skill building trainings to members and also their children which would enhance their income.

Livelihoods and gender equity

There is ample evidence to the gender differences in the distribution of assets, entitlements, as well as the gendered division of activities. Promoting livelihoods that require equal contribution, control and ownership of both men and women within the family would ensure gender equity and equality. When women gain control over financial and livelihood resources, they gain visibility and say over things affecting them within their family and the society.

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

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

Due to active participation of women in different economic activities, their physical mobility has increased. They attend skill building training programmes, business related and regular group meetings, and make frequent visits to banks, visits local and distant markets, and nearby villages and districts sometimes to other states. During such time, their husbands accompany them and help them in undertaking the activities concerned successfully. The frequent visits to local block development offices, district administration, and other private organisations for negotiation and better decision making for their favour has increased the level their confidence. It has increased access to knowledge and information.

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

New Frontiers in livelihoods

The poor households are always disadvantaged in reaping the benefits of growth and new opportunities. Demystifying and scaling down new technologies, organising the poor to gain access and control over technologies and creating favourable environment for linking them with relevant stakeholders for reaching scale and sustainability are the key strategies to bring benefits of the emerging livelihood opportunities to the poor.

Tourism based livelihoods

DHAN'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. Following the success in these two locations, with the support of Tourism ministry, the programme has been expanded to Theerthamalai in Dharmapuri district, Devipattinam in Ramnad District and Thirupudaimaruthur in Thirunelveli District of Tamil Nadu.

The poor families are organised into tourism based Peoples' Organisations. Microfinance activities introduced in the SHGs help them save money, draw loans for their livelihoods and get insurance cover. Artisans and service providers are organised into Primary Producer and Marketing groups and federated as Producer cum Marketing Companies. Skill building is done focusing on building new skills in production, servicing and marketing related to tourism. The Peoples' Organisations are linked with commercial banks, markets and resource institutions to mobilize resources, produce and market quality products. Ensuring responsible tourism through promoting tourism literacy and capacity building is a priority in established tourism clusters.

ICT based livelihoods

There exists a great digital divide between rich and poor. The ICT theme of DHAN works towards making the poor communities to own and manage ICT programmes that would serve their information and communication needs in a sustainable manner. The theme opens up new opportunities to address the issues of poverty and gender by promoting Thagavalagam ICT groups with men and women for providing access to new and empowering information that can address large inequalities that the poor communities face in areas like education and employment.

The ICT Programme reaches out to the local communities through the Village Information Centers and Community Colleges. These centers were able to create employment opportunities for the rural poor and also reducing their cost and time spent on their existing livelihoods. Twenty five Thagavalagam Community Colleges offer a range of certificate and diploma courses in computer applications recognized by IGNOU Job oriented computer courses helped the youths to acquire employable skills and they have been employed in their respective fields. Farmers have got exposure to new practices and technologies in the fields of agriculture and animal husbandry through video conferencing with relevant research departments.

Way forward

DHAN Foundation observed 2011-12 as 'Year of livelihoods' to look closely at the impact that it has created on the livelihoods of the poor households with whom it has been working for more than two decades, consolidate its experiences in livelihood interventions, and initiate the process of strategizing its livelihood approach with its ground experiences. Continuing the activities initiated last year, the thematic programmes and institutions of DHAN Collective would work on advancing them in the forthcoming years.

The peoples' organisations would consolidate their experiences in livelihood promotion among the poor households, evolve and adopt location specific goals and strategies for enhancing livelihoods of their member families.

Farming and dairy would be given high emphasis as more than half of the one million poor families are dependent on them for their livelihoods. Intervention models adaptable to different contexts would be evolved and introduced

After a thorough investigation and by involving the groups, peoples' organisations would declare a list of 'people out of poverty' each year, with acceptance of the people declared and with verifiable facts and indicators.

Knowledge gained over the last two decades in implementing programmes for livelihood enhancement and poverty reduction would be synthesized and made available for use by other actors.







Annual Report 2012

Touching the lives of one million poor families was a matter of pride for everyone in DHAN Foundation in this year. Together with organising the poor communities directly, DHAN as resource support organisation, with the collective efforts of the programmes and institutions in the DHAN Collective, was able to reach this one million.

Building on this achievement, DHAN has started the strategic planning exercise to revisit its vision and mission, set goals, and identify strategies to reach them by 2017. The annual retreat held at Mysore marked the beginning of a large scale consultation across the entire DHAN Community including the peoples' organisations promoted by DHAN and our collaborators.

Yet another honour for our contribution was bestowed on us by the Sitaram Jindal Foundation with a Jindal Prize for DHAN's contributions in rural development and poverty alleviation. The prize carries a cash contribution of one crore rupees to further our initiatives.

The 2012 version of Madurai Walkathon focused on the theme of climate change adaptation. This year, the event was broad-based to 19 cities across India disseminating the issues and challenges of changing climates, calling people to act on them with simple interventions. Reintroducing the forgotten small millets has been taken as the theme for the forthcoming Walkathon.

Madurai Symposium 2011, the flagship knowledge management event of Tata-Dhan Academy, brought all the stakeholders such as poor communities, NGOs, banks, government, corporate agencies, and academicians together to deliberate on the theme of "livelihoods". Seminars, conventions, conferences, and workshops on the theme of "advancing livelihoods" were organised to synthesise knowledge from practice and evolve strategies to advance them further.

The Vayalagam Programme reached a milestone of facilitating Rs. 100 million worth of works for conserving and developing traditional water resources with community investment and ownership. CSR contributions were received from corporate houses like Hindustan Unilever Limited, AXIS Bank, ITC Limited, and Bharat Petroleum Corporation Limited. The large scale collaboration with the conservation and watershed projects of the Government of Andhra Pradesh helped us intensify our work in the State.

There is increasing space for DHAN to scale-up its Kalanjiam enabling model of microfinance in the state of Maharashtra, thanks to the open and reinforcing partnership with Mahila Arthik Vikas Mahamandal(MAVIM). Different avenues are opening up to evolve joint projects involving other stakeholders. The health intervention package evolved over a decade of experimentation is now available for scaling up. Education is an emerging

area of intervention which would be taken up intensively in the coming years.

It was a year of understanding the status of members' livelihoods, as all the regions and locations spent more time in categorising the members according to their family and livelihood status, profiling their livelihoods and identifying potential livelihoods for intervention. This would further be handled with great details and clarity, in the coming year, which would focus on "advancing livelihoods". Agriculture and dairy have emerged as the largest portfolio of livelihood activities taken up by the poor families with whom DHAN is working. Our experiences in tank-fed and rainfed farming programmes are getting integrated with other programmes to bring more synergy and benefits to the poor families.

The Coastal Conservation and Livelihoods Programme, Rainfed Farming Development Programme, and Tata-Dhan Academy have reached a status of full-fledged programmes. Working with Panchayats, Communication and Information Technology for Development, Tourism for Development would become crosscutting themes with other programmes.

The new themes Climate Change Adaptation, Migration, and Youth Development have identified the potential areas for piloting. While the first one has got an experimentation grant support from GIZ, the latter two would work with existing programmes to pilot them.

Contributions in the form of products and services by the specialised 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.



DHAN Foundation at a Glance

Particulars	March			
	2010	2011	2012	
		Cumulative Figures		
Reach				
No. of Families	810,185	923,865	1,047,924*	
No. of Primary Groups	33,039	37,071	45,525	
No. of Clusters	1,648	1,432	1,728	
No. of Federations	260	283	303	
No. of Villages	9,757	10,755	12,406	
No. of Districts	51	54	66	
No. of States	12	12	12	
Staff				
No. of Professionals	331	354	331	
No. of Programme Staff	346	393	430	
No. of People Functionaries	2,197	2,118	2,261	
Finances (Rs. in million)				
a) Programme Funds				
People	2,051	2,651	3,117	
Banks**	2,461	2,715	2,644	
Government and Donors(for the year)	104	445	245	
Sub Total	4,616	5,811	6,006	
b) Programme Management (for the year)				
People	63	67	79	
Government	17	20	30	
Donors	236	192	113	
Sub Total	316	279	222	
Grand Total	4,932	6,091	6,228	

^{*}Includes 134,000 members reached through resource support

^{**}Volume of bank credit handled by the community during the year

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 the 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, and gender issue.
- 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 a 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.

Overview of the year

Kalanjiam Community Banking Programme is getting prepared for its next phase of scaling-up that focuses on deepening microfinance for enhanced livelihoods of the poor and vulnerable communities. The programme's focus during the year was more on defining its milestones and mobilising resources needed for the next phase. The programme has prepared grounds for furthering partnership with one of its significant benefactors, Sir Ratan Tata Trust. A tripartite project involving the government of Maharashtra and SRTT has been formulated and submitted under Convergence of Agricultural Interventions (CAIM). Proposals for expanding the Kalanjiam

programme in north Indian tribal regions have been shared with Hivos and Oxfam India.

DHAN is promoting 27 Community Managed Resource Centres in collaboration with Mahila Arthik Vikas Mahamandal (MAVIM), State Women's Development Corporation of Maharashtra Government, in addition to providing support as a resource NGO.

As a result of more than a decade of intensive experimentation, the Kalanjiam Reproductive and Child Health Programme has evolved into a comprehensive health programme, which can be scaled-up based on the context and need of the people. This package puts primacy on community health and nutrition. Strategies have been evolved to expand the health programme in all the Kalanjiam Federations in the next three years.

The Kalanjiam programme works on building a model for converging microfinance and livelihoods with a special focus on dairy and agriculture. During this year, a model on business based peoples' organisations for dairy livelihoods has been developed and is ready for scaling-up. Under agriculture, DHAN Foundation's Rainfed Farming programme that has been well tested and packaged for different agro-climatic conditions will be replicated by the Kalanjiam Federations. To engender empowerment of women farmers involved in agriculture, the Kalanjiam programme initiated a study to understand their present status in rain-fed and tank-fed farming conditions.

Towards graduating Kalanjiam federations into sustainable peoples' organisations, the Programme launched a major drive to set the systems right at SHGs and federations. All the federations have completed statutory audit for the year. The Kalanjiam Movement transformed into Kalanjiam Mutual Movement (KMM) as registered legal entity.

Scaling-up of Kalanjiam Programme

The Kalanjiam Programme has been expanded to 25 new locations in Maharashtra and north Karnataka. An additional 8,838 Kalanjiam SHGs



have been added reaching a total of 674,139 poor families organised into 40,618 Kalanjiams in 12 Indian states. It includes 65,000 families covered under resource support to the organisations with training and field level support. A major part of expansion was made possible through partnership with MAVIM in Maharashtra. In another programme--Pudhu Vazhvu, in partnership with the government of Tamil Nadu--DHAN has reached over 95 per cent of the identified poor families in four tribal blocks of Tamil Nadu, namely Kolli hills, Kalvarayan hills, Jawadhu hills, and Yercaud hills. In addition to reviving 871 SHGs already promoted by the Government, 873 SHGs have been newly promoted in these blocks.

Resource Support to Other Organisations

As a resource NGO (RNGO) for MAVIM, DHAN has committed to provide services for assessing the training needs and building the capacity of staff of MAVIM at different levels, supporting in developing monitoring and evaluation system, monitoring people institutions and supporting in developing and preparing trainings module on different subjects.

As committed to MAVIM, five training modules have been completed and training need assessment for District Coordination Officers (DCOs) and Assistant District Coordination Officers (ADCOs) was taken up. As a follow up of the need assessment, training and exposure programmes on self-governance and self-finance of people institutions was organised for all the DCOs and ADCOs. Representatives from other two RNGOs of MAVIM also took part in these training

programmes. MAVIM has requested to offer this module to other levels of their staff in the next three years. DHAN also enabled DCOs to prepare a business plan for each of the CMRCs with the focus on cost coverage.

Orissa Tribal Livelihood and Empowerment Programme (OTELP) has approached DHAN Foundation for introducing the federation concept among the SHGs promoted under the programme. The state specialists of OTELP attended a training and exposure programme at Madurai to understand the structure and systems of federation. The team has agreed to replicate it in Orissa. Based on their request, DHAN has taken up a status assessment study in a block. DHAN would organise a training programme for the implementation teams of OTELP.

Graduating Kalanjiam Federations for Sustainability

Graduating the existing Kalanjiam Federations into sustainable peoples' organisations involves achieving financial self-reliance and initiating programmes to address the localised development issues of the poor. During the year, one Kalanjiam Federation was promoted in Sedappatti location in Madurai, and quality check-up process in five other locations was completed to promote them as federations.

Communities Contributing to the Cost of Management

Over 90 federations meet their entire operational costs with the contributions from their members. The remaining federations are in different stages of reaching that position. The community has been a prime contributor for the Kalanjiam programme, wherein nearly 20 per cent of the programme management funds comes from the community. During this year alone, the community contributed over Rs. 73.3 million to meet the costs of operations.

With the experience gained over the years, Kalanjiam programme has evolved programme standards for the locations in rural and tribal

contexts on critical parameters such as number of members, groups, savings mobilised, loan funds mobilised from banks, profitability of SHGs, and community contribution for meeting the cost of management.

Financial Services

Savings Builds Equity with Ownership Rights

The factors which the poor keep in mind before accessing savings facility in SHGs are security, convenience, liquidity, and positive returns. Kalanjiam members express their confidence and trust on their groups with steadily increasing the quantum of savings. To tap the savings potential of the members, the federations have taken continuous efforts to make them increase savings. During this year alone, the groups have mobilised savings of Rs. 434 million, taking the cumulative savings to Rs. 2,421 million.

Credit Expands Opportunities and Choices

Kalanjiams play a vital role in creating and strengthening the livelihoods of the members' families by providing timely credit. Credit enables poor households to start business activities, have adequate working capital, have access and control over productive assets, be able to upgrade existing assets, make investment in new assets, and diversify into new activities. Provision of a separate line of credit for consumption and emergency credit needs insulates their working capital and business capital from being diverted. As on March 2012 the loan outstanding with the members was Rs 4,175 million, which rose from Rs. 3,734 million in the last year. In the last year alone, Rs. 3,276 million worth of loans were issued by the Kalanjiams to their members for various production and consumption needs. Loan repayment performance has significantly improved in all the federations, due to rigorous monitoring and counselling at the members level.

Insurance Provides Safety-nets

Insurance is a financial product to address risks and vulnerabilities. Credit and savings services are inadequate when poor households are exposed to events which cause losses beyond their means. Credit, savings, and insurance form a trio of complementary basic financial services. There is a need for insurance cover for life, health, assets, disability, and crops. In partnership with many public and private insurance providers, as many as 517,845 lives, including the women members and their spouses, have been covered under life insurance. Members were educated on health insurance through street plays, films, and campaigns by the staff and leaders. So far, 27,109 family members have been enrolled in the Universal health insurance scheme of National Insurance Company Ltd.

SHG-Bank Linkages

Kalanjiams have shown that banking with the poor is a viable business proposition, and in many places, these groups have made the rural bank branches vibrant and viable. Mutual trust between SHGs and banks is a critical for a sustainable relationship. During the year efforts were taken to increase the volume of SHG-bank linkages. Over 300 branches of 36 commercial banks and regional rural banks have linked Kalanjiam Groups and provided credit. The linkage during the year was Rs. 1,195 million and 7,617 groups have been linked with banks.

Strengthening Governance and Management

Over the last two decades the Kalanjiam Programme has established systems such as book-keeping, accounting, audit, management information systems, and monitoring and



computerisation at peoples' organisations. The stabilisation of these systems has greatly helped scale-up the programme across the country.

The Kalanjiam Programme facilitated board appraisals in the federations. The purpose of the board appraisal is to enable and empower the board of governance in the federations to manage them effectively. The newly inducted board members of the federation were oriented on their roles and responsibilities, and functions of the federation staff. The board reviewed the performance of the staff as part of the appraisal. This would be an annual feature in the federation. which would be steered by the board itself. At the time rotation of board members, the Programme will facilitate this process. The Programme also facilitated appraisal for the people functionaries. Key deliverables for cluster associates, cluster accountants and computer operators were developed based on which the appraisal was conducted.

Impacting Livelihoods

Reducing poverty with enhanced livelihoods is the ultimate goal of the Kalanjiam Programme, which works to bring the changes in the lives of poor by promoting and enhancing viable and sustainable livelihoods through the Kalanjiam Federations. Since inception, the interventions Kalanjiam Programme have made significant impacts on the livelihoods of the member households. Special focus is given on livelihoods financing and providing safety-nets through insurance cover for the lives and livelihood activities.

The Kalanjiam Federations approach livelihood interventions in a phased manner. First, existing sources of livelihoods for members and opportunities around such activities are identified and classified for intervention. The policy on livelihood financing is evolved based on the priorities of the area. Second, the focus to increase income is given by providing skill and technology. Third, the people involved in similar activities are organised to maximise the return through cross learning and collective input and output marketing

due to the scale advantage. Over two decades of experience in the field, especially working with livelihoods, helped us to evolve the components for livelihood intermediation which are

- Financing for ongoing and new livelihood activities of the members
- Promoting peoples' organisations around an activity
- Vocational skill-building through Livelihoods Initiative with Functional Education (LIFE)

Financing for Livelihoods

Presently 30 per cent of the total loan is provided directly for livelihood initiatives; the remaining is for health, education, and debt redemption which in turn supports livelihoods. To increase the flow of credit for livelihoods, the Programme has evolved a policy guideline for the matured and advanced federation to ensure 75 per cent of their loans issued for livelihoods. During the year, DHAN has entered into a MoU with Corporation Bank and Common Wealth Secretariat for a joint venture to provide credit for livelihood to the SHG member families at interest rates less than market rates. This project will be implemented in Madurai district on a pilot basis and initially the Bank has agreed to provide Rs. 10 million as loans.

Promoting Activity-Based Peoples' Organisations

Dairy based livelihoods

The Programme focussed on creating a baseline of members to categorise them based on their



poverty status. At the Programme level, a working group was constituted to guide the federations. Each federation evolved context-based variables and methods for member classification: member families were then classified as S1 (survival), S2 (subsistence), and S3 (self-employed). In all the federations, a baseline has been created through participatory processes. An activity profile of members has been created. As an outcome of the activity profiling and categorisation, and using the Programme's experince, the Programme has decided to focus on two major sectors, dairy and agriculture, to evolve a comprehensive model for "convergence of development finance and livelihoods". Parallel with other existing livelihood activities, the major focus will be given on these two sectors.

Based on the need and scope, the Programme has taken initiatives to organise the members' families involved in livelihoods such as dairy, medicinal plants, terracotta, charcoal making, coir, agricultural marketing, provision stores, tamarind marketing and Pappad making as primary producer groups (PPGs). During this year 35 PPGs have been promoted to reach a total of 135 PPGs.

Activity	Primary Producer Groups	Turnover in 2011-12 (Rs. in million)
Dairy Farming	49	18.0
Medicinal Plants	35	1.2
Charcoal Making	14	0.7
Coir Making	31	0.4
Other activities	6	0.8
Total	135	21.1

The components of dairy intervention are

- Increasing the animal population
- Increasing the milk yield and total solids content
- Increasing the skill base of the dairy farmers on the activity
- Improving the animal husbandry and feed management practices

- Reducing the cost of operation in dairy farming through improved technologies
- Increasing market margin for the dairy farmers

The Programme facilitated regular review meetings to strengthen the dairy initiatives. The Kalanjiams in Dindigul region have lent Rs. 26 million for 1.147 members to have new and additional milch animals. The federations also supplied cattle feed at a low price to members. The mutual livestock insurance programme has been initiated in the federations, where dairy farming is promoted intensively. A bulk milk chilling unit has been established at Vadamadurai to handle 15,000 litres of milk. The chilled milk is transported to the Kalanjiam Milk Producers Company Limited (KAMPCOL) at Cuddalore, which processes and markets the pocketed milk in a brand "Anandam". The purpose of KAMPCOL is to give a better price to our members on time. Efforts were taken to strengthen systems in dairy PPGs. Basic books of accounts and MIS were introduced in all the PPGs. Accounting for the dairy groups has been computerized through TALLY software programme.

Agriculture based livelihoods

The Kalanjiam Programme is working on an agricultural intervention package in five tribal locations of Orissa and Madhya Pradesh in partnership with Collectives for Integrated Livelihood Initiatives (CINI). The focus of the intervention is for stabilising Kharif paddy and maize. Coordinators and field staff have been identified, trained, and placed for implementing agricultural programme in Koraput and Betnoti blocks of Orissa.

In Koraput, cash crops such as ginger, turmeric and maize were introduced to the area covering 298 farmers. Services such as training, bulk seed supply, and technical advice were provided to the farmers. Over 210 farmers involved in tamarind cultivation were assisted for processing and marketing their produces. Loans from Kalanjiams were provided to the members to undertake the

activity and training on preliminary processing and packaging of the produce was given.

In Betnoti, 198 farmers were given training and loan support to undertake mushroom cultivation on a commercial scale. All the farmers have started the activity at the homestead level. A farmers club was initiated with membership of 43 farmers. Steps have been taken to link those clubs with agricultural departments and NABARD to get technical support.

In Betnoti and Koraput, "Banraj" breed of backyard poultry was introduced with the support of veterinary department. As many as 517 farmers were supported to grow the birds by providing subsidized supply of birds and loans from SHGs.

A situation assessment study was taken up in Kottampatty block of Madurai district in Tamil Nadu and Koratagere of Tumkur district in Karnataka. An integrated farming system model would be introduced in both the blocks. The capacity building and linkage with the agriculture department has been initiated as an entry point programme. Around 230 farmers have been trained under system of rice intensification in Kottampatty.

The Kalanjiam Programme piloted a project for linking the primary vegetable producers of Magadi block of Bangalore rural district with the Bangalore urban vegetable markets. Results of the pilot were encouraging as it proved to be highly beneficial for the primary vegetable producers. They got backward and forward linkage support through the pilot and as a result they were able to increase their productivity and also realise higher market margins. A producer company has been promoted to coordinate marketing activities.

Livelihoods Initiative with Functional Education (LIFE)

Appropriate knowledge and skill are essential for people to successfully respond to the opportunities and challenges of social, economic, and technological changes. Providing required skills to enhance the employability of the youths and build their capacities to meet the needs of the current job market is required. With vibrant



collaboration between grassroots organizations involved in skill building and industries that are in need of manpower we can channelize the human resource for a better future. Livelihood Initiative with Functional Education (LIFE), promoted by the Kalanjiam Programme, aims at imparting livelihood oriented skills to poor women and men through vocational education. The expected outcome is to make them employable and capable of becoming entrepreneurs, and thereby enabling them to come out of poverty.

LIFE centers have been promoted in Madurai, Tanjore, Pallathur, Nilakottai, Kalugumalai, and Maraimalai Nagar locations in Tamil Nadu and Mysore in Karnataka. These centres offer job oriented courses in computer education, tailoring, hand embroidery, artificial jewellery making, herbal cultivation, simple chemical preparation, basic and advanced beauty culture, two wheeler mechanism, and small millets food products. All these centres have given skill building to 793 students, out of which 715 are female candidates. A system was introduced to track the status of employment of the candidates who were trained in the LIFE centres. A database of the trainees was created and it was regularly updated in contact with the former students of the centres. Out of 793 students who were trained in the centres during the reporting period, 60 per cent were able to generate income either through self-employment or through placement in other agencies.

Civic Initiatives by the Kalanjiam Federations

Health Interventions

Based on the felt need of the people and their families, the Kalanjiam Programme has advanced



the Kalanjiam Reproductive and Child Health initiative. It has evolved a package of health programmes covering curative healthcare, malaria control, HIV/AIDS control, sanitation, and safe drinking water. Each federation chooses a programme relevant to their context and adapts the model designed by the Kalanjiam Programme. In the coming years, the Programme would work on nutrition as a core area of health intervention with community participation and mainstream linkage. Among the nutritional issues, iron deficiency anaemia, will be attended by all the federations.

Anaemia Reduction Programme

The Kalanjiam Programme has planned to initiate the anaemia reduction programme in 70 locations, of which 25 locations have already started the programme. The main objective of the programme is to reduce prevalence of anaemia by twenty per cent as against the baseline by adopting behaviour change communication strategies. The target groups for the anaemia project are adolescent girls



in the age group of 10 to 19 years and pregnant women. Baseline data has been collected in all the federations. Nearly 7,851 adolescent girls have been identified and organised in to 392 groups. Nearly 449 pregnant women are identified for individual counseling.

The baseline survey for the assessment of knowledge, attitude, and practice (KAP) was conducted for 50 adolescent girls and 25 pregnant women in each federation along with the haemoglobin test to assess their anaemic status which was found to be 85.7 per cent among the adolescent girls and 93.2 per cent among the pregnant women. The health associates initiated anaemia education with the educational materials like flip charts, hand bills and hand books in group meetings and individual counseling. A concept of self-health governance has been introduced in Kalanjiams, village, cluster, and federation levels to implement the health initiatives. So far 2,614 health forums have been promoted covering 40,993 members in all the federations. About 114 cluster level self-health governance forums covering 1,026 executive members and federation level forums have been promoted in all the federations.

Water, Sanitation and Hygiene Programme (WASH)

Safe drinking water and sanitation are the two different components in the WASH project which is implemented in 19 locations. Awareness created among the Kalanjiam members through health education for consuming boiled water, filtering water with eight folded cloth and fetching water in clean vessels which are considered to be basic and easily adoptable practices. More than 80 per cent of the members have followed this practice. Baseline details about the availability of toilet facilities in members' house were collected. Subsequently the database on the members willingness to construct a toilet at home was collected and submitted to DRDAs concerned for mobilising resources under the total sanitation programme. Communication materials like flash cards and flip charts were used for health education among the members in all the federations.

Educational Intervention

While enrolment for primary education is increasing in India, attendance rates are very poor, particularly during agricultural seasons. In locations such as Koraput (Orissa), Latehar (Jharkhand), and Ratlam (Madhya Pradesh), primary school going children are involved in agricultural and forestry activities. During the agricultural season, the attendance would be less than 25 per cent. In order to address these issues the Kalanjiam Programme initiated remedial education centres in Borigumma, B. Singpur, Betnoti, and Latehar. Later it was expanded to Moroda, Sailana, Bajna, and Piploda. So far 85 remedial education centres have been promoted in 10 locations covering 1,963 pupils. Pupils of standard 1 to 5 are enrolled in the remedial education centres. Training programme on activity based learning (ABL) was given to tutors of Borigumma, B. Singpur, Koraput, Similiguda, and Betnoti locations with support of Sodhana, a NGO based at Vijayawada. Textbooks issued by the

respective state governments are used for teaching. There is a growing demand for setting up such centres in other places as well.

Systems to Strengthen Implementation

Systems for verifying the accounts of peoples' organisations from the SHGs to federation levels have been established with monthly, quarterly, half-yearly, and yearly measurement invervals. To standardise and intensify the audit process the Program introduced the internal verification system with checks at multiple levels. Awareness created to the field staff on the importance of maintaining quality accounts and policy compliance has paid good results. An integrated software package, "Dhanam Version 3", was rolled out; the new version ensures the quality of data and audit. Based on the experience and feedback, online data entry was tested in a few locations. After successful experience from these locations now the Programme has planned to extend it to other locations.

Status of Kalanjiam Community Banking Programme

	2010	2011	2012
Reach			
No. of Families	485,867	619,439	674,139*
No. of Primary Groups	28,488	31,780	40,618
Cluster Development Associations	1,436	1,193	1,451
No. of Blocks	173	184	209
No. of Federations	108	122	122
No. of Villages	7,489	8,074	9,336
No. of Districts	45	46	48
No. of States and Union Territories	12	12	12
Finance (Rs. in million)			
Total own funds	1,928	2,554	2,819
Total savings	1,659	1,987	2,421
Reserves and surplus	268	567	398
SHG-Bank Linkage			
No. of branches involved	320	320	322
No. of banks involved	31	34	36
No. of loans mobilised	78,706	87,355	94,972
Amount mobilised	1,294	1,100	1,195
Loan outstanding with members	3,300	3,734	4,175
Total credit generated	10,782	13,580	16,856

^{*}Includes 65,000 poor families covered through resource support

Vayalagam Tank-fed 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 have 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 water bodies with the participation of 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 and sustaining nested institutions to ensure local management.
- Making livelihoods sustainable for 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 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.
- Promoting microfinance groups to provide access to savings, credit, and insurance services to farmers. These groups 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
 facilitating bulk purchase of farm inputs to get
 the benefits of economies of scale.
- Collaborating with national and international academic and research institutions 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.

Building Social Capital for Water and Food Security

Vayalagam is a grassroots community organisation promoted at the village or hamlet level for safeguarding traditional small water commons that sustain the livelihoods of small and marginal farmers who depend on them. Vayalagams are promoted as a result of intensive campaigns taken up with the involvement of farmers benefitted

by rehabilitated tanks. During this year, 307 Vayalagams were promoted by organising 19,551 small and marginal farm families, reaching a total of 298,585 families. Thirty-two Cascade Development Associations were promoted by networking Vayalagams promoted around hydrologically-linked tanks. Thirty-seven tank farmers' federations are functioning with the addition of six federations promoted during the year.

The Vayalagam Tank Conservation Movement launched on March 7, 2002 by Shri. Anna Hazare in Madurai got a shape of an institution, and it has been registered as a Vayalagam Mutual Movement. The Movement has convened its 10th annual General Body preceded with Executive Committee meeting in Madurai and came out with eleven declarations to shape the future of traditional water commons.

Conservation and Development for Securing Water-Based Livelihoods

Vayalagam Approach

Basin Development: River basins and integrated water resources management are seen as the development intervention unit for bringing water security and enhancing agricultural productivity. DHAN's Vayalagam Programme has identified drought intensive, poverty hit non perennial river basins namely Gundar basin in Tamil Nadu and Koundinya minor basin in Andhra Pradesh. As they fall in quite large areas, DHAN looks to work intensively in river basins and promote stakeholders forum along with people institutions for water governance.

Tank Cascade/Tank-based Watershed

Development: The past decade's experience on conservation of small scale water resources demonstrated conservation and development provides stability and effective water demand management. This approach at the micro watershed level has received support from mainstream agencies and national schemes such as National Watershed Development Programme for

Rainfed Areas, Drought Prone Area Programme, and schemes of NABARD such as IGWDP and WDF. Corporate social responsibility initiatives of ITC, AXIS Bank, and HUL also supported this approach.

Conservation and development of traditional irrigation resources leads to sustainable livelihoods. Rehabilitation secures water for stabilised farm income, additional income through fisheries, and increased area under cultivation. Continuous funding is required to achieve this conservation and development drive, which is matched with community investments. The Vayalagam programme was successful in raising resources from the state and central government agencies under watershed development programmes, corporate institutions under corporate social responsibility initiatives, and individuals. With adequate programme funds on hand, conservation and development was the priority of the Programme during this year.

Features of Vayalagam Model

Enabling People Rather than Delivering Services

The Programme enables the local community to actively participate in the rehabilitation process right from the planning stage. This is achieved by promoting People's Institutions, building their capacity, making them to share the cost of rehabilitation, simplifying and scaling down the technology.

Protecting the Tank Water Spread Area from Siltation and Encroachment

Siltation and encroachment in the tank water spread area are found to be the major physical causes for the poor performance of the tank systems. DHAN's tank rehabilitation strategy encompasses the following special components.

- Eviction of encroachment precedes tank rehabilitation.
- Trees will be planted in the area lying between the lines of full tank level (FTL) and the maximum water level (MWL) in the

- tank foreshore. The usufructs of the trees will be a source of additional income for the community. The trees along with the growth of natural vegetation around them will act as a vegetative barrier in curtailing the entry of silt from the catchment area into the tank.
- A trench will be excavated along the tank boundary, forming a bund on the downstream side with the excavated earth. This would protect the tank boundary line so that any further encroachment is easily visible to enable the eviction at the initial stage itself. Further, this would also facilitate the conservation of moisture useful for the growth of trees planted below.

Eliminating Wastage of Water through Leaky Sluices

In most of the tanks, wastage of water through leaky sluices goes unnoticed. Even an apparently negligible leakage through one sluice during its closure period in a crop season causes wastage of water that is sufficient for one or two irrigations in its command area. The paddle shutters are not leak proof. Therefore DHAN has revived the ancestor's technology of plug and rod type of sluice regulation for a leak-proof operation of the sluice as well as for fine regulation of flow. These plug and rod shutters cost less than 20 per cent of screw gear paddle shutters.

Dead Storage

In the conventional tank rehabilitation works, de-silting of tank bed is done only up to the sill level of sluice outlet. Considering that the village tank is a multipurpose infrastructure, DHAN advocates creating a dead storage in a part of tank bed, so that the water stored in this area would be available both for a life saying irrigation when needed, and for use by the village livestock. Inland fishing taken up in such areas would provide additional income to the villagers.

Execution of Work by the Community

The rehabilitation works executed by the local community (water users' associations) without engaging outside contractors would ensure



effective use of resources and quality of work. It would bring the feeling of ownership by the community and build their confidence for future maintenance and management of the tank system.

The Programme touched a milestone of taking up Rs. 101 million worth of conservation works during the year to make the water bodies efficient and effective to store enough water during the monsoon which in turn helped the dependent farming community to stabilise their livelihood. The conservation and development works commence with planning by the users, making estimates, mobilising investment from the community, issuing formal approvals and sanctions, extending techno-managerial assistance to the Vayalagams, and executing the work without involving contractors.

Financial Inclusion for Agriculture Development

Community empowered self-help model of microfinance is proven beyond doubt to bring people out of poverty in a systematic manner unlike microfinance institutions promoted in a mushrooming way. Vayalagams promote microfinance groups with 10 to 20 farmers and landless labourers, which provide services such as savings, credit, and insurance to cater to their needs. During the reporting period, 374 microfinance groups (MFGs) have been newly promoted, all the MFGs have collectively mobilised savings of Rs. 40.4 million during the reporting period and mobilised Rs. 54.9 million in loans from

banks. Getting linkages with commercial banks in the states like Orissa and Bihar was an uphill task. Though, the issues have been taken up at district administration and NABARD, there was no response from the banks to lend to the poor. Cumulatively the farmers have an outstanding of loans of Rs. 180.3 million.

Natural Resource Management with Loan Support

The NABARD sponsored Umbrella Programme for Natural Resource Management was experimented for 11 non-conventional loan products in 10 block level federations in Tamil Nadu and Andhra Pradesh. The programme has facilitated the disbursement of loans worth of Rs. 20 million from the Kalanjiam Development Financial Services to 1,561 families for various farm related activities. Activities supported under this project were tank silt application, land development in tank catchment and command area, orchard development, deepening community wells, seed production and marketing, herbal plant cultivation, fish rearing in tanks and ponds, creation of farm ponds and drinking water ponds, and community nursery. A convention with the farmers was organised to synthesise the lessons from the project as part of Madurai Symposium 2011.

Farmers Clubs

Farmers Clubs supported by NABARD is a platform which builds relationship between financial institutions and the members in villages to steer financial inclusion and provide various productivity enhancement services like agricultural extension by inviting experts on the subject matter, exposure visits, technology demonstration, and agricultural commodity prices through mobile phones.

The Vayalagams Programme has got NABARD's approval for 140 Farmers Clubs in Madurai and Sivagangai districts in Tamil Nadu. Including Chittoor, Nalgonda, Warangal and Yadagir districts in Andhra Pradesh, there are 256 farmers clubs convening regular activities. Each club

receives an annual operational grant of Rs. 3000 to Rs. 5000. Experts from agriculture, horticulture, veterinary and forestry departments in addition to agricultural scientists of KVK and agricultural research stations were invited to provide need based trainings and method demonstration. The members received trainings on organic farming, system of rice intensification, and honeybee rearing, and assistance for collective marketing of maize, seed treatment, and livestock development.

Resource Support to Other Organisations

The Vayalagam Programme entered in to a Memorandum of Understanding with NABARD, Andhra Pradesh to act as a resource support organisation (RSO) for Nalgonda, Nizamabad, and Karimnagar districts in 2009. As part of RSO activities in three districts, professional team from DHAN visited the projects supported by NABARD for monitoring and training to the project facilitating agencies (PFAs). The Vayalagam Programme supports 22 PFAs implementing 70 watersheds covering 27 mandals in these three districts. A total of 335 visits were made by the teams to provide field level support at various stages of implementation. Trainings were provided to the PFA staff members, village watershed development committee members and watershed level supervisors during the year. All these 22 PFAs have implemented watershed development works worth of Rs. 105 million cumulatively.

Access to Safe Drinking Water at Households

Globally, lack of access to safe water and sanitation claims 4,000 children's lives every day, ruins the lives of girls and women, stifles economic growth, and lowers the standard of life. Lack of adequate quantum and safe quality water and proper sanitation to more than 40 per cent of global population is a serious concern. Shockingly, this crisis is completely preventable by teaching the poor about methods to access safe drinking water. The Vayalagam Programme has been promoting simple, affordable household water treatment using biosand filters since 2004.

During this year, six training programmes were conducted at Madurai, Tirupudaimarudhur, Tuticorin, Thanjavur, and Chittoor regions. Over 279 members including 178 women were trained on safe drinking water, principles and process of filtration in biosand filter, fabrication and installation, and post installation maintenance of biosand filters. The Programme could raise demand for about 514 filters and installed 463 filters.

As a part of celebrating World Water Monitoring Day, the Vayalagam Programme received test kits to test water in 50 sources from Neer Foundation, a Meerut based non-government organization. Tests for PH (acidity), turbidity (clarity), dissolved oxygen (DO), and temperature were conducted in drinking water ponds, hand pumps, and bore well water supplied through public taps in 46 water sources from 30 villages in six blocks in two districts of Tamil Nadu. Most of these sources are used for domestic purposes and few of them for bathing and washing clothes. With the results of the tests, the local communities were informed about present status of their water source and need for protecting them.

Urban Water Resources and Wastewater Reuse

The Centre for Urban Water Resources (CURE) in Vayalagam Programme focuses on urban water resources protection, waste water reuse through DEWATS, and ensuring water quality in urban households. During this year, the centre has completed and inaugurated a Community Based Sanitation and DEWATS unit at Panaiyur village, near Madurai at a cost of Rs.14.80 lakhs benefiting 300 families. Another unit is functioning at Tata-Dhan Academy as a demonstration unit. The functional performance of wastewater recycled in DEWATS was assessed by a water quality test laboratory in Auroville. The quality of water is well within the quality norms prescribed for recycling. The explorations were made to integrate DEWATS as part of local planning with village community in Rajakkalpatti, Madurai Village Tourism Committee members of Tirupudaimaruthur, Kazhugumalai and Theertha Malai.

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The Centre has brought out pamphlets on DEWATS and its operations as well as use in Tamil and Telugu. A one-day technical session on DEWATS for gated communities and townships was organised at Madurai along with CDD for Builders' Association of India, Madurai Centre. A workshop on "Case Studies on Water and Waste Water for Livelihoods" was organised as part of Madurai Symposium 2011.

Inland Fishery as Alternative Livelihood

The Vayalagam Programme is striving for community inland fisheries development in small scale water bodies such as tanks and ponds. In these minor irrigation tanks, fishery is facilitated by providing dead storage to extend the period of water storage. Dead storage is the stored water below the sill level of the sluice which cannot be taken by gravitational force for irrigation. This will help to store water for an extended period of two months for successful fish rearing.

Salient features of inland fishery in tanks and ponds:

- Making full use of available water in rural common water resources by taking up fish rearing.
- Providing additional livelihood for small and marginal farmers and landless agricultural labourers.
- Providing additional income to the Vayalagams to sustain the maintenance of rural water eco-systems.
- Providing protein rich food at their reach to offer additional nutrition to rural community.
- Generating employment for inland fishermen and landless agricultural labourers.



- Poly-culture technique is adopted in rainfed tanks by stocking fish seeds of carps and Murrel. The carp's variety species are Catla, Rohu, Mrigal, Common carp, Silver carp, and Grass carp. The seeds of Murrel are wild seeds which are naturally collected. Apart from these, we have stocked Pangasius and Iridescent or stripped shark species. Composite fish culture technique is adopted in village ponds and farm ponds. The total stocked water spread area is 2000 acres.

- Expenditure: Rs 8.4 million
- Net return: Rs 15.6 million

Nearly 2600 Vayalagam members took up fish rearing in 289 farm ponds and 1547 other water storage structures or water harvesting structures like check dams, open wells, and household ponds. The results of farm ponds mostly depend on the involvement of individuals in fish rearing. The factors contributing to the success are water availability, water quality, survival rate, and sufficient depth. The major factors for the poor harvest are over stocking, lack of feeding, poaching, and flood wash. The average incomes from farm ponds are varied from Rs. 250 to Rs. 3200.

Social Security through Rainfall Index Based Crop Insurance

Based on the experience gained on rainfall index based crop insurance during last year, People Mutuals initiated the mutual crop insurance pilot project in ten locations namely Mudukulathur, Singampuneri, Kottampatti, Theni, Sedapatti, T. Kallupatti, Tirukalukundram, Poondi, Tiruvalangadu, and Punganur federations. During this year, products were developed for different crops in different stages and rigorously followed the enrolment. The product was designed by

farmers at location level and implemented on the basis of mutuality, managed by the federations with the support of People Mutuals, an institution promoted by the federations to focus on social security. The risks were covered in three ways, such as deficit rainfall, dry spell, and excess rainfall. In these ten blocks 7150 farmers insured their crops covering risk of 2772 acres worth Rs. 11 million and the claims worth of Rs. 1.5 million were made to 2000 farmers.

Positioning the Vayalagam Model

- The Vayalagam Programme used Madurai Symposium 2011, a biennial knowledge management event in Madurai to organise two people conventions and five seminars (one seminar was co-hosted with IWMI-Tata Water Policy Programme).
- The urban water initiative on sanitation and waste water reuse was presented at a poster session organised in the Stockholm World Water Week.
- The study done on IT Corridor in Chennai on enumeration of small water bodies

- was presented at the International Water Association World Seminar in South Korea.
- Representatives from the Vayalagam Programme were part of Central Planning Commission's working group on Medium and Minor Irrigation and Water Governance for 12th Five Year Plan.
- DHAN Foundation has been accorded sanctions to be a NSO under the APCTMP for four Mandals in Chittoor district for two years.
- The Vayalagam Programme represented at the multi-stakeholder consultation workshop for UN India Water Development Report in Hyderabad.
- The Programme also represents the Advisory Committee of National Water Academy, an education and training initiative of Central Water Commission, Government of India.
- A presentation was made on DHAN's Tankbased Watershed Approach in Livelihoods Improvement at the Consultation Meeting organised by the Ministry of Rural Development on Convergence of MGNREGS and IWMP.

Status of Vayalagam Agriculture Development Programme

Particulars	2010	2011	2012
Spread of the programme			
a) No. of States	6	6	6
b) No. of Districts	22	22	25
c) No. of Vayalagams	2,442	2,673	2,980
d) No. of Cascade and Watershed Associations	161	155	187
e) No. of Federations	31	31	37
f) No. of Members	182,801	212,879	298,585*
g) Command area benefited (in ha.)	63,101	60,800	75,000
Physical works implemented during the year (Rs.	in million)		
a) Through Farmers Contribution	12	13	21
b) Through Govt. and other agencies	36	38	80
c) Agriculture Credit support through MFGs	41	114	291

^{*}Includes 65,000 farm families covered through resource support

Coastal Conservation and Livelihoods Programme

Annual Report 2012

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, and 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.

Organising the Coastal Communities

Expansion of programme and supporting the federations for reaching sustainability were the two major areas of focus during this year for CALL Programme. The programme has been expanded to 87 villages; 12,780 poor families have been organised into 824 SHGs of coastal farmers, women and fisher folk.

The federations focused on fulfilling the compliances such as auditing, annual general body meeting and mahasabhas. The programme team ensured internal auditing and reports were shared with the external auditors. A one-day workshop was organised at Madurai to discuss about the outcome of the internal audit, which has helped review the outcomes of the internal audit. Statuary auditing was done for all the primary and secondary institutions with charted accountants. The audit reports were shared with the respective groups and federations in their annual general body meetings.

Facilitating Financial Services

The programme has made continuous efforts to motivate the SHGs to mobilise financial resources to meet their growing credit needs, primarily as savings by the member families, and secondly through linking with local commercial banks. Intensive trainings were organised to the staff and leaders, member level orientation and regular contacts with bankers. All the new group members

have started saving Rs. 100 per month and existing groups have increased rates of savings. All the members have saved Rs. 15.6 million in their SHGs during the year and cumulatively, they have saved Rs. 313.3 million

Despite the efforts to mobilise resources from bank as loans, the overall trend was not so impressive in the coastal area. Steering committee meetings organised with the bankers to sort out issues could bring only a little improvement in breaking inertia in SHG bank linkage. As a result of continuous efforts, 351 groups have been linked with banks and mobilised loans to the tune of Rs. 73.6 million. Wherever the bankers did not come forward, the SHGs approached the KDFS for bridge loan. During the year over 170 groups availed Rs. 9.8 million worth of loans from the KDFS.

The Programme has evolved a policy of at least 40 per cent of loans distributed should be towards livelihoods activity. Rs. 372 Million worth of loans have been disbursed, of which Rs. 24 Million worth of loans have been disbursed for agriculture related activities.

Efforts to Sustain Locations

There are 43 federations promoted in 33 coastal locations. In order to make these federations self-dependent in meeting their operational costs, the Programme campaigned intensively to introduce the concept of service charges in the SHGs, taking the experiences from nearby Kalanjiam Federations. Still it has been a challenge for the programme to bring the coastal communities out of aid-dependency. However the efforts made by the field teams to motivate the people towards the concept of self-management paid some results. The SHGs provided Rs. 7.7 million as service charge, meeting over 32 per cent of the annual operational cost. It is expected to grow in the coming year.

Conservation and Development Works

CALL programme is implementing a threeyear project "Increased Water Harvesting and Diminished Desertification" in five coastal districts with the funding support of European Union. During this final year of the Project, CALL programme has fastened the implementation of conservation programmes with periodical review meetings. Despite the huge volume of works, the field teams adhered to no compromise in making the communities share their investment to match the support from the Project.

Apart from guidance, programme team members visited the field to assess the status, quality and impact of renovation works. The financial progress and contracts with earth movers was also monitored by the programme team. During this year 23 tanks and 16 village ponds were renovated benefiting 1703 families. Sixteen village ponds rehabilitated this year would benefit 3433 families to meet their drinking and domestic water need. The Programme also supported 326 small and marginal coastal farmers to create 449 farm ponds in their fields, which would secure irrigation to over 400 acres. The farmers supported to establish farm ponds have started raising horticulture crops along with agriculture.



Enhancing Livelihoods

Renovation of Tanks

Tanks are the lifeline for the coastal farmers, as the ground water is becoming saline due to sea water intrusion. Renovation of such irrigation systems would sustain the livelihoods of the farmers dependent on those tanks. As a livelihood support strategy for the farmers in the coastal areas, CALL programme has taken tank renovation as an important component. During this year 1703 families got assured crop due to



renovation of over 23 irrigation tanks. Nearly 640 hectares of agricultural field got irrigation facility. Agricultural production has increased by 35 to 100 per cent after the tank renovation. In a few of the tanks, farmers have also gone for cropping for the second season due to availability of water in the tanks.

Creation of Farm Ponds

The soil type in the coastal areas of Nagapattinam district is sandy and the sub-surface flow of water is noticed within 10 feet from the ground. Because of this, farm ponds established in the coastal areas are frequently silted and require regular care. During this period, needy farmers were identified to renovate their farm ponds. Further, the farmers were encouraged to raise horticulture crops such as coconut, mango, casuarinas and contextappropriate crops. During this year alone 923 farmers were supported to renovate farm ponds. Stakeholders were identified by the respective group and respective members were supported with credit to raise horticulture crops. Nearly 397 hectares of agricultural land got benefitted through renovation and establishment of farm ponds. Agricultural production has increased by more than 25 per cent after the establishment of farm ponds, and many farmers went for second crop.

Dairy as an Alternative Livelihood

Dairy is a potential income generating activity for the small farmers and land less people. The growing need for milk and milk products in the market has converted dairy into a viable rural

enterprise. Assessing the potential and scope for poverty reduction, DHAN Foundation is involved in promoting dairy activity for the small and marginal farmers and land less labourers. Promoting dairy activity at a large scale requires skill development, dairy inputs such as fodder development and feed, marketing facility, and extension services. Considering all these factors DHAN Foundation made integrated approach in promoting dairy activities.

In Cuddalore, dairy activity is promoted as a sustainable income generating source to the Kalanjiam members. Members interested in dairy were identified and trained on animal purchase and dairy activity through para-veterinarian. They were also supported to purchase crossbreed animals with the credit support of banks. Para-veterinarian support is made available to purchase better milk yielding animal without disease. Quality veterinarian services such as artificial insemination, de-worming and animal camps were organised. Farmers engaged in dairy activity were organised into milk producer groups and supported to market milk collectively. Each member supported to initiate dairy activity is earning Rs. 1700 to Rs. 2000 as income. The impact of dairy activity has also reflected in milk supply to the processing unit.

Dairy Initiative this Year

- 401 families were supported initiate dairy activity
- ≤ 52 PPGs have been promoted
- Everyday 2000 to 3000 litres of milk supplied to the milk processing unit
- ✓ Issued Rs. 8 million as loans to buy animals
- 696 animals benefitted from veterinary camps
- Artificial insemination service delivered 2365 cross breed calves

Supply of green fodder is essential for continuity of dairy activity. The declining common land and green cover area is a growing concern among the livestock farmers in southern India. The common lands are left are barren or encroached

for constructing houses or agriculture. In such circumstances, the introduction of fodder crops to ensure supply of green fodder has become essential for livelihood sustainability. DHAN Foundation has Introduced CO-3 and CO-4 varieties of grasses. In addition to that, farmers were also trained on Azolla cultivation. During this year, 30 farmers have initiated fodder cultivation in 115 cents of land. About 147 members initiated Azolla cultivation.

Farm-based Livelihoods

DHAN implements the National Agricultural Innovation Project in collaboration with Annamalai University. It has initiated farming systems for livelihood security of small and marginal farmers in disadvantaged districts of the Tamil Nadu such as Cuddalore, Villupuram, Nagapattinam and Thiruvannamalai districts. In each districts three clusters of activities were done in nine villages. This project is done under three eco systems, covering 981 wetland and dry land farmers, 900 landless labourers and 208 fishermen. During this year, three units of chicks (each farmer will receive 20 broiler chicks with 30 kg of starter and 30 kg of finisher feeds) were distributed to the farmers. On an average from a set of 20 birds a farmer realized the profit of Rs. 700. In rainfed integrated farming system totally 1048 goats were distributed to the farmers, and these goats delivered a total of 1940 kids, brining an income of Rs. 2500 to Rs. 4000 from each goat. In Villupuram, 30 beds of mushroom culture were established. The farmers received a net income of Rs. 1500 in a month.

Fish Marketing

The programme has promoted Kalanjiam Meenavar Sangams to enhance the income of traditional fishers and to retain them in ecofriendly activities. The Sangams have marketed Rs. 22 million worth of fishes during this year. The field teams are engaged in strengthening these KMS by increasing the number of members and volume of transaction. Because of the benefits realized by the community and continuous efforts of field team, apart from members, non-members



are also supplying fish to the KMS. The fishers have realised Rs. 30 to Rs. 40 per kilogram as benefit of collective marketing. Ninety farmers earned a net income of Rs. 4.2 lakks.

Agricultural Marketing

During this year, Cuddalore team has initiated groundnut marketing by organising the farmers into marketing groups. This activity was takenup on an experimentation basis and it will be expanded to other areas in Cuddalore district. Rs. 5.73 lakhs worth of groundnut was marketed through the PPGs. About 65 farmers were supported by this activity; each farmer gained Rs. 35 per bag as additional income. The warehouse established in Parangipettai was used to store and market the produce. In Keelaiyur location farmers have marketed Rs. 12000 worth of seeds collectively, out of which 32 small and marginal farmers have benefited. The location has already supported these farmers to purchase Rs. 4 lakhs worth of seeds for cultivation. Both Parangipettai and Talainayar location has taken up marketing initiative and sold 30 tons of Groundnut benefitting around 28 farmers.

Focus on Differently-abled

Social Security Benefits

- Over 37,976 members and 16,290 spouses were enrolled in life insurance

- ≤ 1057 acres have been covered under crop insurance.

- 145 claims have been made under life to the tune of Rs. 5 Million
- 199 Claims under Health to the tune of Rs.2.9 Million
- ✓ 16 Members benefitted from crop insurance to the tune of Rs.16000
- Rs.5.2 Million worth of scholarship has been distributed to 4113 students under JBY

To impart livelihood skill to the differently abled people and ensure entitlement, CALL programme is closely working with the Ramnad district administration. The field staff of four federations are engaged in identifying differently abled individuals and to ensure entitlement under government schemes. Unlike supporting the group members, conscious efforts have be made identity and support them initiate livelihood activity. An identity card is ensured for the differently abled individual, with which they can access various government schemes. Nearly 20 services are being provided by this unit and 4750 members have benefitted so far. More than 500 members have benefitted during the last six months, and employment for 45 youths was facilitated with industrial units. Twenty five camps were organised for physiotherapy treatment for 210 members got benefited. Psychiatric treatment was provided to 45 persons and maintenance grant was provided to 42 mentally challenged persons. Old age pension provided by the government was facilitated to 225 persons and widow pension was facilitated to 425 women in Puducherry.

Social Security to Reduce Risks

The east coast of Tamil Nadu is prone to multiple disasters; hence introduction of insurance products was seen as critical intervention. In past six months more thrusts have been given for enrolling members and spouses in Janashree Bima Yojna. Similar to life insurance, health insurance was highly focused in Ramnad and Tuticorin regions.

The poor households in Cuddalore districts were supported to initiate dairy activity at a large scale. Many of the households have initiated dairy activity for the first time and chances for animal death due to poor care, even after training

is always possible. Death due to floods and other disasters are also possible. To avoid unprecedented loss due to death of animals, all the animal introduced were insured. An initial orientation on insurance was given to the member as part of livelihood promotion. The cost of insurance was included in the loan package and all the animals insured were tagged. Crop insurance was introduced in two locations in Ramnad in collaboration with People Mutuals.

Documentation and Dissemination of Experiences

Impact Assessment

Mr. Amod Kumar Saini from University of Freiburg, Germany conducted a qualitative study on the title "Assessment of impacts of irrigation tanks, farm ponds and village ponds on livelihoods of farmers of coastal areas of Tamil Nadu" within a period of two months. His study revealed that establishment of farm ponds have increased by farmer's income by 100 per cent. The renovation of tanks has also increased the farm production by 40 to 90 per cent. The study also concluded that work burden of women, migration to nearby towns, water scarcity related problems, and crop failure due to failure of monsoon has declined in project areas.

National Level Dissemination Workshop

As part of EU funded project a dissemination workshop was organised during the Madurai Symposium 2011. NGOs, research institutions, water scientists, academic institutions and students from different parts of the country participated in this event. Project stakeholders from Nagapattinam, Ramnad, and Pudukkottai also participated in the event. The programme team members and regional coordinators made presentation on various components of the project. Participants suggested including health programme along with renovation of village ponds.

A people convention on "Coastal Livelihoods - Challenges and Opportunities" was organised with the participation of farmers, dairy farmers and fishers. About 250 people from 10 coastal districts have participated in the event. This event was organised to define future intervention and roles and responsibilities of various stakeholders.

FIMSUL Studies and Workshops

The Fisheries Management for Sustainable Livelihoods (FIMSUL) project is implemented in Tamil Nadu and Puducherry states to evolve a sustainable fisheries management system. The overall goal of the project is to understand the present status of fisheries and to arrive at sustainable management system, so as to evolve a future vision for the fisheries sector in the project area.

The project has two packages including stakeholder analysis and livelihood analysis. These two packages are implemented through NGOs. The programme facilitated district level consultation meetings, small group meetings, study on district level formal and informal institutions, FGDs, HHIs and District level validation meetings in Ramnad and Pudukkottai districts. The outcomes of the studies were consolidated through district level workshops, in which the details gathered were shared with the fisher communities.

Launch of Neidhal Movement

To conserve the coastal ecosystem and to sustain the livelihoods of poor and vulnerable communities, CALL programme has launched Neidhal movement by networking all the federations promoted by it. This movement was formally registered and seven board members were elected from Ramnad, Tuticorin, Nagapattinam, Cuddalore regions. The fisher groups, Vayalagams, Kalanjiams and Uzhavar groups functioning will enrol as members in the movement.



Tata-Dhan Academy

Annual Report 2012

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 (ACEDRR)" 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.

The focus of Tata-Dhan Academy for the year has been on positioning centres, knowledge development and dissemination on livelihoods, documentation and dissemination, faculty development and preparatory works for new activities and registration of the Academy.

Research

The social impact study has been completed for seven states and submitted the state reports to Ekal Vidyalaya Foundation of India. A series of meetings and presentations were held to refine the content of the report with EVFI. TDA is involved in the small millets project undertaken by the Rainfed Farming Development Programme. During the reporting period, the interview schedule was finalized. The Academy and INAFI have taken initiative to complete migration study taken up by PREM earlier.

Workshops and Seminars

Madurai Symposium 2011 was coordinated with the support of DHAN Collective. Over 32 events were conducted. Bulletins were brought out capturing the knowledge brief of the day events and proceedings. About 6000 participants attended various events in the Madurai Symposium. The soft copy of the bulletins were shared with NRLM, World Bank representatives, Ford Foundation, SRTT, SDTT, and some of the international ART participants.



Publications and Dissemination

During the year, proceedings of Madurai Symposium 2009 has been brought out, which has to be disseminated to other organisations. The resolutions and declarations are part of the proceedings as a separate section in the book. The research brief and pilot briefs have been uploaded to the website as part of knowledge dissemination. Initiative has been taken up to prepare a document on "A Decade Experience of Tata-Dhan Academy". The perspective plan for the next three years has been worked out and presented in the 13th Faculty Council Meeting. A brochure for the Academy has been prepared. A questionnaire has been prepared to finalise the perspective and scope for the WET centre. A book has been prepared by engaging an intern on "Landscaping of the Academy". The Architectural design has also been prepared as a separate book containing the concept behind the building design. One more book on "Flora and Fauna in the Campus" has been prepared. A framework has been finalized to develop abstracts of students' research (fieldwork) reports of PDM 11.





Development Management Programmes

A training on micro insurance was held for NGOs at the national level in addition to an exposure programme on micro insurance. The ART 9 on micro insurance was conducted and a training programme on Decentralised Wastewater Treatment System was conducted. The Development Management Appreciation Programme was organised for the professionals of DHAN Foundation. A report has been prepared on one-year leadership programme design. Second programme of Virtual Education on Micro Insurance was offered to professionals. A ten-day course on "Development Immersion Programme" was offered to the second year MBA students of Thiagarajar School of Management. The focus is to orient the students to development.

Centres in the Academy

The research council conducts a regular monthly meeting in which the pilots and research projects are discussed and facilitated to undertake them. During the reporting period new pilots and research activities have been initiated with DHAN Collective on risks and vulnerabilities, microclimate and micro insurance, disaster risk and social security. The Advanced Centre for Enabling Disaster Risk Reduction (ACEDRR) has executed a MoU with Regional Integrated Multi-Hazard Early Warning System for Africa and Asia (RIMES). The plan has to be worked out to carry out various research and field studies. A village disaster manual has been reviewed and the comments were shared with the National Institute of Disaster Management (NIDM).

Faculty placement and development: Two faculty members from DHAN Collective have been deputed to the Academy. Two faculty members were nominated for a two-day international workshop on case writing and teaching at Goa as part of faculty development. The Faculty Seminar has been initiated again and two such seminars have been organized on "Effect of globalization and consumerism on traditional and caste based livelihoods" and "Impact of farm ponds in coastal agriculture". It is seen as part of developing the intellectual ability of the faculty.

Case writing: The faculty members were encouraged to develop two cases on water and micro insurance. The final cases were presented in a case workshop held at Goa. Teaching notes would be prepared based on the suggestions from the faculty seminar. On-the-job orientation is given from time to time with regard to research, documentation and teaching. For three faculty members, intensive orientation was given on conducting pilots.



Other Academic Activities

Admissions to PDM 13: Strategies were worked out to enrol a minimum 20 students in the coming batch. The advertisement was placed in the Economic and Political Weekly along with DHAN's financial statements. Application and information for PDM 13 has been uploaded in the website. DMAT and selection process has been conducted in four places: Chennai, Sirsi, Delhi, and Madurai. 19 candidates were offered provisional selection.



PDM 11: The eight students have successfully completed four terms. The students are currently undergoing fifth term. Initiatives have been taken to improve the written and oral communication abilities of the students through write ups for PDM blogs and assignments.

PDM 12: Eleven students (six girls, five boys) enrolled for PDM 12 from five states. They are currently undergoing Term II. To integrate the missionary perspective the remedial was started

with three-day village stay for the new batch. They were exposed to the "adoption family" concept of Reaching the Unreached and Karunai Illam of DHAN Foundation to sensitise them towards the development of disadvantaged communities. Mr Sankararaman, Secretary of Amar Seva Sangam working for the disabilities was the resource person during the inauguration of PDM, who shared his development experience as a development missionary through his inspirational speech.



Rainfed Farming Development Programme

following activities: Mamandram. Annual Report 2012

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, and decrease in relative productivity in rainfed lands affect the livelihoods of the poor and marginalised farmers. DHAN foundation has launched the 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.

The Rainfed Farming Development Programme (RFDP) works directly with rainfed farmers in 11 districts of six Indian states namely Tamil Nadu, Karnataka, Andhra Pradesh, Maharashtra, Orissa and Jharkhand. In AP, RFDP is working with Integrated Watershed Management Programme (IWMP) of the State and in Maharashtra RFDP works with Convergence of Agricultural Interventions, Maharashtra (CAIM) of the State. In Karnataka, RFDP works with Green Foundation. In addition, RFDP is jointly working with the Kalanjiam Programme in Koraput and Mayubhanj districts of Orissa as well as Indervelly location of Andhra Pradesh.

Revalorising Small Millets

RESMISA (Revalorisation of Small Millets in the Rainfed Regions of South Asia) project is for 42 months, started in the month of March 2011. RFDP is implementing this project in five locations of two three states. Peraiyur, Anchetty, and Jawadhu

Hills are the three locations in Tamil Nadu. Semilguda is one of the millet locations wherein this project is implemented with the existing farmers in Orissa. Bero location of Ranchi district in the state of, Jharkhand is the new location established exclusively for the small millet project. An inception workshop was conducted in Madurai with all the partner agencies, followed by a formal launch at Peraiyur, one of the project locations in Madurai, Tamil Nadu. Training on participatory plant breeding was organised in India and Sri Lanka with the technical support of LIBIRD, Nepal. Two six monthly reviews were organised for the project and progress was reported to IDRC.

Organising Rainfed Farmers

During this year, the RFDP has promoted 334 groups of rainfed farmers, reaching a total of 17,064 members in 840 groups networked into 65 associations. The Programme has started organising the farmers involved in rainfed farming in Shiroli cluster of Ghatanji taluk, Yavatmal districts in Maharashtra. Under CAIM Project, promotion of primary producer groups, SHGs and village development committees have been initiated. Strengthening of watershed committees is in progress in Utnoor location. Three new locations namely Jawathu Hills in Tamil Nadu, Semiliguda in Orissa and Bero in Jharkhand have been initiated in the reporting period for the small millet project. Offices have been established and teams were placed for these three locations. A rainfed farmers' federation has been registered in Nattarampalli location.



Rainfed Farming Development Activities

Different kinds of rainfed farming activities were taken up in Koraput, Borigumma, Semiliguda, Betnoti and Moroda locations of Kalanjiam Programme in Orissa. In Borigumma, 33 farm ponds including 10 ponds through Mahatma Gandhi National Rural Employment Guarantee Scheme were constructed and impacts were documented. In Borigumma, farm ponds are useful for giving lifesaving irrigation for the first crop paddy. Farmers owning farm ponds cultivate vegetable as second crop by using farm pond water. Farmers have got an additional income of Rs. 5000-6000 by cultivating vegetables as second crop. In collaboration with government agency, a diesel pump was purchased and given to the farmers for lifting water from the pond to irrigate rice and other vegetables. In Betnoti, members have produced mushroom and through this they were able to earn Rs. 150 per bed after spending Rs.30. In Koraput and Betnoti, the members were supported to get back yard poultry from Rashtriya Krishi Vikas Yojana (RKVY) of veterinary department.

Under NABARD-UPNRM, the land development activities were taken up in Peraiyur and Gudiyatham. Under NWDPRA, Rs. 2.36 lakhs was spent for the land development works in Nattarampalli. Land development works such as land levelling and silt application were taken up at Gangavalli location in Salem District, Tamil Nadu.

Rs. 2 million worth of natural resource management activities such as water absorption trenches, loose boulder structures, rock filled dams and farm pond were done in the Utnoor location with the Integrated Watershed Management Programme (IWMP) fund.

Insurance Services

Mutual crop insurance based on deficit rainfall index was done with 813 farmers of four locations for cotton, ground nut, pulses, maize and for millets. Mutual income insurance was done for groundnut crop in Nattarampalli and Gudiyatham

locations. The total premium paid by the farmers was Rs.1.1 lakhs for the sum assured of Rs. 14.32 million. Mutual livestock insurance is implemented in Tirumangalam and Peraiyur. In Gudiyatham livestock insurance was done with subsidized government scheme.

Support to Cotton Growers

A CSR project of Cotton Corporation of India, Coimbatore is in progress at Sengapadai village of Tirumangalam, in Tamil Nadu. Farmers Field Schools were conducted with the cotton growers of Gopalapuram village. Eco-friendly agricultural inputs such as neem cake and vermi-compost were supplied to 448 cotton farmers under the project. Twenty one new farm ponds have been constructed under the European Union project in Vedaraniyam. The revised Detailed Project Report was prepared and submitted to CAIM for Rs. 70 million for four years. Additional Panchayats have been included in the revised DPR.

Workshops and Seminars

An inception workshop was organised for the project "Revalorising of Small Millets in Rainfed Regions of South Asia" and followed by launch event was organized at Peraiyur. Training on participatory plant breeding was organised in India and in Sri Lanka with the technical experts of LIBIRD, Nepal. The first half yearly reports have been submitted to IDRC.

Two events were conducted in Madurai Symposium 2011: "Farmers Convention on Future Search" was organised with around 250 leaders of RFDP to plan for their federations; a seminar on "Advancing Conservation, Cultivation and Consumption of Small Millets" was organised wherein resource persons from different development organisations, academic institutions and private agencies who are involved in millet processing and marketing took part and shared their experiences in processing. Discussions revolved around the ways and means by which millets can be included in the food habit of the community.

Communication and Information Technology for Development (CIT4D) Programme



There exists a great divide between access to and use of communication and information technology (CIT) between urban and rural, rich and poor, forprofits and charities. DHAN Foundation has taken up Communication and Information Technology for Development as a new theme to experiment, develop and implement socially-relevant CIT programmes through the CIT 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 CIT based livelihoods and Village Information Centres in rural areas and urban slums to provide various e-services such as e-mail, e-Post, computer aided school education and 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 to read and write through computer-aided adult literacy centres set up for Kalanjiam and Vayalagam members.

- Establishing Community Colleges to offer a number of CIT related and job oriented courses to the poor youth and helping them to get employed in nearby towns and cities.
- Developing content for educational use and software for agriculture and animal husbandry services being used by farmers in VICs.
- Promoting partnership with the other stakeholders such as CIT based academic, research and business organisations to channelise resources and expertise to the grassroots

Educational Services



The CIT4D Programme offers educational services including 21 types of computer courses under the DHAN-IGNOU Community College scheme. The educational service also includes the e-School (Multimedia Education for School Going Children) and typing courses for youth. During the year two batches of 377 students were enrolled in various courses; of them 149 were female students. Educational services were the main sources of revenue for our VICs. The educational collaboration with IGNOU added value for the educational services during this year. Efforts were taken to increase the students' enrolment for the computer courses.

e-Governance

The e-governance service includes availing various government services through online forms.

Though there were issues in getting continuous connectivity to the internet, the VIC offered such services offline. Collection and remittance of

electricity bill was one of the new services added during the year.

VICs also provide online recharge services for mobile phones, selling accessories and providing new mobile connections. The job work services offered by the VICs include online data entry works and hardware components sales and service. The online data entries are being provided by the agriculture and health departments in Melur and Kottampatti. The farmers profile, soil profile, and cultivation pattern are computerised by the agriculture and horticulture departments, which are done at the VICs. Similarly, health departments, especially Primary Health Centres, are now converting their data online; this work is also taken up by VICs. These services contributed revenue considerably to sustain the services offered by the VICs for free.

Health Services

The VICs introduced health related services as revenue based service during this year, which includes, sugar testing with the support of digital glucometers, checking blood pressure with digital meters and calculating BMI. Though, the demand for this service is increasing in villages, the number of beneficiaries was limited due to a restricted number of kits.



Free Services

The free services of the VICs include content deployment, organising village level camps, training for farmers and women, using public addressing system for village announcements,

audio conference with experts and between the communities, and usage of library books available in the VICs. The VICs served 14,500 unique users through different services.

Collaborations

As a Study Centre for IGNOU: DHAN People Academy has been accorded as a study centre by the Indira Gandhi National Open University. The CIT4D Programme offers a Bachelor of Computer Application (BCA) and a certificate course called "Certificate in Information Technology" from the study centre.

CAPART Sponsored Village Knowledge Centers: CAPART sanctioned the VKC project to DHAN in 2007. As per the guidelines, *M*/s Bharat Electronics Limited, Kotdwara was to take up the setting of VKCs by providing the needed infrastructure. The infrastructure have been set up in all the 11 sites including one central site/expert center and 10 remote sites.

$ISRO\ Sponsored\ Village\ Resource\ Centers:$

Video conference is one of the predominant services of the VIC. Interacting with experts has higher influence than any other services used by the villagers. ISRO provided infrastructure and connectivity support under the Village Resource Centers project. So far 27 VRCs have been promoted, including 10 in Andhra Pradesh and 17 in Tamil Nadu.

Interactive Multimedia Content Development

There is considerable undocumented knowledge and traditional practices among the rural community which are relevant for sharing across the community. Sharing such knowledge and practices will be the main source of content.

Networking is the way of connecting two ends for sharing. Sharing enhances the way of learning.

The Information can be given in the form of audio announcements, text contents and video content.

Community based multimedia content will be an effective tool for bringing awareness among the community particularly the students, youth, farmers, fishermen and women. The information in

the form of content should be relevant and needy for the community and in local language. The Internet is a major source of content and people from different sectors and different parts of the world contribute to the content. Information from the Internet is less used by the rural community because of the language issue and is not specific. Developing locally relevant content and deploying at a common platform will facilitate sharing of knowledge. During this year, the Programme facilitated production of around 90 videos for e-School service and 20 practical sessions for 10th standard students.

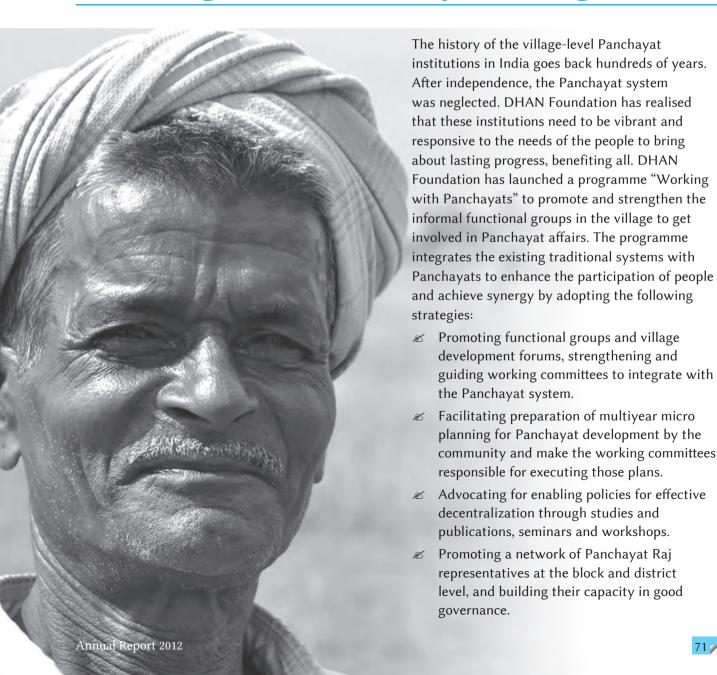
Community Radio

Together with Kottampatti Vayalagam and Kalanjiam Federations, CIT and Centre for Development Communication(CDC) are jointly running the Community Radio project in Kottampatti. The Community Radio is owned by the Vayalagam federation and space for tower and room is provided by Kalanjiam federation. Audio content generation, programme dissemination, monitoring, narrow casting of audio content at VICs, etc are done by CIT team. CDC provides technical guidance in content generation as well as coordination with departments in getting license, etc. Narrow casting of the audio content has been done extensively in the VICs through the public addressing system. It started with broadcasting for three hours daily and is now broadcasting nine hours of programmes daily, with five hours of original programme and four hours of repetition programme.

Other Services

The CIT4D Programme provides software development service to the programmes and centres in maintaining database, doing analysis and consolidation of information; all of these provide input for planning or decision making. The team coordinates and develops software so that it can be effectively used and any customization required can be easily addressed. If procured from market or outsourced, it not only increases the overall cost but there is always a dependency on the service provider.

Working with Panchayats Programme



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- Creating awareness among the voters, youths, and students on PRI, and ensuring benefits of the development programmes to reach the poor and vulnerable communities
- Strengthening the Gram Saba and making it a forum for performing social audit, and introducing e-Panchayats for open and transparent administrative system
- Enhancing the revenue for Panchayats through building corpus and undertaking income generating activities at village level.

The Panchayat programme is working with primary level Panchayat institutions. It organises people institutions at the village level to actively participate in Panchayat activities. Secondly, it mobilises the people institutions which are already organised by NGOs for making them actively participate with Panchayat institutions. The people in the primary institutions are prepared for playing an active role in their respective Panchayats through which the local Governance is strengthened for poverty reduction. There are 346 primary groups or the kudiyatchi kuzhukkal functioning in Panchayat programme, of which 39 groups were promoted during this year. The Programme works with 85 Panchayats covering 120 villages. So far 27,801 families have been added into the functional groups promoted in the working Panchayats.

Performance of Panchayat Institutions

All village Panchayats have mandated meetings to strengthen their functions. In all the working Panchayats, these functions have been regularized.



The Panchayat council meetings which are to be conducted every month are getting regularized in all five places. There were 288 meetings conducted. On average, more than 90 per cent of the members regularly attend the meetings. The quality of the meetings are also increased every year. The Grama Sabha meeting is considered as village parliament meeting. In many places it is a challenging task. In the working Panchayats, these Grama Sabha meetings were conducted as per standard. During this period 175 Grama Sabha meetings were conducted in 25 Panchayats.

The working committees are considered as a decentralized mechanism of administration at the Panchayat level. It was introduced recently and it is being followed in most of the Panchayats. The Panchayat Development Association or Kudiyatchi mamandram is an informal structure promoted for organizing the people forum at Panchayat level. Presently 37 PDAs are functioning.

Strengthening Democratic Practices

As a democratic unit at the grassroots level, the village Panchayats have more scope for adopting a variety of democratic practices. Some of them are mandated functions to be adopted and others are emerged out of their own experiences. During the year, Panchayat programme focused on strengthening the following democratic practices.

The people's voice is more important in democratic institutions. Here, the Panchayats are giving importance for peoples' voice by way of conducting the Grama Sabha meetings regularly with quality. The people's views and suggestions are respected.



- The council meetings are getting strengthened by being conducting regularly with the quorum and quality.
- The Panchayat parliament systems are introduced to strengthen the democratic principles at the Panchayat level. It was conducted in three Panchayats last year; through these, the public's views and ownership were coming out on the performance of the Panchayat.
- The social audit process was done at Palamedu location in Rajakkalpatti panchayat on MGNREGS programme. It was a two-day programme in which the public could participate and went through the process. It was an opportunity for the Panchayat to highlight the field level operational issues to the public.
- The multi-year micro plan is one of the regularized activities in all our working Panchayats. It was undertaken in all 25 Panchayats and in most of the cases, the Associates were able to facilitate the process. By this, the stake of the Panchayats are increasing year by year. All the expenditures to do this process are met by the respective Panchayats. The implementation of the plan is getting importance in all Panchayats.

Social Security Programme at Panchayat Level

The programme has promoted all the working Panchayats as nodal agencies for implementing the social security programmes. This is a new initiative for the Panchayats to get involved in mobilizing people for such social security programmes. During this period the total families covered under this programme was 6500, out of which 32 deaths occurred during this reporting period; all the 32 families received the compensation. In addition around 1012 students have benefited out of this programme during this year and received Rs. 1 million as scholarship.

Implementation of MGNREGP

The Mahatma Gandhi National Rural Employment Guarantee Programme gives opportunity for all

to work at least for 100 days in a year. Most of the Panchayats are not properly guided for better implementation of this project. The programme has introduced a few good practices in all working Panchayats. This initiative includes enrolling all the poor, landless and weaker section and getting job card for all, ensuring weekly wage disbursement in a transparent way, covering all the enrolled people with insurance, and ensuring proper work place facilities that are convenient for women. MGNREGP was undertaken in all working Panchayats and generated employment opportunity up to 1.5 lakh human days by undertaking 19 works in this year. As a whole 3830 families benefited out of this programme and earned Rs. 13.4 million as wages for the year.

Voter List Updating

The voter list is a basic document in any democratic system to exercise the individuals voting right. Since, it is seen only during the election time, it is not properly updated everywhere. This leads to malpractice during the election and poor polling percentage. The Panchayat programme took responsibility for updating the voter list in all working Panchayats and started this process from 2010 onwards. It was possible while the cooperation of youth groups at each hamlet. Usually January is the month for updating the voter list. This year, due to the conduct of public election, August 2011 was also used to update the voter list.

Panchayat Movement

To strengthen the Panchayat concepts, the programme conceived an idea of launching a movement by enrolling members from the local body institutions. During this year the programme enrolled 1282 members in the movement; so far 5844 members have been enrolled in the movement.

Campaigning for Election 2011

The local body election 2011 was the fourth election for Tamil Nadu after the 73rd and 74th

constitutional amendments came into practice. More than four lakhs people finally contested. The programme decided to ensure quality of election in all the working Panchayats. Three slogans were designed such as "All voters must vote", "Right persons should contest and to be elected", and "No cash for vote". An elaborate awareness campaign in the villages of working Panchayats was taken to promote this change. There was a door to door campaign in the working Panchayats, padayathra and cycle rally in the villages of working blocks and distribution of hand bills and posters were carried out in the villages of working districts. Totally 1.27 lakhs voters and 260 villages were covered.

Panchayat Education for Youth

The Panchayat Programme is offering a Diploma in Panchayat Management (DPM) course with the support of DHAN People Academy (DPA). The seventh batch is going on and the seminar classes were conducted twice during this year. The seminar classes were conducted in 12 places and the Panchayat team and DPA team conducted these seminar classes. Compared with the previous batches, the performance of the current batch was very good.

Workshops and Conventions for Panchayat Leaders

As part of Madurai Symposium the Panchayat programme conducted a workshop and a

presidents' convention. The workshop was on "Micro-planning and Livelihoods in Local Governance Institutions" and the convention was on "Livelihoods through NREGP in PRI". There were 20 participants for the workshop and nearly 200 participants for the convention. In addition, the programme displayed an exhibition focusing on local body election. It was well received by the public.

Positioning Panchayat Initiatives

A Panchayat manual for Tamil Nadu has been prepared with the support of Mr. K. Vallinayagam, Mr. Chidambaram and Mr. Subramanian, who were involved in Panchayat administration at different levels. The programme team members were also involved in all the process and gained experience. The output has come out very well and it would be soon released.

The Tamil Nadu State Planning Commission extended space for DHAN's Panchayat programme to be an institutional member for the 12th Five Year Plan and the programme took part in the Working Committee on Decentralised District Planning.

Recently, the State Government in Tamil Nadu has constituted a special committee for exploring the possibilities for increasing the fund sources for the village Panchayats. DHAN has been accorded a position of an institutional member in this committee and the first meeting was held recently in Chennai.



Tourism for Development

Annual Report 2012

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.

Advancing pilots

The tourism based Peoples' Organisations in Palluthur and Kazhugumalai have focused on strengthening microfinance activities of SHGs. Village Tourism Development Committees (VTDC) Met to promote responsible tourism in the locations. The VTDC of Kazhugumalai initiated renovation of Ambal Oorani and Vettuvankulam with community participation. In Karaikudi, a Walk for Climate Change Adaption was organised, insisting on important of avoiding plastics. A special event Panpattu Thottil was organised in collaboration with All India Radio, Madurai to promote heritage of Chettinad with a variety of folklore programmes.

Initiated new pilots

Following the success in Karaikudi and Kazhugumalai locations, with the support of Tourism ministry, the programme has been expanded to Theerthamalai in Dharmapuri district, Devipattinam in Ramnad District and Thirupudaimaruthur in Thirunelveli District of Tamil Nadu. The regular VTDC mechanisms have been ensured. The activity groups promoted for this purpose had been strengthened by providing various capacity building programme, opportunity



in market linkage and Hospitality services.

Community led Multi Year Micro Plans have been prepared for these locations. Promotional films and brochures have been made for dissemination.

To provide necessary orientation to food and folk activity groups, a special workshop and exposure visits were organized for 60 members in three locations.

Tourism Promotion

Pongal festivals were celebrated in Thirumalpuram village of Madurai District and Natarasankottai village in Sivagangai District involving the district administration to promote rural tourism and heritage. Heritage-walks were organised to sensitize the public on the importance of conservation and protection of little known heritage sites. A special brochure on Madurai Heritage walk with all historical and Archeological information in Tamil and English has been prepared.

Development tours were organised for the participants from the Netherlands, Canada, Nepal, and Ceylon, Japan and USA. Students from Madurai Kamaraj University were oriented on Chettinadu heritage.

A workshop on 'Tourism based Livelihoods: Emerging Opportunities' was organised with participants from various stakeholders like travel industry, archaeologists, academicians, students, host communities, village Panchayats, tourism SHGs.

As part of promoting Tourism and heritage literacy among the students, a MOU was entered with Fatima College, Madurai to adopt and strengthen the heritage conservation.

An institutional linkage has been made with the Postal Training Centre, Madurai to promote tourism literacy among their staff trainees on history, heritage, culture, and its conservation, responsible tourism initiatives. The programme team also participated in the Indian Heritage Cities Net Work (IHCN) meet organized by UNESCO at Mysore and represented in the annual meet of Tamil Nadu archaeological society.

Nnual Report 2012

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.

The fourteenth annual retreat was organised in the Naryanamoorthy Center for Excellence, Mysore. The second version of the retreat was organised at Vivekananda Kendra, Kannyakumari. Both the retreats focused on strategic planning for the DHAN Collective. Intensive sub-group processes facilitated by Dr.G.K.Jayaraman from Institute of Leadership and Institutional Development. The retreat provided leads to the strategic forum of DHAN to work on vision, mission, goals and strategies for DHAN for next five years. It would be done at multiple levels and finalised in September 2012.

The fifteenth Foundation day of DHAN was celebrated on October 2nd, 2011 in Madurai, and all the regional headquarters in other states. Dr. Trilochan Sastry, Board member and Dean of IIMB facilitated a dialogue session on farming and farm based livelihoods, and Mr. V. Vivekanandan, Convener of National Coastal Protection Campaign dialogued on future of fishery livelihoods.

Centre for Human Resource Development

Human 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.

The selection process for professional and support staff is getting refined at periodical intervals based on the nature of the institutional requirement and the profile of the candidates. During the reporting period, 202 staff have been placed across the institution of them 43 are professionals, 151 are support staff, three are programme officers and five are consultants.

An induction ceremony for DHANites was held at the 15th Foundation Day celebrations. Forty DHANites were inducted. They were also given an orientation on financial management to build them with necessary skills and attitudes needed for effective management.

A team of 44 DHANites recruited for locations in Maharashtra was offered an institutional



orientation to socialise them in DHAN. They worked in sub-groups to discuss on practice institutional core values.

In association with Tata-Dhan Academy, a Development Management Programme (DMP) on enhancing managerial communication (EMC) was organised for two batches of project executives benefiting 24 staff. This programme focused on preparing the project executives with written, spoken, and non-verbal communication.

A Development Management Appreciation Programme (DMAP) was organised in association with Tata-Dhan Academy for the 15 newly graduated project executives. The programme focused on enabling the participants to connect their works with development perspectives, building conceptualisation and analytical skills.

Team leaders and programme leaders, who are at the second line or top management levels, have got opportunities to participate in various workshop and seminars at the national and international levels. The participation in such events helped them to position the institution and also to derive insights for further advancement of thematic areas. In addition to this, an orientation on team building was given for the newly graduated senior executives.

Internship and exposure visit was facilitated for the candidates from various institutions based on their need and request. Twenty four B.Tech (Horticulture) students from TNAU have visited the institution as part of RAWE (Rural Agriculture Work Experience to understand the various dimensions of poverty in a poor family. Students form Sri Sathyam College of Social Work, Raichur, Karnataka; Anna University and Bharathidhasan Institute of Management, Tamil Nadu have visited

DHAN to understand the issues around which DHAN is working and the impact of initiatives taken to address them. Five interns and three volunteers from other countries have visited the institution and took up various assignments.

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 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.

During this year, trainings on microfinance were provided to 504 people, and another 303 people were trained on water programme. A total of five batches of Movement workers training were organised. Trainers' Training on self-regulation was organised for two regions and another two regions were trained on livelihoods skill building.



Through LIFE Centres 1012 youths got various skill trainings, many of them were able to get employed locally. In collaboration with IGNOU under Community College Scheme 410 students enrolled to various diploma and certificate programmes. DAHN People Academy offers a Diploma in Panchayat Management course. This year a total of 464 students enrolled and 368 students completed the course.

The Academy organised two people conventions as part of the Madurai Symposium 2011. One of the conventions focused on synthesizing learning from IGNOU sponsored community colleges, and another convention focused on microfinance.

More than 100 people from other NGOs such as SERP, PEDO, SEVA MANDIR and MAVIM have undergone exposure cum training programme facilitated by the Academy. A trainers' training on financial literacy for NGOs was organised through INAFI India.

Training manuals on governance, agriculture, postrehabilitation of tanks and participatory appraisal techniques were prepared to aid the trainings organised by the Academy.

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 fool-proof 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 for Finance facilitated external audit of DHAN Foundation and other organisations in DHAN Collective such as Kalanjiam Foundation and DHAN Vayalagam (Tank) Foundation, people promoted organisation such as Kalanjiam Development Financial Services, People Mutuals and Kalanjiam Thozhilagam limited.

The Centre also anchored Quality Assurance Audit (QAA) to prepare the institutions in DHAN Collective starting from Federations to prepare the accounts for the external audit. The Centre has prepared and sent guideline of internal audit and external audit to all the locations to enable completion of audit. The Centre has facilitated donor audits from Hindustan Unilever Limited, European Union, ICT Rural Development Trust, and projects such as CAIM and NAIP. A new system of Regional Audit Panel has been introduced to take up regular financial review of regions. Improvements were made in the accounting software packages such as FAST and DHANAM to suits the changing needs.

As a secretariat for the Purchase and Finance Committees, the Centre facilitated approval of all the purchases. The construction of building was done through a tender process. The Finance Committee approves the purchases worth above Rs. 2 lakhs.

The Centre has organised a National level Auditor's workshop at Madurai, which focused on accounting and auditing of DHAN Collective institutions, legal aspects and mutuality concepts related to NGO sector. The workshop brought out new understanding and practices for the audit process. An Accounting Manuals for the NGOs authored by M/S Sunanda and Sheshadri was released at the workshop. The book covers income tax appeals procedure on NGOs, accounting standards for NGO, accounting practices.

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.

The Centre organised 19 Walkathon events to sensitise the public on Climate Change Adaptation



in three states of Tamil Nadu, Andhra Pradesh and Karnataka. By organising these events, relationship with the local public and private organisations, who are the potential donors, could be established. This has helped DHAN to get positioned in the locations.



The Directorate of Environment, Government of Tamil Nadu supported DHAN and Federations for organising the anti-plastic campaign in 16 districts of Tamil Nadu to the tune of 3.6 million. As an outcome of the walkathon, the administration of Vishakhapatnam Municipal Corporation has recommended DHAN participation in Climate Change Conference in Howrah. The Centre coordinated release of funds and completion of projects for 11 Ooranis, also followed up

for completion of the committed projects and reporting the progress to the donors.

The Centre provides operational support for the DHAN-Karunai Illam at Nilakottai, Tamil Nadu, which is supported by Karunai Illam Trust, New Zealand. This year the Karunai-Dhan Nursery and Primary School obtained recognition from the School Education Department of Tamil Nadu. Progress has been shared to the Trust. Steps were taken to initiate school building construction.

Centre for Development Communication

The 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.

The Centre for Development Communication produced video documentaries on DHAN's field experiences for wider dissemination. The Centre



also brought out annual reports, promotional materials, posters and booklets needed for the programmes in DHAN. Also it manages the websites for DHAN and institutions within DHAN Collective, during this year websites for the Alternative MF Summit and Small Millet Project were created exclusives to position them.



The seventh edition of the festival focusing on Livelihoods and Poverty was organised. There were films from many parts of the country, including countries such as France, Portugal, South Africa, Mozambique and England. Twelve films were shortlisted and screened screening at the festival organised at Madurai. Three films were awarded.

The Kalanjiam Community Radio in Nagapattinam provided support to two other community radio stations run by farmers' federations in Kottampatty

and Punganur. Explorations have been started for promoting seven more stations with other peoples' organisations in DHAN Collective.

The Media division of the Centre has provided needed support to all the programmes and events organised by DHAN Collective Institutions to get visibility in the print and electronic media through organised press meets, media tours and press releases. The success stories from the field were featured in the media.

The folklore resource unit in the Centre has taken up campaigns for Tourism programme, rainfed farming development programme, Kalanjiam Programme in 20 districts, and 209 villages/slums. Over One lakh people participated in the campaign. Eleven professional cultural troupes were employed to take up these campaigns. Thematic trainings were provided to over 118 artistes on street theatre and folklore arts.

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.

The Centre has prepared a tool kit to aid strategic planning exercise carried out by the DHAN Foundation and circulated it to programmes and regions within DHAN. To monitor the gender focus across all the programmes a system for monitoring



of gender, the Centre has provided gender monitoring indicators to the programmes.

Under Policy Brief series, 11th edition of brief on Farm Ponds for Enhancing Food Security was published and shared with the secretaries and heads of relevant ministries and departments in Tamil Nadu Government. This brief deals with the need for inclusion of "Farm Ponds" in the watershed development and allied development programmes for its complete implementation.

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A framework for policy review on small millets has been prepared. A detailed policy review was done by analysing the existing policies on small millets in the areas of cultivation, consumption and conservation at national and state level. A Policy Seminar on "Application of Tank Silt on Agricultural Lands to improve Soil Health and Productivity: Scope, Practice and Challenges" was organised at Anna University in association with the Vayalagam Programme. Experts in the

related field attended the seminar, deliberated and brought recommendations.

A presentation on "technological innovations to meet the needs of women in agriculture" was made during the Global Conference on Women in Agriculture at New Delhi. The Centre presented the gender impact study done by it on Dr. Muthulakshmi Reddy Maternity assistance Scheme and SGSY scheme to the Vice Chairperson of the State Planning Commission. Recommendations relevant to the current guidelines are to be made with practical suggestions to the government.

The Centre continued to assist the IFAD assisted Post Tsunami sustainable Livelihoods Project with the support to implementation teams for livelihood micro plan, business and financial planning and analysis.

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.

The Centre has taken up an assignment from the Commissionerate of Municipal Administration (CMA) for preparing City Human Development Report for Madurai and Salem Municipal Corporations. Interim reports have been shared with the Commissionerate.

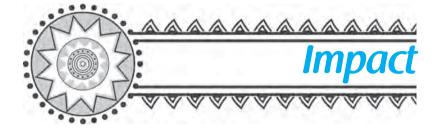


The Centre conducted a diagnostic study on the functioning of Primary Agricultural Cooperative societies (PACS) and Joint Liability Groups (JLGs) in Madurai, Thirunelveli and Salem districts. A total of 60 PACS were sampled and the study is in progress. It also facilitated two internship projects. One of the interns evolved a Panchayat settlement plan, context based toilets, housing for poor and heritage project. Another one studied efficient utilisation of energy in settlements in rural and urban contexts.

Participatory poverty assessment on livelihood classification and graduation was carried out in both urban and rural Kalanjiam Programme locations. The Centre took up a micro study on the status of house water connections in slums and non-slums of Madurai Corporation. Similarly a micro study on homeless in Salem city and another study on the functioning of community toilet in Madurai city were taken up by the Centre during this year.









Stories from the Grassroots

Combating desertification through increased water harvesting*

The Madurai based NGO, Development for Humane Action (DHAN) Foundation in partnership with Oxfam-Novib, the Netherlands carried out a EUR 1,051,374 project to combat desertification through increased water harvesting in the coastal areas of the districts of Tuticorin, Ramanathapuram, Pudhukottai, Thanjavur and Nagapattinam in the Indian state of Tamil Nadu. The project was for three years, that is 1st January, 2009 to 31st December, 2011.

Project Objectives

The project was in continuation of DHAN's intervention after the Tsunami of 2004 that severely affected the coastal districts of Tamil Nadu. The project sought to contribute to increased food and environmental security in drought prone coastal areas. Specifically, it sought to increase water harvesting and diminish desertification in the five districts mentioned above through conservation and management of water harvesting structures and strengthen water management by the community. The target participants were small and marginal farmers, landless and women, majority belonging to Dalit (Scheduled Caste) groups, who have hitherto

been excluded from state development projects. The objective was sought to be realised by organising these unorganised people into water users associations (Vayalgam), formed around the renovated water bodies and women's groups (Kalanjiam)for savings and credit as well as promotion of micro-enterprises. These associations are federated at appropriate levels. The final beneficiaries were small holder agriculturalists / farmers and women.

Targets

Two generic types of water bodies were sought to be rejuvenated or constructed. These were a) community owned tanks and village ponds (for domestic use and drinking water) and b) individually owned farm ponds. The targets were renovating 83 tanks, covering 2688 hectares, benefiting 6640 farmers, 37 village ponds benefiting 7400 households and excavating 1050 farm ponds to irrigate 425 hectares benefiting 900 households across the five districts

Evaluation Process and Methodology

In a highly participatory exercise, involving the DHAN staff, the evaluators traveled across the

This evaluation is supported and guided by the European Commission and presented by Amit Mitra and Ramaswamy Sakthivadivel. The report does not necessarily reflect the views and opinions of the European Commission.

districts interacting with villagers and project participants, men and women. The evaluation systematically focused on the following DAC evaluation criteria: relevance, effectiveness, efficiency, impact and sustainability, plus coherence and added value specific to the Commission. Gender was a cross cutting theme throughout the evaluation.

Main Findings

At the outset, it has to be said that on the whole the evaluators were very impressed with what they saw and the professional efficiency of DHAN. The response of the people who participated in the project was overwhelmingly positive and it was clear that the process and the project were owned by them, with DHAN acting as facilitators. What was all the more impressive was that all targets were exceeded: 85 tanks, benefiting 9113 farmers and irrigating 2850 ha, 41 village ponds reaching out to 8269 farmers and 1074 farm ponds irrigating 476 ha and benefiting 914 households against the set targets. This alone makes the intervention extremely relevant and important in the context of the issues relating to dryland coastal agriculture and water management in the face of climate change.

The evaluation team found that the problem analysis and social targetting is very relevant. It has local, regional, national and global significance in terms of a) targetting the poor and changing their situation b) building up climate change resilience c) arresting distress migration, and d) creating self-sufficient communities, who address their problems through vibrant democratic organizations that also tackle the endemic corruption in South Asian countries. In this project, 24638 households have been organised into 222 associations (73 tank associations, 41 pond associations, 108 SHGs). All these associations have their own governing bodies selected by its members and all the members meet according to the need. It must be added that it is only because of the high quality of the lessons learnt from the past practices that so many organisations could



be formed in such a short period more so since all these households had never been involved in an organisation earlier and were divided along various lines, including caste, religion and affiliation with numerous political parties. The success of the intervention can be attributed, the external evaluators felt, to DHAN's basic philosophy of working through institutions of the poor. To ensure their involvement, the village participants have to pay 25 percent of the estimated costs upfront. However, the evaluation found that this was exceeded by 100 percent in many cases than what the people had originally promised. A woman mobilized emigrants from her village to contribute to the construction of the pond. Villagers also pointed out that visiting government officials estimate the costs to be at least 100-200 percent than what was actually spent. All the works have been executed very transparently, following an elaborate process of scrutiny by DHAN staff, accomplished professionals with more than a decade's experience and the association members.

Impacts

Two kinds of impacts were visible in the field.

Physical Impacts

Apart from the increase in irrigation cover, an additional 320 ha of hitherto rainfed lands being brought under irrigation, 8269 households have domestic and drinking water security round the year for themselves and their livestock. Additionally, the duration of water availability has increased in the project areas by two-three months. The storage of water has increased by



7,000 to 10,000 cubic meters. The farm production has crossed over 2 to 2.5/ha tons in the project area. In 73 project villages, farmers harvested crops successfully after renovation. Farmers in nine villages have cultivated second crop after the renovation. 60,921 livestock population directly access water from the irrigation tanks and the livestock population was found to be increased. In many places, villagers are engaging in pisciculture. In one village the evaluation team found that this alone generated a profit of Rs 75,000 in six months.

Social Impacts

The first discernible social impact of the intervention is the tremendous boost in self-confidence amongst the villagers, both men and women. These people had been neglected hitherto by development processes and now thanks to the project and DHAN feel that they can do things, solve their own problems. In some of the villages visited, anecdotes were narrated on how the local officials were questioned and accountability sought from them. Drinking and domestic water security has not only reduced the drudgery of the women and children who used to go long distances to fetch water, but it has also enhanced school



attendance. The levels of personal hygiene have gone up in all age groups.

In terms of policy, the project has influenced district collectors who now are willing to allow the practice of using the excavated silt to renovate village roads or fill up low lying lands within the village. However, lower officials will have to be motivated to be more accountable and transparent. It is in this sense that the formation of associations and their demanding accountability becomes a solution to the issue of endemic corruption prevalent in South Asia.

The entire region is marked by high levels of gender inequality. However, DHAN has made a dent in this by involving women in decision making and also through the formation of Kalanjiams.

Lessons for Replication

Many lessons can be derived from the project, its implementation and impacts. Some of the important ones are:

Technological

Reviving/renovating or constructing water bodies in the coastal areas with the active participation of the local people, including women, is the best way of conserving the scarce water resources and combating the adverse effects of climate change and desertification. It also helps alleviate poverty and check migration.

In the actual processes of rejuvenation, reviving the supply channels is as important as strengthening the bunds and excess discharge channels and weirs.

Appropriately planting trees in and around the renovated water bodies is crucial, as is fencing the ponds and other water bodies where necessary. Building steps to lead down to the drinking/domestic water ponds is important.

Social Processes

It is critical to route all such interventions through appropriately formed institutions of the poor,

keeping in mind gender equity concerns. While training, hand holding is essential, the people's institutions have to be allowed space to grow and make their own decisions. Effectively, the training methods then have to be andragogical, that is building up on the existing knowledge of the people and combining it with the best in contemporary knowledge systems. This entails a) not instrumentalising people by the formation of activity oriented groups that collapse once the project gets over and in the process, b) recognising the women and men as complete social beings, embedded in particular social structures. Ultimately, this involves setting up of a rule of law, and adhering to it. In this particular case, the associations form their own rules and regulations democratically and follow them. DHAN merely plays the role of a facilitator.

Effectively then instead of following a target oriented approach, in projects such as these, a process orientation is needed. The latter ensures fulfilling project objectives and targets and ensures the sustainability of the achievements.

Conclusions and Recommendations

There is no doubt that the interventions are cost effective, focus on high quality standards and empower the people sufficiently to deal with contractors and so on. The cost effectiveness too is impressive. Taking a 10 year period, the evaluation team calculated a cost benefit ratio of 1:8.5 All this was possible due to the community based approach, transparency and high levels of commitment and professionalism of the DHAN staff. The increased water harvesting has led to many gains, including better crop productivity, water security, better social relations, communal harmony and breaking of caste and gender barriers. The interventions are sustainable as they are owned by the community who combine indigenous knowledge and native wisdom with the contemporary technologies given by DHAN.

Three years is too short a period for a project of this dimension, yet the ground has been very well laid. In the long run, DHAN and the people's institutions will have to pay attention to the following:

- The associations remove silt every year. Most village ponds needs complete rejuvenation after 10 to 12 years of operation because of the deposition of silt, detergent and other materials deposited in the village pond. This would need funds and resources that may be beyond the capacity of the local people, given the falling returns to agricultural commodity production. While the associations that have been formed are well embedded in other village level institutions, like those formed under the Panchayati Raj system, the issue is whether the latter will fund the renovation. This might necessitate changes in state policies.
- Some level of regulation of the crops and/or the area that are cultivated may be necessary in future. With the availability of water, farmers generally tend to grow water intensive crops. The water requirement might exceed the amount of water that is harvested. Ideally, DHAN could select a few villages in the three agro-eco zones that the project area is situated in and carry out a comprehensive water audit.
- With agro input prices rising and the remuneration that farmers get for their crops falling, the profit margins are getting increasingly lower. This necessitates using low external input sustainable agricultural (LEISA) practices on one hand and increasing crop productivity (in terms of labour, land and water units) on the other. Measures like composting, using farm yard manure, mulching need to be promoted along with low cost indigenous drip irrigation methods. Also, planting trees on the fore shore and on the bunds of tanks and ponds and sustaining them with proper protection will have to be promoted (many of the farmers seemed to be reluctant to do so on the apprehension that it would be eaten away by stray cattles. However, such trees would certainly prevent evaporation from the water bodies. Scientific planting could actually increase the productivity of tanks and ponds. DHAN has

- many competent agronomy experts amongst its staff. Overtime, they will have to deal with these issues.
- With water, millet and other coarse grains are not preferred as compared to cash crops, lowering the nutrition levels of the people. This has to be discouraged with proper crop planning and cropping calendar.
- In some of the farm ponds in Nagapattinam, the old drainage channels supplying water to the farm ponds would need attention as they are in a state of disrepair.
- In all the sites visited, disposal of polythene bags is a major problem. Not only do they become refuse heaps, adding to the health problems of the people, they pose a danger to the cattle too. The associations need to be made aware of health problems and should be encouraged to launch campaigns in their villages to ban the use of such bags.
- As indicated earlier, gender inequality is a major characteristic of this area. DHAN has attempted to bring about a change and has succeeded in many places to gradually get men to accept women as equals. However, a major issue that was mentioned by women in almost all the sites visited is that along with water and enhanced prosperity; state sponsored alcoholism begins, leading to wastage and violence against women and children. While the state cannot be prevented from opening liquor shops, the associations can be motivated to take up such issues, given the adverse impacts on gender relations and also the health of the people. The gains from water harvesting should not be allowed to be converted to gains for the state through alcoholism. Of course, this is not to say that all the farmers/water users drink alcohol or have become alcoholics.
- In future, and the DHAN personnel agree, the ultimate users of the drinking water ponds, that is the women, will have to be actively involved in the designing, including issues like fencing, making cement/concrete steps or attaching pulleys to the platforms/wells.
- Institution development as envisaged by DHAN and implemented in the field has two

- well defined groups: the Kalanjiams and the Vayalagams. The former has only women as members. These groups are involved in saving, lending and enterprise development. If a farmer wants to borrow money from a Kalanjiam, his women kin must be a member of the SHG. This creates potential problems to access the finances of the Kalanjiam. On the other hand under Vayalagams form Micro Finance Group (MFG) in order to access credit. Most MFGs comprise of men only. Essentially, the two kinds of community institutions will need greater synergy in the long run so that the two (Kalanjiams and the Vayalagams) work in unison to attain food, nutritional and environmental security with gender and caste equity in a situation of rapid climate change. Perhaps DHAN could experiment with the idea of making the Kalanjiam members in a village, members of the Vayalagams as well. Depending on the contribution that these Kalanjiam members make for agricultural production, they are given due credit in terms of decision making, profit sharing and other activities. Such an amalgamation may lead to better utilisation of the resources of the village, including the money generated by the women and ultimately achieve gender equity at the local level by giving the women greater control over the productive resources.
- ✓ It has to be remembered that the community associations (both the Vayalagams and the Kalanjiams), federated across all levels as they are (and two Foundations, the Vayalagam and the Kalanjiam formed) essentially consists of poor marginal and small farmers who hitherto had been neglected totally by the state. As in this project, the gains have been tremendous. However, the fact remains that these farmers, while united to manage their resources, face the market (including credit, labour, agro inputs and most importantly the crop output) as individuals. The time has come for DHAN to bring in its experience of working say in the Gulf of Mannar with fisherfolk, and facilitate the associations to enter the market as a collective and get remunerative returns

- for its outputs as well as wholesale rates for the inputs. In fact, this already exists in Nagapattinam district, where farmers were organised by DHAN in producers group to market their produce collectively. DHAN will, over time, need to extend this to other project areas
- DHAN has achieved remarkable success in creating institutions which are able to achieve their objectives in the short term when projects are implemented in a project mode. Drawing on its experiences in other places, it will have to work towards institutional transformation to achieve long term sustainable development in the face of urbanisation, migration, climate change and creating gender equity. Associations formed by DHAN elsewhere are running hospitals and schools. In the long run these will have to be tried out in the project area, but appropriately contextualized.
- The evaluation team recognises that it would have been counter-productive to start on these issues at the onset of the project, as it would alienate the people. Moreover, tackling some of these issues requires a level of maturity of the associations that goes much beyond a project cycle of three years. However, since

- the process has started in the right direction, it is hoped that it will bear results in the times to come.
- climate change and the sheer unpredictability of the weather poses the biggest threat to the sustainability of the intervention. But then, it subscribes to DHAN's ideology that the local people are the best managers of their environment and natural resources like water, provided they are empowered to do so and are given the space. It is in this sense that DHAN's motto of organising the unorganised becomes critical. The institutions formed will, in the long run, surely adapt to climate change, given that they are already doing so. The evaluation team came across numerous examples of this: changing the crop mix, changing the timings of planting and so on. However, the State policy has to be changed accordingly and DHAN could use well documented examples from this project to lobby for policy changes. The associations formed are exemplars of good governance and accountability, based as they are on the principles of transparency and equity. DHAN has to now work to get the state to not only accept but also actualize such principles if poverty elimination be the goal.



Stories from the Grassroots

Back to Farming....

Madasamy, a small farmer living in E.Velayudapuram village of Tuticorin District in Tamil Nadu gave up farming in his 1.7 hectares of land due to monsoon failures. Increased cost of cultivation made him to feel it unproductive. Presently Madasami's perception about agriculture was different. He knows that we have to adapt ourselves to the changing environment to cope up with the challenges. All that one need is a little guidance and lot of commitment.



Madasamy lives with his wife and three children, in E.Velayudapuram village of Tuticorin district. Farmers in the village are at the mercy of monsoon and off late the monsoon was against their wishes, making agriculture a

un remunerative occupation for them. The village on an average receives less than 600 mm, the pattern of rainfall too not uniform over the recent years. Madasamy who owned 1.7 hectare of land, left it uncultivated for the past two years since he was not confident of getting good returns, due to repeated crop failures during the earlier years. Madasamy used to cultivate Bajra and Sorghum and harvest 5 to 6 quintals per acre and earned around Rs20000 per annum. Goat rearing was his secondary occupation which fetched some decent income during off-season.

Madasamy found its efforts in agriculture does not give proper returns, the preparatory cost and

cost of cultivation consuming the major share of income and thus leaving him with very less or no profit. Also water scarcity and increased labor cost forced him to leave his land uncultivated. Goat rearing was the only source of income during the past two years. "Agriculture was the source of income since my early days and the sight of my land being barren started to disturb my sleeps. Also, for day to day expense, I was forced to depend on my children. I made up my mind to do agriculture again, but was searching for a better option. It was then the Tank farmers came to my rescue" says Madasamy.

The European Union funded project implemented by DHAN Foundation, which was promoting tank farmers association extended its support to Madasamy, who placed a request before them for constructing a farm pond. His application was scrutinized, field visits were made and Madasamy was granted 50 % of the total cost of the project and the remaining cost was met by him . In July,2011 a farm pond with 1176 cubic meters was established.



Figure 1: After the Establishment of Farm Pond

The farm pond got filled with water to its entire capacity in the monsoon rains that followed. Madasamy cultivated chilly crop in the entire 1.7 ha of land. The total cost incurred for seeds, land preparation and sowing was Rs. 17600. He employed 10 women for sowing and two men for land preparation. He paid Rs. 150 per women for sowing and Rs. 300 for men. During the early stage of the crop, he hired two laborers for irrigating the crop using water from farm pond. They used to carry water in pots and irrigate the crop. In latter stages, he hired 60 laborers for removing weeds. Nearly about 90 person-days of employment were generated due to this farm pond.

Madasamy got a very good yield of 20.5 quintals from his 1.7 ha. He sold them at the market price



Figure 2: Farm Pond Filled with Water

of Rs. 9,500 per quintal. The gross income earned by Madasamy was around Rs1.94 lakhs with which he was completely satisfied. "My worries got vanished. I was not only able to cultivate my land again, but also make agriculture profitable by constructing farm pond" Madasamy said with full of confidence and pride. Seeing the success of Madasamy, many other farmers in the village came forward to establish farm ponds in their lands.

Construction of farm pond is a very small intervention which can do wonders to a farmer's life and even to the entire village economy. Farm ponds can combat desertification, increase ground water recharge, contribute to food security, apart from supporting farmers and agriculture.



Figure 3: Labourers engaged in Harvesting Chilies



Stories from the Grassroots

Renovated Tank Supports Second Crop Cultivation

C Surviving a single crop has become a big challenge for the small and marginal farmers. Sothrivayal is one of the water-starved villages in Avudayarkovil block. The only irrigation tank, with weak bunds and partly filled with silt in the water storage area, was poorly maintained. The total irrigated area shrunk from 56 hectares to 50 hectares. After building unity among farmers by organising them into organization, the villagers saw a change after 10 years. The weak tank was renovated and it supported the small farmers to cultivate second crop, where cultivation of even a single crop was a big struggle. Read the experience of Sothrivayal village given below.

Agriculture is the major livelihood for the small and marginal farming communities in Sothrivayal village located in Avudayarakovil block of Pudukottai district in Tamil Nadu. The total population of the village is 1250. The villagers belong to either backward or most backward community and most of the farmers have minimum or no education. Agriculture, though being the primary occupation of the villagers, it supports them only for four months by way of employment and income; forcing people to migrate to nearby towns in search of alternate employments. Survival itself has become a struggle, due to decade of inconsistent and deficit rainfall patterns. Youth no more rely on agriculture and their attitude towards agriculture has changed, as they see it as unreliable livelihood. Farmers of Sothrivayal village were cultivating only single crop of paddy for the past ten years.

The village has an irrigation tank, which was not renovated for the past five decades. The water spread area of the tank is 40 hectares and it irrigates 56 hectares of land. The tank bund was very weak and due to siltation, the tank was not able to store water to its potential. As the bunds of the tanks were very weak, farmers were able to store only shallow water in the tank; storage of water up to the full tank level might result in flooding due to breach of weak tank bunds.

DHAN Foundation identified this village with acute irrigation problems through screening. The villagers were oriented on people organization; community based water management, water body and its components and donors of the project. Based on the initial orientation the local communities came forward to promote an association to maintain the water body. They named the association as "Sothrivayal Tank"

Farmers association" and the organization was constituted with the representation of various households from the village. They assessed the tank components to be renovated with the support of DHAN Foundation. Based on the assessment they decided to deepen the tank, strengthen the tank bund, and remove weeds in the tank water spread area.

The renovation work was initiated in the year August 2010 with the involvement of the local community. It was the first hand experience for the farmers to lead such conservation works. They constituted a committee to monitor the renovation. The renovation works ended on September 2010. As part of renovation, the silt deposited in the tank was removed and the weak bunds were strengthened. Post-renovation the farmers were able to cultivate and harvest paddy without any water shortages and failures. Farmers were able to irrigate 56 hectares of land.

Earlier, the water available in the tanks was only sufficient for the first crop. Post renovation, sufficient volume of water was available for the second crop. Based on that, 94 farmers decided



and cultivated second crop in 14 hectares of land. In the past 10 years, it was the first time that the farmers have taken-up second crop.

The farmers harvested 70 bags (Weight of each bag is 60 Kilogram) of paddy per hectare (4.15 tons per hectare) and total paddy bags harvested in 14 hectares of land was 980 (58.8 tons). The farmers who were unable to gain profit from the first crop were able to gain from the second crop. The intervention not only increased the income of 94 farmers but also the employment opportunities to the landless and poor households.

Mr. Marimuthu, President of Sothirivayal Tank association said, "Only after the harvest of the paddy crop and seeing the yield, we will be sure about the gain or loss. Until then we are not guaranteed. For the past 10 years, we struggled a lot with limited water availability and shortages. With the weak tank bunds, we were unable store water to the full tank level and if the tank bund breaches, the crops cultivated will be inundated. No one will be able to harvest if the tank dries. Only after the renovation, we are sure, that we will be able to harvest at least a single yield per year. This year we were able to cultivate second crop with the available water in the tank. The tank renovation benefited all the farmers in our village. After a period 10 years, we have cultivated second crop in our village. The renovation work has given lot of confidence to us. I could see the changes. The quality of work that we did in our village attracted many other farmers in nearby villages. "

The farmers were now happy about the results and determined to protect and maintain the irrigation tank, realizing its benefits.



Stories from the Grassroots

Dairy farming: from survival to success

Kommireddygaripalli is a small village with only 46 families. The village comes under Nimmanapalli mandal in Madanaapalli division of Chittoor district, Andhra Pradesh. Agriculture is the main livelihood activity for these people. This region is highly drought prone and recorded deficit rainfall in the last 10 years. Farming is supported by Bahudha reservoir, which has a total ayacut area of 1032 acres. However for more than a decade tank never got filled to its entire capacity owing to deficit rainfall.

Major crops grown here are paddy, tomato, maize and vegetables and the major source of irrigation is bore-well. Tomato cultivation is also taken up in large scale, but the wide price fluctuation makes the profit unpredictable. Either they get a bumper return or end up with a huge loss primarily to the market price. As the income from the agriculture was not much remunerative, dairying which remained as a secondary occupation for generations has become primary occupation now. There are now 132 milch animals in the village, from which 2026 liters of milk is sold every day.

In Kommireddygaripalli and nearby villages
DHAN Foundation initiated its Vayalagam Tankfed Agriculture Development Programme in
partnership with the Andhra Pradesh Community
Based Tank Management Project (APCBTMP)

in January 2008. As a part of APCBTMP, DHAN has implemented a number of conservation and development works.

Sri Kisan Rythu mitra group is one of the CIGs (Commodity intervention groups) formed in Kommireddygaripalli with 18 farmers involved in dairy farming. The members meet regularly on 18th of every month and save Rs.100 per month. Since formation the group has been attaching high importance on maintaining books of accounts, which reflected their financial discipline. All the payments from the group were made only through cheques. The farmers used their group meeting to discuss and address problems that they face in farming and dairying collectively. This made them to venture into setting up a common milk collection



center, combined farming and marketing, and application of organic inputs. Seeing their performance three more members joined the group. The "Sri Kisan Rythu Mitra Group" also got properly registered under societies act 21/1860 and 35/2001.

Sri Kisan Rythu Mitra Group (SKRMG) is one among the 12 Commodity intervention groups promoted in 12 villages under the APCBTMP in Bahudha reservoir command area by DHAN Foundation. All the 12 groups have joined themselves to form a Water Use Association (WUA) named Bahudha Reservoir Water User Association.

Framers in the SKRMG have taken many initiatives on their own. DHAN has supported the group by setting up accounting system, enrolling the members and cattle under insurance schemes and by linking them with relevant departments so that they claim their entitlements from the government and other agencies.

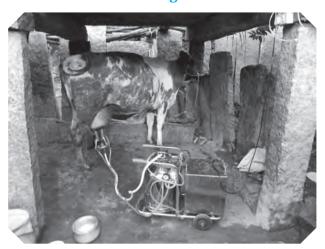
Common milk collection

The main reason that pulled the farmers towards the group was that they had been cheated for many years by the middlemen in the milk business. They contacted heritage dairy Madanapalle for selling their milk. They appointed an exclusive person to maintain the books of accounts and pay him Rs. 3000 per month. Also they purchase a newspaper common for the village from their



profit, and the additional income generated is shared by all of them equally. Together they approached the heritage dairy and conveyed their interest to set a common milk collection center, which was readily accepted by them.

Rewarded with milking machine



All the members of the SKRMG own 67 cows. Each member possesses 2 to 4 animals. The cows were either Jersey or Holstein Friesian breeds. Average yield of these cows was 18 liter per day. The milk procured from SKRMG has always been rated as "A" by Heritage dairy and the farmers were paid Rs.21.50 per liter compared to Rs.18 per liter paid to others. No other group in the entire district gets such a good price for their milk. Seeing the good performance of this center, National Bank for Agriculture and Rural Development (NABARD) came forward to sanction a grant for setting up a community milking machine worth Rs. 400,000. The machine can milk 10 cows at a time in two minutes. All the members felt very happy by this as it made the process of milking easier and less time consuming. They also felt that this is the reward for their collective functioning in a proper manner.

Making wealth out of cow dung

The increasing cost of chemical fertilizers and its effect on reducing the fertility of agricultural land had been their concern for many years. All the farmers in SKRMG decided to adopt the



traditional practice of applying cow dung manure to tomato and other crops. DHAN team has made a timely intervention here by exposing them to the concept of vermicomposting. After acquiring required knowledge and skills the farmers went ahead for making a vermi-compost pit, with which they were able to produce 100 of vermicompost every month which is being used by the villagers for manuring their crops. For control of pests in their tomato crop and other vegetables, they use neem seed kernel extract which they themselves produce locally. These activities not only reduced the cost of cultivation, but also helped to reduce pollution in their farm fields. By seeing the energy and enthusiasm of the farmers, yet another reward came from APCBTMP to this group in the form of a weighing scale, tarpaulin and tomato crates for promoting marketing facilities for the SKRMG.

Facilitating farm credit

The SKRMG took a loan of Rs 2,80,000 from Indian bank, Nimanapalli and assisted its members for various farm related credit needs. All 22 farmers have saved Rs.85, 800 in their group. Also they have insured all the members under Janashree Bheema Yojana of Life Insurance Corporation of India. Seeing the increased flow of people to the bank branch every day, the Bank has decided to provide mobile banking facility to the Kommireddygaripalli. This facility is made available on three alternative days in a week. Because of this the members of Sri Kisan Rythu Mitra Group was able to do their deposits and withdrawals in the village itself enabling them to save time and money spent on visiting the bank. The farmers in SKRMG are now looking for expanding their dairy activity further by purchasing an additional 25 cows. They estimated that it would cost Rs.20 lakhs and have approached NABARD for a loan.





Stories from the Grassroots

Chandana - a self-made entrepreneur

Chandana's difficult childhood



Chandana, 28 years is a member of Sri Annamma Kalanjiam in Akshaya Mahila Kalanjiam Federation of women SHGs promoted by DHAN Foundation in Tumkur mandal, in Karnataka.

Chandana was born and brought up in Tumkur, predominantly an industrial belt near Bangalore, Karnataka. She was the eldest in her family. Her father was a private bus driver and mother was a housewife. She was a bright student in her school, which made her to complete her pre-university degree with ease, but she had to face a lot of difficulties to pursue her studies as her father earned Rs. 4500/ per month, which was sufficient to only feed them. It was when Chandana doing her pre-university degree, her father fell ill due to Asthama, and left them deep distress. She was just 18 years that time.

The entire family was thunderstruck due to this sudden shock. Her mother being a housewife had no clue of what to do next. But there was no other go for her but to shoulder the family responsibility. Chandana though had interest to pursue higher

education, decided to bury her dreams and help her mother. Help came from the bus owner for whom Chandana's father worked. He gave them Rs.40000, with which they decided to start a provisional store in a small way. Chandana helped her mother in purchase of materials and selling them in the store. The provisional store brought some relief to the family.

Chandana's Marriage

The struggle went on for three years. Chandana's mother decided to get her married at her 21 years to her maternal uncle Jwalendra Kumar who also lived in Tumkur and worked in a Pickle factory as a supervisor. After Chandana's marriage, her mother moved back to her native town Bellary with her son. The provisional store was also disposed for meeting Chandana's marriage expenses. Chandana too moved with her husband and sister to Upparahalli near Tumkur.

Her qualification of pre-university degree and her self-learned computer skills during her schooling got her a contractual job in BSNL as computer operator, where she was paid Rs.3000/ month for data entry of customer's profile. She worked for seven months during which she got pregnant. As her husband advised she quit the job and started taking care of her child.

It was during this period Chandana heard about 'Kalanjiam", the women self help groups promoted by DHAN Foundation in her village. Chandana joined kalanjiam in December 2010 with a hope of getting out of the financial crisis they faced.

Chandana emerged as an entrepreneur

She was regular in attending all the Kalanjiam meetings, saving and taking and repaying small loans for meeting her domestic needs. In one of the cluster meetings she attended, where the topic for discussion was increasing the income of members' families. It was then Chandana got her ambition kindled and she raised the question in the meeting "What livelihood activity can I start with minimum investment and also that is viable?"

Her life started taking a different turn from then onwards. Of the different ideas that came she got convinced of starting a Bangle store and sought her husband's support for the same. Her husband readily agreed and also supported with Rs 20,000 that he saved in a local chit fund. She invested Rs.10000 that she got from Kalanjiam as loan towards advance for the shop. The shop is conveniently situated near her house. She bought two racks for hanging the bangles. She purchased bangles and fashion jewelries for Rs.20000 with her husband's contribution and started her business.

Her relationship with fellow SHG women came to her help as they turned out to as her customers. Initially daily turnover was very less that brought her Rs. 100-150/- as her daily profit. Then she got an idea of extending her shop with more fancy items and cosmetics. Kalanjiam supported her with another loan of Rs. 5000 to bring additional material to the shop. From this she started



earning good income. Her daily income increased to Rs. 300-400. She feels very happy about her contribution to the family, admitted her son a good school.

Chandana did not stop with that. She diversified her business, with seasonal sale of sarees and dress materials during festivals. She often travels to Bangalooru to buy fancy items demanded by her customers. She takes the company of her husband or her sister for purchasing the products.

Selling sarees and dress materials at festive seasons worked well, and she decided to take it as a full time business in her shop. She started buying the sarees and dress materials from the wholesale market in Bangalore. She is good at managing money, saving and using it for business, without going for more loans. She was prompt in repaying the loans that she got from her Kalanjiam as well. In addition to Kalanjiam, where she saved Rs. 6200, she also supports her husband to pay for the chit fund, from which they managed investment for the shop. Now Chandana is quite happy and proud of her business, in which she is the owner.



Stories from the Grassroots

Farm pond moves Fakeer's life

Fakeer, a traditional farmer



Fakeer, 60 years, is a poor Dalit farmer hailing from Bodampalli village in Koutala Mandal of Adilabad district, Andhra Pradesh. Bodampalli is a small hamlet in this Mandal. Over 350 families are living here and farming is their major

source of livelihood. Fakeer lost his wife Rukmabai at her 45 years due to cancer. He has two sons and a daughter. His elder son works with him in their farm and the younger one is studying in college and his daughter got married. Fakeer lives in a thatched house, with his elder son and his daughter-in-law. They own six acres of land, two cows and calves, a pair of bullocks, and ten hens. The land owned by him is rainfed. He cultivates cotton, paddy, red gram and soybean, and the cultivation was always at the mercy of rainfall. For more than a decade he could not get enough yields from the due to insufficient rains, and many years he lost his crops completely.

Entry of Vayalagam Programme

In 2008 DHAN Foundation initiated its Vayalagam Tankfed Agriculture Development Programme in Koutala Mandal. It was started with the Watershed Development Fund set up by the National Bank for Agriculture and Rural Development (NABARD-WDF). Development works were initiated in two watershed namely Bodampalli and Balaji ankoda watersheds covering 10 and benefiting 2300 hectares of land.

The support from NABARD came after witnessing the involvement of farmers in construction of farm ponds construction in this area by way of "Shramadhan (free labour)", through which Rs. one lakh worth of works were done. This experience then made NABARD to consider Shrmadhan as a qualifying process for sanctioning watershed project. The watershed project involves a number of soil and water conservation practices to improve the agriculture and allied activities in the target area, in which construction of farm ponds, community management of tanks and renovation of open wells are the major activities.

Farm pond in Fakeer's land

Fakeer's land falls under Bodampalli watershed. A team from DHAN Foundation visited this village in 2009 and met the farmers and undertook participatory planning process. The farmers were organised into a watershed association. The team identified farm pond as a potential activity in Fakeer's land. When this idea was mooted, he did not accept it initially with a fear that farm pond will occupy a portion of his land and that land will be rendered permanently not available



for cultivation. Fakeer was reassured by the team repeatedly, as they found the land with farm pond will assure him paddy crop that faces water shortage at the critical phases of crop such as flowering and grain filling. After continuous persuasion he reluctantly agreed to construct a farm pond and to extend his labour towards his contribution.

The staff and Fakeer assessed jointly the possible location of farm pond in his land. It was decided that a 10 X 10 cm farm pond will serve the purpose. Then they mobilized 15 other villagers and Fakeer joined them to do work. They were able to dig hardly to a depth of one meter, because of a small sub-surface drainage, from which water started seeping out. All of them felt happy, but the team told them that the depth will not be sufficient in the long run. Then they pumped the water using diesel pumps and continued to dig

for nine more days and the farm pond was dug to the depth of 2.2 meters. The village watershed committee members and DHAN Staff together took the measurements of Farm pond and estimated the cost of construction as Rs.21,000, which was paid by the Village watershed committee account towards labour.

Farm pond secured Fakeer's livelihood

Fakeer started cultivating paddy as rainfed crop and when there was no rain and he used the water from farm pond to irrigate the crop. The water in his farm pond stayed for nine months, with which he started cultivating Bengal-gram and wheat, and he grew vegetables on the bunds of farm pond during the rabi season of three months

The water from farm pond was useful to him in many ways. Previously he had to fetch water for his livestock and for preparing pesticide spray from one kilometre distance and used bullock cart to transport water. He no more struggles as did in the past, thanks to the farm ponds.

"Initially I thought that farm pond will be of no use and that it will take away some part of my land. Now I realize that it is useful for me in different ways, and I could cultivate crops in all the seasons, without losing time and yield" says Fakeer.

Before farm pond Karif 2009									
Cotton	1.0	10000	25 bags	15,600	5,600				
Paddy	1.5 -	7000	4 bags	20000	13000				
Soybean	1.5	3500	1 bag	6500	3000				
Jowar	0.5	200		700	500				
Total	4.5	20,700		42,800	22,100				
Rabi 2009	- No crops grown	1							

After farm pond 2010

Karif 2010

Crop	Area cultivated (acres)	Expenses in Rs.	Harvest 6 quintals	Gross income in Rs.	Net income in Rs.
Cotton	2.5	27000	25 quintals	68000	41000
Paddy	1.5	8500	33 bags	29700	21200
Soybean	1.0	7000	10 bags	160t00	9000
Red gram	1.0	3000	5 bags	15000	12000
Total	6.0	45500		128700	83200
Rabi 2010					
Bengalgram	0.5	500	56 kgs.	560	
Wheat	0.05	500	25 kgs.	375	Kept for home use
Vegetables	On bunds	-	25 kgs.	-	nome use

After farm pond 2011

Karif 2011

Raili 2011								
Crop	Area cultivated (acres)	Expenses in Rs.	Harvest 6 quintals	Gross income in Rs.	Net income in Rs.			
Cotton	2.5	30000	25 quintals	75000	45000			
Paddy	1.5	8500	35 bags	31500	23000			
Soybean	1.0	7000	8 bags	12800	5800			
Red gram	1.0	3000	5 bags	15000	12000			
Total	6.0	48500		134300	85800			
Rabi 2011								
Bengalgram	0.5	500	50 kgs.	560	16			
Wheat	0.05	500	20 kgs.	375	Kept for home use			
Vegetables	On bunds	-	25 kgs.	-				

Once-hesitant Fakeer is now a confident advocate of farm ponds. He shares his experience to the farmers nearby to motivate them to go for farm ponds. With the income from the land he educates his younger son for higher education; he has spent

Rs. 45,000 to send his son for coaching to appear for competitive exams. This apart, he and his family members eat good mix of food such as rice, wheat, pulses and vegetables, which was not the case earlier.



Hanumakka's life turned



Hanumakka, 33
is a member of Sri
Veerbhadraswamy
Kalanjiam in Adakavala
village, Doddaballapura
Taluk of Bangalore rural
district in Karnataka.

Hanumakka got married

at 19 years to her maternal uncle in Adakavala village. Both were a ideal couple and led their life happily with two sons and one daughter. They owned three acres of rain-fed land and since the income from it was meager they used to work as agricultural laborers. They felt content with what they earned, though the land they owned did not fetch them good returns always. A shock fell on Hanumakka's life when her husband deserted her suddenly after eight years of marriage for unknown reasons. She doesn't even know about his whereabouts. "I got very much depressed when my husband left me. I was so distressed that even suicidal thoughts haunted me and yet I gathered courage to live for the sake of my children. I decided to face the challenges in front of me" Haumakka says.

After her husband left her she started residing in her mother's house in the same village. Her mother is too old to go for any work and Hanumakka had to earn to feed all in her family. Hanumakka used to grow ragi and maize in her agricultural land, which was at the mercy of rainfall and for cultivating them she borrowed from local money lenders who charged 60 per cent interest for the loan. As the yield was low, she felt difficult to repay the loan. At times she leased her land to others in village on the basis of share-cropping and there too she had the bitter experience of getting cheated. This forced her to leave her land fallow many years.

Hanumakka grabbed the opportunity

DHAN Foundation started promoting Kalanjiam SHGs in Doddaballapura block in 2006 with poor women. A wealth ranking was done to identify poor women and facilitate them to join SHG. When the concept of group was explained only 16 women came forwarded to form a SHG in the village. Sri Veerbhadraswamy Kalanjiam was so born in March 2005. Hanumakka was one among them. As the fellow women knew her as a confident woman and articulative, she was selected as the President of the group. The group members met 7th of every month started saving Rs. 20 per month. All the members have saved Rs. 123,859 so far.

Created assets

Hanumakka was an active member in the group who never skiped a meeting and saved regularly.



The savings of the members got internally rotated in the SHG as loan for different purposes. Hanumakka got Rs 7000 as her first loan in June 2006, with which she purchased a goat from another farmer residing in the same village for Rs 5000 and used the rest of the amount for her family needs. "The goat was the first asset I created with the support of the Kalanjiam" says Hanumakka. She continued to participate regularly in the group meeting and repaid the amount promptly. She also motivated other members to act similarly.

In November 2006 the Sri Veerbhadraswamy Kalanjiam got Rs30,000 as the first external loan from Corporation Bank at Doddabelavanagala block. Hanumakka did not receive any loan from this and left it for other members who were in need of it. In the meanwhile Hanumakka has multiplied her goat from one to seven. Of these, she sold three goats for Rs.8500 and spent on cultivating her land and educational purpose of her children.



In the year 2009, Hanumakka and the group members decided to apply for the SGSY (Swarnajayanthi Gram Swarajgar Yojana) loan to a tune of eight lakh rupees meant for people Below Poverty Line (BPL). The group members got the BPL cards from the Gram Panchayat and applied for the loan. The loan was released in two installments of four lakh each, with a subsidy portion of one lakh rupee. The first installment was sanctioned in 2009, from which Hanumakka took a loan of Rs.25000 for purchasing a cow. She went to nearby cattle market in Doddabelavanagala and purchased a cow.

Gained skills

Since rearing a milch animal was a new activity for her, she was eager to gain much knowledge about it. She attended a training offered by Gandhi Krishi Vigyan Kendra (GKVK), Bangalore. She also underwent a training on maintaining a vermicompost unit. She was so happy in attending these trainings. She says "I have never attended trainings like this before and never had the opportunity or confidence to travel alone. But I got good training on dairy activity which all happened because of joining Kalanjiam"

Hanumakka did not waste the knowledge she gained from the training. She set up a vermicompost unit of size 10 X 4 feet in front of her house, with brick and cement taking the support of a local mason. The unit generated 40-50 kg of vermicompost in four months and she uses the manure for her own land. With increased confidence in dairy farming, she purchased another cow by borrowing Rs 25000 from Kalanjiam in 2010 when the group received the second installment of the SGSY loan.

Hanumakkas day starts at 5.00 A.M, when she takes the milk to the dairy. After this she spends time in cleaning and maintaining the cow shed, feeding them and doing household works. During agricultural seasons she also works as a coolie and earn additional income Rs. 150 per day as wage, which however is seasonal.

Standing on her own legs

The wise decision of investing on livestock coupled with her hard work, yielded her good results. Hanumakka has now four goats and two cows, the assets which can multiply further and fetch her more returns. The milk yield from both the cows at present is 15 liters per day. She pours the milk at the village milk procurement unit which was initiated by the KMF (Karnataka Milk Federation), from which she gets Rs.20 per liter of the milk. Thus she earns Rs.300 per day and earns a net income of Rs.240. As she used to take the cows for grazing, her only expense is providing them concentrated feed and occasional medical expenditures, on an average she spends Rs. 60 per day for it.

Hanumakka now leads her life without any fear and also was contended with what she earns. "I feel happy to rear cows, besides going for cooli work the whole day. With the income I earn, I am able to educate my children. My elder son Hemanth Kumar and daughter Kemparathna are studying Pre-university course and the younger son Punith Kumar is studying 10th standard. All my efforts are to give them good education only" says Hanumakka with pride. Hanumakka now cultivates her land and has a future plan of digging a bore well in her agricultural land so that it fetches good returns.



Community asset for livelihoods

Chinnakannanur is a small hamlet in Manamadurai block of Sivagangai district in Tamil Nadu. Farming is a major livelihood for the people in this village. Chinnakannanur big tank is one the main water resource of this village and 405 farm families get benefited from it. The total command area of this tank is about 320 acres and the water spread area is about 106 acres. The tank gets the supply from its free catchment's area and from the surplus of the Milaganur big tank. The tank has four sluices and a surplus weir.

The communities in this village have been regularly taking up minor tank maintenance activities with their common fund. However they could not take up bund strengthening work in a big way, because many parts of the tank bund were very weak. Three years before the Public Works Department started renovation work in this tank. Because of the poor quality of the work done by the contractor employed by the PWD, the villagers stopped the work. Then the PWD replaced the contractor and completed the work. Last year, the PWD repaired another sluice in the tank. The villagers did not like the contractor's works, who usually delivers a poor quality of work. Instead, the local communities have always been expressing their interest to renovate their tank through their village traditional association to ensure the good quality of work.

Farmers in this village had witnessed a drinking

water pond development work in a nearby
Manangathan Village taken by a Village
Association promoted by DHAN Foundation. By
seeing the impact and quality of pond development
work, the Chinnakannanur villagers approached
DHAN to do a similar work in their village as
well. The entire village was ready to promote a
Tank Association. A project team from DHAN
visited the tank and promoted Chinnakannanur
Vayalagam Association. The farmers were oriented
on institutional systems and processes, and leaders
were elected by the villagers to represent them in
the Association.

In the year 2011, the Village Association in Chinnakannanur prepared an estimate for renovating their tank and submitted to the Mission "SUNERA KAL - Golden tomorrow" spearheaded by ITC Limited under its Corporate Social Responsibility, implemented in partnership with DHAN Foundation. The people expressed their need of strengthening the tank bunds, closing a breach in the feeder channel that occurred during the previous year monsoon. Because of the breaches in the bund of the feeder channel, the water was let off waste without going to the tank. The total estimate for this work was about Rs250,000, of which the Village Association contributed 15 per cent of the total cost of the work. The association also got a No-objection certificate from PWD before starting the work.

All through the work, the villagers participated completely and they were very happy by seeing the quality of the work and transparency of the tank association in fund utilization. The village meeting was conducted and the accounts of the work were shared by the tank association leaders in front of all the villagers.

Through this work, an additional storage volume of 8358 cubic meter has been created. The excavated earth was used for strengthening the

tank bund and closing the breach in the feeder channel. Breach closing work of the feeder channel ensured the good flow of the water from the catchment area without any leakage. The tank was filled in the subsequent rain. Entire tank command area of 320 acre was cultivated with paddy crop and additional 80 acres of the dry land was also cultivated. The farmers got good yield in 400 acres and they have got 35 bags of paddy in one acre against the previous yield of 25 to 30 bags.

Mission Sunera Kal - Golden Tomorrow

Sof livelihood for more than 70 per cent of the population in this district. The rainfall is very erratic and most of the rainfall is received during north east monsoon in October and November. Surface runoff of rainwater captured and stored in the traditional irrigation structures called Tanks, also known as Kanmoi in Tamil is a major source of irrigation.

All the 4260 small irrigation tanks and 650 bigger tanks in this district provide irrigation to more than 80 per cent of the irrigated lands. Besides irrigation, these tanks serve drinking water needs of the local communities and their livestock, and shelter diverse fauna and flora. With uncertain rainfall and poor storage of tanks, more often the crops suffer due to shortage of water during flowering stage. If life-saving irrigation is given at that time, the crops will survive. Tanks are the lifeline for the farmers in this district.

Drastic changes of rainfall pattern, decay of irrigation structures due to continuous mismanagement brought adverse consequences for the livelihoods of local communities. The processes of leaving rainfed lands fallow, changing cropping patterns and out-migration have been going on for many years.

In the middle of such a gloomy scenario, The Mission "SUNERA KAL - Golden tomorrow" spearheaded by ITC Limited under its Corporate Social Responsibility joined hands with DHAN Foundation to restore the water resources in Singampneri, Manamadurai and Thirupathur blocks in Sivagangai district. DHAN Follows a unique process of organising the communities around water bodies, building their capacities to plan, implement and monitor the restoration. Renovation of tanks involves raising and strengthening tank bunds to the required standards; renovating existing supply channels and surplus courses to augment the supply; repairing the sluices and weirs for the better regulation of available water; and providing plug and rod shutters to sluice outlets to prevent leakage of stored water

While the tanks serve irrigation water needs of the farmers in the entire command area, Farm Ponds are found to be critical for providing supplement irrigation. The farm-ponds are also used in multiple ways by the farmers to raise fodder for livestock, rear fishes, grow vegetables for own needs. Similarly, the drinking water ponds, locally called Ooranis are the sustainable solution to the drinking water problems faced by the people in Sivagangai district. The domestic water supply from

Ooranis outscores the other sources in access, adequacy, availability, and convenience. The Ooranis rehabilitated through the "Mission Sunera Kal" provide water within the hamlet and it reduces the drudgery of women who usually fetch water for domestic needs. Bio-sand filters provided to the households were able to ensure safety of the water they drink.

All these collective efforts have led to an improvement in soil and moisture regimes, increased water tables, brought more land under irrigation. With secured water, people are able to reap an assured crop, go for second crop and raise horticulture plantations in their rainfed lands.

More than the economic benefits, there is a new spirit of optimism and confidence in the local communities to take on future development needs with their Vayalagams, Cascade Associations, and their Federations. With the foundation built by the partnership here, the Farmers' Federations have broadened their horizon to integrate microfinance into the Vayalagams, establish ICT enabled Village Information Centres and agricultural interventions to enhance productivity.

The Impact

- The project helped organising 9496 farm families into 197 Vayalagam Associations in 99 villages in Sivagangai District
- ∠ 16 Ooranis were constructed by spending Rs. 2.5 million to secure 49,254 cubic meter of drinking water, to benefit 4486 rural households.
- 11 Community wells were constructed by spending Rs. 1.7 million to provide life-saving irrigation to 110 hectares of land benefiting 176 farm holdings
- ≈ 18 farm ponds were constructed by spending Rs. 0.5 million to provide life-saving irrigation to 21 hectares of land benefiting 70 farm holdings



Stories from the Grassroots

Shanthi shows the way

Shanthi, 37 years, lives in Appamasamuthiram, a village near Atthur in Salem district, Tamil Nadu. Shanthi got married to Mr.Kasirajan at her 18 years, who hails from the same village. They have two children who are at their 19 and 15 years respectively. Kasirajan was working in a petrol bunk with a meager monthly wage of Rs2500 and Shanthi managed the home. Shanthi's dream was to educate her children in an English medium school, but they were able to send them to a local government school only. For their children's sake Shanthi decided to work and earn.

In 2002, Shanthi managed to open a small petty shop in front yard of her house itself. She pledged three sovereigns of gold in a local cooperative bank and got Rs15000 as loan. As the investment was low the profit was also very low ranging from Rs 30 to 40 per day with which she could not support the family. "I got frustrated and decided to close the shop. I wished that I should support my family more, but was unable to do so because of poor income from it" says Shanthi.

Joining Kalanjiam

At that time, DHAN foundation entered this village to promote Kalanjiam with poor women. Shanthi was the first one to accept the idea of forming a group. She convinced 15 other women and formed Krishna Kalanjiam in November 2004. Shanthi was selected as the treasurer of the group. The group members started saving Rs75, every



month, and as they confident and realized the benefits, they gradually increased the savings and now they save Rs120 per month. Over the past eight years Shanthi could save Rs14500 and has a loan outstanding of Rs34500.

Shanthi started using the support of her Kalanjiam effectively for expanding her petty shop into a

Year	Loan Amount. (Rs)	Purpose of loan taken
2004	2500	For purchasing the crockery materials for the shop
2005	7500	Purchasing the glass containers and materials for the shop
2006	10000	Education loan for her children with special savings of Rs.1800
2007	10000	Purchasing wooden racks for the shop
2007	10000	Education loan for her children with special savings of Rs.1800
2008	20000	Expanding the shop by renting the room near her home
2009	30000	Purchasing the show case and doing the alterations in shop
2010	40000	She utilized Rs.22000 to redeeming of her jewels & Rs.18000 is used for purchasing the land for housing (600sq.ft) worth of Rs.95000
2011	10000	To purchase a refrigerator for her shop
2012	40000	For her son's higher education

grocery shop. Meanwhile her husband's salary also rose from Rs.2500 to Rs5000, who also helped her for purchasing materials for petty shop. Below are the credit details availed by Shanthi for improving her business and educating her children.

"My shop started giving good returns after I invested more in the shop, thanks to the support of Kalanjiam and my husband. Previously I used to sell only rice, groundnut cakes, betel leaf and snacks. But now I am selling the grocery materials and vegetables as well. The turnover of the shop is now more than Rs.20000/- per month" says Shanthi with pride. As the shop is located in the village, Shanthi feels that the turnover could not be increased further. From this she earns a profit of Rs.3000 to 3500 per month. Using this money she was able to educate her children, buy some household articles, clothes and also saved some money to purchase 600 square feet of land which is worth Rs. 95000.

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Realized her dream

As her lifetime ambition was to educate her children for better future, she never minded spending most of her earnings for education of her children. Shanthi recalls how she struggled to educate her son "I first enrolled my son in Thuzhuva Velalar School where he studied upto 5th standard which did not incur me much cost. Later I joined him in an English medium school where he studied for two years and we had to pay a fee of Rs.15000 every year. Later, for another two years in a Matriculation School with an annual fee of Rs.18000. He understood our difficulties and earned good marks in matriculation examination. Then we admitted him in Green Tech Higher secondary school. Now he is studying in an Engineering College at Mettuppalayam in second year. We have incurred so far Rs.80000 for his engineering studies. We struggled a lot to bring him up to this level, thanks to my Kalanjiam for this support"

Shanthi's daughter is now studying 10th standard in a Matriculation School. "We provide same care

for our daughter's education as well. We will ensure that she would also take up professional education like our son" says proud Shanthi.

Shanthi looks ahead

Shanthi now plans to shift her grocery shop to Attur town, where the customer base is high and she is very confident that she can upgrade it into a full-fledged departmental store. She also wishes to provide employment to few women in her shop. "I now have a good respect in the village. My husband helps me in running the shop on holidays and for purchase of materials for the shop from Attur Shandy. All this happened because of

support from Kalanjiam, without which I would not have reached this height" says Shanthi. She also has expressed her interest to join as a field worker in the Vazhi Kattuvom thittam, a welfare programme for the physically challenged persons by the Tamil Nadu government, which is implemented through Salem Attur Nagara Vattara Kalanjiam. She dreams to build an own house in near future with all this support.

Mr.Kasirajan says with pride "With the income from this grocery shop, and support from the Kalanjiam we would surely educate our children, who would turn our life in future. All these were possible only because of my wife".

Contributions of the Federation

S alem Attur Nagara Vattara Kalanjiam is initiated in Attur at 2004 with the help of SIDBI bank. Now it is a self-sustained federation. Recently the federation purchased 1.5 acres of land and constructed their community centre from their common fund generated from their savings and credit operations. There are 211 Kalanjiam functioning with 3127 poor households. The members have accumulated a total savings of Rs. 26.7 million and mobilised Rs. 28 million from local banks last year and maintain a loan outstanding of 29.8 million with the banks. Members availed loans for various production and consumption needs, and they have a loan outstanding of Rs. 46.7 million. The Kalanjiams pay an interest rate of 9 percent per annum on member's savings and collect an interest rate of 15 percent per annum on their loans. Close to 6100 lives including spouses of members have been insured under LIC Janashree Beema Yojana (JBY) scheme and 136 lives (at beyond the age limit set by the LIC of India) have been insured under mutuality programme run by the Federation itself. Through the JBY Scheme, 838 students have been provided scholarship worth of Rs.one million. Last year 32 families have got the death claims to the tune of Rs.1.67 million. Eighteen physically challenged persons have received







Madurai Symposium Advancing Development towards Sustainable Livelihoods



Broadly speaking, livelihoods can be seen as the utilization of our human and material assets to meet the requirements of ourselves and our households. However, unlike regular employment, which can often be seen as transitional, livelihoods are typically seen as a way of life. Understanding livelihoods, therefore, is crucial for improving development action and reducing poverty.

There have been several frameworks, approaches, and models through which livelihood promotion activities have taken place. These frameworks are designed to help development actors understand the complex interplay of personal, familial, social, and political factors, all of which influence livelihood mobility. For the poor in particular, livelihood mobility should help poor households improve their self-reliance. In particular, they should be designed to move households from a state of survival (high vulnerability) to subsistence (endurance with limited security) to self-employed (a state of stabilisation and security).

India's development actors from all sectors have had decades of experience in promoting and strengthening livelihoods, whether directly or indirectly. In the process, many additional frameworks, quite often specific to the operational areas of the target community (whether geographically or socioeconomically distinct), have been developed.



DHAN Foundation has been implementing poverty reduction programmes with sectoral focus particularly on livelihoods enhancement for more than two decades. DHAN Foundation collaborates with banks, government organizations, corporations, and philanthropies, and works with small and marginal farming communities, women from poor households, adolescent girls, leaders of local governance, and youth.

DHAN Foundation has initiated a process of sensitizing development stakeholders—community institutions, civil societies, the Government, non-government organisations (NGOs), financial institutions and academia—on different dimensions of development through seminars, workshops, meetings among the members of development network organizations, and direct action.

One of these methods of disseminating and sharing knowledge among development stakeholders is the Madurai Symposium—a development "festival" comprising workshops, seminars, conferences, and conventions—that was promoted by DHAN Foundation in 2003 as a platform to bring people together to share their experiences, successes, failures, best-practices, and challenges, and to learn directly from the communities. Four biennial symposiums were organised in Madurai between 2003 and 2009, each attended by over 15,000 participants. The 2009 Madurai Symposium brought development stakeholders together to share and learn from each other's' experiences and

practices with respect to Advancing Development: Towards Millennium Development Goals.

The Madurai Symposium 2011 provided opportunities for development stakeholders to learn from each other's' experience, collaborate to develop further interventions to help eradicate poverty, and identify ways to sustain, enhance, and diversify livelihoods of the poor.

It can be argued that there is a reinforcing circular relationship between livelihoods and the Millennium Development Goals (MDGs). The eight MDGs can be seen as a comprehensive poverty reduction framework, and with reduced poverty comes increased stability and security. Similarly, one of the most effective methods for achieving the MDGs is through sustainable livelihoods promotion since, in order to bring about sustainability in livelihoods, many of the MDGs must be considered. Thus, building upon the knowledge gained from the earlier symposiums, the theme for 2011 is Advancing Development: Towards Sustainable Livelihoods.

The 2011 Madurai Symposium was organized with the collaboration of organizations representing academia, NGOs, the Government, banks, private corporations, and funding agencies. Over 30 events were organized including seminars, workshops, and conventions with the communities on various livelihoods-related themes. In addition to providing a platform to share best practices and

knowledge on livelihood promotion, the Madurai Symposium was also an opportunity to promote networks among the development players; foster collaborations for action; share opportunities for resource mobilisation; and identify leads for action in relation to policy areas and field practice.

The Madurai Symposium also featured stage performances of traditional cultural shows by the communities, a development film festival, and an exhibition. As the Madurai Symposium is a knowledge sharing and management event, the Tata-Dhan Academy—a development management institute promoted by DHAN Foundation, Madurai, and Sir Ratan Tata Trust, Mumbai—took the responsibility of organizing the event. As a part of knowledge dissemination process, the Tata-Dhan Academy has documented the proceedings of each event, and resolutions and declarations made jointly by all the participants of the Madurai Symposium.

DECLARATAIONS

Farmer Conventions

Future-search Process for People Institutions to Enhance Rainfed Farming

Rainfed farmers need to vision for the next 10 years keeping in mind the present challenges

and the opportunities available for them to make rainfed farming viable and sustainable.

Tank-based Livelihoods

- All the tanks are required to be linked to form a cascade of tanks.
- The Government, besides enacting suitable laws, should allocate needed funds for the maintenance of water bodies and should sanction water bodies restoration under MGNREGA.
- Related activities like fish rearing and silt application should be made viable.

UPNRM and Livelihoods

- Eco-friendly activities could be identified and integrated with the UPNRM project. The products identified under UPNRM should not degrade or over exploit the resources.
- Drip irrigation, bio-gas plants at the family level, cultivating fodder crops, and purchasing of farm implements and equipments for value addition could also be integrated under UPNRM products.
- At the farm level, UPNRM activities are directly related with livelihoods development interventions as they could directly support the upgrading of land and water resources



- which are crucial assets of the farming families.
- Under UPNRM, traditional agricultural practices such as seed banks, manure pits, and revival of water harvesting sources could be considered for loan products.
- The value addition on agriculture commodities based on the context specific needs could be taken up under UPNRM through people institutions at different levels, for example, at the Vayalagam, Cascade, PPGs, PMGs, PCs and Federation.
- Collecting and procuring, hiring the godowns, hiring the transports, infrastructure, and so on, could also be integrated with UPNRM with the social capital built around Vayalagams, Cascades and Federations.
- The UPNRM has demonstrated that NRM activities could be bankable and commercial banks and the RBI could evolve policies related to similar loans to support the farmers at a large scale.
- Watershed associations and cascades can utilize this UPNRM project for their sustainability to impact the individuals.
- The activities listed newly for developing the products under UPNRM are shared as:
 - Poultry as allied activity
 - Agriculture-based goat rearing and milch animal rearing
 - Coconut coir preparing
 - Individual well deepening
 - Fencing for individual lands
 - Tree plantations in wastelands
 - Greenhouse promotion
 - Paddy godown promotion
 - Purchase of tractors for groups and cascades
 - Harvesting machine combined harvester
 - Seedling and other farm implements
 - Removal of grass and manganathi weed
 - Rearing livestock
 - Redeeming the indebted lands
 - Storage godowns

- Grassing land grass land promotion
- Venture capital for collective marketing
- Weeder purchase

Women Conventions

Impact of Financing Livelihoods

- SHG federations shall incorporate necessary amendments in savings, credit and insurance related policies to stabilize income generating activities and to ensure optimal earnings for all the member households.
- In urban areas, self-help groups and their networks need to work closely with state governments to ensure entitlements of small vendors and to strengthen skill building of the members on different trades and services.
- In the tribal belts, efforts are required to ensure entitlements besides integrating health, education and various occupational groups with microfinance interventions.
- Government and banks need to offer more flexible terms in lending to various activities of SHGs.

IGNOU Community College Initiatives for Sustainable Livelihoods

- In every region, the need assessment for community colleges has to be undertaken by preparing the inception document as a mandatory activity by the promoter of community colleges.
- Curriculum development should be in collaboration with industries by every community college in order to facilitate livelihoods opportunities for the learners.



The community college concept has to be spearheaded by IGNOU and DHAN Foundation through collaborative action.

National Convention on Skill-building for Sustainable Livelihoods

- Every people's organization in the DHAN collective should create a database on the livelihoods status of their members and prepare inception documents for promoting potential livelihood activities.
- Needs assessments must be done for the members who are at different stages of poverty—survival, subsistence and selfemployment—to take up appropriate livelihood interventions.
- Lending policies should be refined to facilitate the creation of quality productive assets through appropriate livelihood interventions at the family level.
- Partnerships should be established with NABARD, JNNURM and local governments for strengthening producers groups and companies, and for skill-building of individual members to promote sustainable livelihoods.

People Conventions

Role of MGNREGA in Livelihoods Development

Social audit would be effectively facilitated at the Panchayat level to have better assessment of and access to MGNREGA.

- Initiatives have to be taken to disseminate implementation details of MGNREGA through posters, wall writings and handbills to create awareness among the rural people.
- The community development infrastructure should be created through the MGNREGA and 10 percent fund from the total budget should be allocated for the maintenance of the created assets.
- An additional 50 days of employment should be provided for below poverty line (BPL) families.
- Additional staff should be appointed for monitoring MGNREGA work for its effectiveness
- Construction work and agriculture work should be converged with MGNREGA to create sustainable common assets
- MGNREGA should not be treated as a free programme. Awareness should be created among people to know the importance of labouring for the benefit of the community.

Convention on Medicinal Plants for Sustainable Livelihood

Independent small-scale medical plant gatherers must be organised as primary producer groups (PPGs) and federated. The PPG members need to be trained on good collection and cultivation practices to get better prices through enhancing the product.



- Moreover they will be trained on sustainable and regenerative methods of medical plants collection and cultivation utilising the wastelands in the villages and allowing plants to self-sow without total uprooting and mass sowing of seeds.
- A facilitative environment for medicinal plants gatherers and cultivators needs to be created to get legitimate supports such as subsidies, insurance, and tax exemption from the raw dried herbs. Farmers should be provided with identification cards to legally collect medicinal plants. Besides the quality control laboratory with the technical support of collaborators would be established. Machineries such as sand segregators, chop cutters, and powdering machines for value addition of dried herbal plants would also be installed.
- A research base with the support of PPG members, funding agencies and research institutes needs to be established for collecting data on the areas under medicinal plants, member of gatherers, cultivators, supply chain, and problems experienced by them.
- Usage of traditional medicinal products for common ailments in villages needs to be revived and popularised. Moreover, the 'sure cure' formulations for ailments like anaemia are to be prepared, popularised and marketed.

ICT and Livelihood

- Newspapers, mobile phones, radio, TV, computer and the internet are major communication tools that could be effectively used for creating livelihoods for the poor.
- Newspaper information is mostly location and sector specific. There is a need for tools such as village information centres to provide documented information for further use.
- There is a big demand for voice SMS. Suitable topics have to be identified for voice SMS to benefit the farmers, women and youth.
- With the support of IGNOU and other educational institutions, the educational service through village information centres should be strengthened and the collaboration with other institutions and industries need

- to be further strengthened for creating employment opportunities.
- ICT and livelihood through VIC should be documented and the experience should be disseminated.
- The farmers and women need to be trained in accessing the livelihoods benefits through ICT activities and VICs.

Coastal Livelihoods: Challenges and opportunities

Fisheries

- Production of banned nets must be halted. During the 45 days ban period fishermen from other areas should not be allowed for fishing.
- A Coastal Village Conservation Council (CVCC) must be promoted in each village to conserve the coastal eco-system.
- Industries creating pollution in coastal areas should be discouraged.
- Existing laws related to coastal conservation and livelihoods should be strictly implemented in the field (Shrimp family, banned types of fishing etc.).
- The ban on sea cucumber harvesting must be removed.

Coastal Agriculture and Allied Activities

- People institutions for collective marketing can be promoted at the village level. For value addition to the products, necessary infrastructure and cold storage units should be promoted at the village, panchayat and block level.
- Traditional water bodies like tanks and village ponds must be renovated through people organization and contractors should not be encouraged.
- Social audit must be conducted at the village level on government implemented schemes.
- People institutions must be formed at the village, Panchayat, and block level to work with line departments and other stakeholders.
- Dairy related infrastructure needs to be established at the village level.

- District wise resource centres should be promoted for training and capacity building and to create a database on the availability of quality breeds in the market. These details should be made available with the respective resource centres.
- The Government should provide subsidy assistance for concentrated feed, green fodder development, and cattle purchase. Artificial insemination services can be intensified through NGO collaboration.

Water and Livelihoods

Natural Resource Based Livelihood Development: DVTF's Experiences of Implementing the UPNRM Programme of NABARD

- Financial institutions are required to innovate loan products to suit the needs of developing natural resources (land and water) of small and marginal farmers and at an affordable cost.
- An exclusive natural resources development fund is to be set up by the State and/or agencies like NABARD for the marginalized farming community.

Climate Change Adaptation for Sustainable Agriculture Livelihood

Tree planting would be taken up in a larger scale to mitigate global warming.



- Farmers are to be encouraged to adopt appropriate farming methods for making farming a viable livelihood.
- Rigorous research efforts required to mitigate climate change by all.

Conservation of Water Bodies for Sustainable Livelihoods

- People organizations should get recognized for taking the responsibility of conserving all the water bodies including irrigation tanks, village tanks and farm ponds through regular renovation and maintenance.
- Government organizations should facilitate third party social audit in all government implemented projects for its effectiveness and suitable suggestions proposed have to be incorporated by the concerned implementation agencies.
- Action research projects need to be undertaken to assess the impact of



- conservation projects on livelihoods enhancement.
- Community ownership needs to be promoted and strengthened for the conservation of surface water bodies to sustain the agriculture livelihoods by promoting village councils.

Wastewater Use and Livelihoods

- There is a need for developing total sanitation policies at the state level to facilitate community-based wastewater treatment technologies to promote a healthy environment in rural and urban areas.
- A sanitation task force with people representing district administration, hospitals, schools and NGOs needs to be promoted to monitor wastewater treatment projects.
- Awareness on total sanitation needs to be created in villages and urban slums and the subject has to be introduced as part of the curriculum in all schools.

Securing Water in Tank Cascades for Agriculture Livelihoods in Gundar Basin, Tamil Nadu

- In all tank intensive states, an exclusive tankfed agriculture authority has to be promoted to address tank based food security issues.
- The encroachment act should be enforced to prevent the illegal use of water bodies and lands to arrest the water pollution and damages to the resources.
- As tankfed agriculture is the major livelihood of most of the farmers, the tankfed agriculture mission needs to be introduced in the 12th and 13th five year plans to enhance agriculture based livelihoods.
- National Rural Livelihood Mission has to earmark adequate funds and create an exclusive funding channel to enhance skills of youth farmers and women to improve agriculture based livelihoods in tank intensive states.
- International development agencies and national research institutions such as ICAR

- and DST should promote a research fund to undertake studies on evolving scientific techniques to assess the impact of climate change on tank storage, cropping patterns, degradation of tank lands, and hydrologic modelling. The curriculum on tank based livelihoods has to be introduced in all social, agriculture and engineering studies.
- Financial institutions should create a flexible credit portfolio for tank farmers with affordable interest rates to encourage agriculture-based livelihoods. NABARD should create a new funding portfolio for addressing the credit needs of the farmers to develop tankfed agriculture with RIDF and WDF
- There is a need for promoting insurance products to address high risks and vulnerabilities of the poor farmers.
- Government policies should encourage corporations to come voluntarily to invest in the development of fresh water resources under their corporate social responsibility policies. CSR funds should be used for creating awareness, building database, infrastructure development and policy advocacy in order to achieve significant development.

Inland Fisheries and Livelihoods: Learning from Grassroots

It was unanimously resolved to adopt the necessary technical and practical solutions to enhance the rural fisheries related livelihoods around water bodies. The important techniques among them are given below:

- The size of fish seeds should be in the range of 3 to 5 inches, so that the gestation period would not be more than four months.
- Fish seeds can be reared in farm ponds to produce healthy fingerlings of required size.
- The livelihood of landless households through fish rearing in water resources like irrigation tanks and village ponds to be focused.
- Ornamental fish rearing in farm ponds would be taken up. Moreover, initiatives would be taken up to advocate to the Tamil Nadu

Government for a policy on inland fisheries and to establish a fisheries resource centre in rainfed areas to provide technical support. The similar steps would be followed to provide legal fishery rights to the water users associations formed on its own or by any agencies including NGOs.

IWMI-TATA Water Policy Research Program: Technologies Tested and Promoted in Project Areas

- Capacity-building on using the technologies to graduate the livelihoods status of the farming families from one level to another is required.
- Traditional water harvesting structures should be conserved to improve the water availability.
- It was declared that wherever the farmers are using groundwater, they should adopt micro irrigation method.

Microfinance and Livelihoods

People Living with HIV and Livelihood

- People affected by HIV/AIDS have to be organized as special self-help groups and their networks have to be main-streamed to avail the benefits and their entitlements with dignity.
- The Government at state and central levels has to enact suitable laws for preventing discrimination against PLHIVs.

National Workshop on Safeguarding the Livelihoods of the Poor through Health Insurance under UHIS

As the outreach of health insurance products under UHIS is very low, there is a need for improving the product features and simplifying the documentation and claim procedures at the insurance company level.

Convergence of Microfinance and Tribal Livelihoods

- As the issues in tribal areas are diverse, there is a need for promoting replicable and context-specific microfinance models to facilitate the tribal people to access livelihoods finance.
- There needs to be allocation of special funds to experiment and promote alternative sustainable livelihoods models in the tribal areas.
- The native tribal culture and practices should be preserved while evolving an integrated tribal development model.
- Rich natural resources available in tribal areas provide more opportunities for livelihoods. Care should be taken that the native tribes are benefited by these resources. Regulations should be laid to prevent exploitation by private organizations and corporate in the tribal areas.



Strong collaboration among the Government, NGOs, people organizations and banks is to be promoted in all tribal areas with the mission on "achieving sustainable livelihoods".

National Workshop on Safeguarding Livelihoods for the Poor through Life Insurance under JBY

Janshree Bima Yojana (JBY) is the insurance programme offered by the Government of India for the poor in India.

- As the claim ratio of JBY is 50 to 60 percent only, the necessary initiatives have to be taken up to harness the scope for increasing the benefits to Rs 50,000 for natural death and Rs 100,000 for accidental death from the present benefit of Rs 30,000 and Rs 75,000 respectively.
- Considering the present life expectancy at birth, the eligible age could be fixed up to 65 years.
- In the case of JBY for primitive tribes, stakeholders should take initiatives to make them aware and facilitate accessing of the benefits of the scheme.
- To avail the benefit of educational scholarship by the 15 percent of insured members, 90 percent of the eligible members in the respective self-help group federations are to be covered under JBY.

Micro-justice and Livelihood

- Legal issues around licensing for vendors, protecting them from police harassment, usury need to be addressed through people organisations
- To facilitate timely action against affected women members through micro justice, steering committee has to be formed in collaboration with the police department, social welfare and judicial system.
- A micro justice committee has to be promoted at the village, panchayat and block level to address family, village and societal livelihood issues.

Other Livelihoods

Micro-planning and Livelihoods at Local Self Government Institutions

- Micro planning has to be made mandatory as part of the constitution provision and priority has to be given for livelihood-based planning, which would include people institutions at the panchayat level. The District planning committee should be the nodal agency to facilitate the process.
- Capacity-building is required for mainstreaming the micro planning process for local self-government institutions and district level authorities to make it as a people planned campaign programme similar to that of Kerala's model.
- The implementation of various government schemes and people initiatives should be based on the micro planning outcome
- Rigorous studies and pilots have to be taken up on micro planning for livelihoods enhancement

Advancing Conservation, Cultivation, and Consumption of Small Millets for Ensuring Food Security

- There is limited research so far on small millets in almost all the agricultural universities. Considering the nutritive value and other advantages of cultivating small millets, the universities need to give attention on millet research.
- Advancing conservation, cultivation and consumption across the country can be an important part of the solutions for enhancing the dietary diversity and for addressing the current nutritional issues plaguing the country. All the stakeholders need to concentrate on advancing those three aspects small millets.
- Participatory plant breeding needs to be concentrated for the conservation of small millets and its associated crops. Agricultural universities need to appreciate the participatory plant breeding.

- Attention must be there on the processing of millets, and value added millet products need to be promoted in the market to increase the consumption of millets.
- The available farmers' best practices and indigenous agricultural implements need to be documented and facilitated the farmers to follow to reduce the cost of millet cultivation.
- Policy change to promote Alternate PDS is needed to supply the millets to the community at a subsidized price so that the local community would have millets in their food habit.

Sustainable Livelihoods: An Experience of SKDRDP

- Area specific development models with sustainable livelihood perspectives are to be identified and fostered.
- The implementing NGOs need to have enough capacity and clarity of long-term livelihood interventions.
- Sustainable finance with suitable products should be ensured by banks and the government.
- In implementing large-farm-based interventions, the producer companies framework needs to be strengthened.

Tourism-Based Livelihoods

- The role of local governance, particularly Panchayat-level involvement, is vital to promote rural tourism.
- There were five emerging opportunities identified in tourism based livelihoods: traditional food industries; handicraft promotion to ensure livelihoods to artisans; green business (paper bag production and waste management); multi-year micro planning (MYMP) on livelihoods promotion at the Panchayat level; and hardware work and infrastructure development.

Greening Urban Development and Livelihoods

Creation of awareness on the importance of keeping Madurai Green among the city public

- and promotion of livelihood opportunities based on it is important.
- The Madurai Corporation can come out with a resolution of "plastic free city" like Kanyakumari district.
- The public in Madurai have to be involved in the promotion and maintenance of parks and gardens by providing employment for the deserving families and self-help groups.
- Solid waste management (SWM) should be managed by CBOs and NGOs by providing employment opportunities to the city public which would result in the generation of income.

Youth and Livelihoods

- Agriculture based livelihoods needs to be given due attention through skill building on agriculture technologies among the youth farmers. Collective production/marketing should be done for better wellbeing of the youth families.
- Block level counselling centres for employment opportunities of youth should be established
- Skill building on self-employment needs to be focused for youth livelihood development
- Youth should be connected to the outside world through information and communications technology to take up ICT based livelihood.
- The government schemes and programmes should be made available to the youth at the village level.
- Education should reach rural youth and career counselling should be integrated in all educational designs to create more employment choices.
- The government should ensure equal opportunities in availing financial support from various financial institutions.
- Youth should be encouraged to be involved in various youth forums to unleash their potential for a holistic livelihoods development in the society.





Financial Statements

Sunanda & Sheshadri
Chartered Accountants

'TRIDIPA' Ground Floor, 46/2, I Cross, Someshwarapura 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 2012 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 loans and advances, 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 2012 and
- ii) in the case of the consolidated income and expenditure account of the excess of expenditure over its income of its accounting year ending on 31 March 2012.

The prescribed particulars are annexed hereto.

for SUNANDA & SHESHADRI

Chartered Accountants Firm Registration Number : 004191S

Sd/-

K.SHESHADRI

Partner

Membership Number: 20956.

Place : Madurai Date : 06 August 2012

CONSOLIDATED BALANCE SHEET

(in Rupees)

	Schedule	March 31, 2012	March 31, 2011
ASSETS			
FIXED ASSETS			
Written off as per contra	1	100,805,585	109,425,544
Land and Building funded from DHAN Corpus	1	32,144,517	15,052,593
INVESTMENTS	2	103,155,300	112,368,009
CURRENT ASSETS, LOANS AND ADVANCES			
Bank Balances	3	37,084,647	41,956,605
Loans and Advances	4	9,684,484	16,384,047
SPECIFIED FUNDS	6	30,220,947	21,119,707
Total		313,095,480	316,306,505
LIABILITIES			
CORPUS AND CAPITAL FUND	5	150,266,267	135,986,759
SPECIFIED FUNDS	6	60,046,060	69,664,549
CURRENT LIABILITIES	7	1,977,568	1,229,653
FIXED ASSETS WRITTEN OFF AS PER CONTRA	1	100,805,585	109,425,544
Total		313,095,480	316,306,505
Notes on Accounts	11		

Schedules 1 to 7 & 11 form an integral part of the Balance Sheet

Sd/- Sd/-Chairman Treasurer As per our Report of even date For Sunanda & Sheshadri Chartered Accountants

 $Firm\ Registration\ Number: 004191S$

Sd/-Executive Director Sd/-**K. SHESHADRI**Partner

Membership Number: 20956.

Madurai June 23, 2012

CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT

(in Rupees)

INCOME: Grants received Other Receipts	8 9	181,458,839 14,377,181	183,858,691
			183,858,691
Other Receipts	9	14.377.181	
		1 1,077,101	14,922,762
Total		195,836,020	198,781,453
EXPENDITURE:			
Community Banking Programme			
Programme Implementation		47,158,568	46,900,892
Capital Expenditure	1	903,013	6,650,856
Tank fed Agriculture Programme			
Programme Implementation		51,981,627	38,319,426
Capital Expenditure	1	227,365	1,380,227
Rainfed Agriculture Programme			
Programme Implementation		18,401,356	2,754,163
Capital Expenditure	1	573,869	-
Coastal Agriculture and Livelihood programme			
Programme Implementation		27,628,217	31,705,800
Capital Expenditure	1	497,350	16,900
New Themes and Other Programmes			
Programme Implementation		40,485,572	42,791,230
Capital Expenditure	1	1,404,587	6,452,426
Central Support System			
Programme Implementation		12,983,281	12,791,671
Capital Expenditure	1	51,445	944,962
Excess of (Expenditure over Income)/Income over Expe	enditure	(6,460,230)	8,072,900
Total		195,836,020	198,781,453
Appropriation of Excess of (Expenditure over Income) / Income over Expenditure	10	(6,460,230)	8,072,900
Notes on Accounts	11		

Schedules 1& 8 to 11 form an integral part of the Income and Expenditure account

As per our Report of even date
Sd/Sd/Sd/For Sunanda & Sheshadri
Chairman
Treasurer
Chartered Accountants
Firm Registration Number: 004191S

Sd/- Sd/-

Executive Director

K. SHESHADRI

Partner Membership Number: 20956.

Madurai June 23, 2012

DHAN (Development of Humane Action) Foundation

SCHEDULES TO CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2012	ONSOLIDA	TED BALA	NCE SHE	ET AS AT	MARCH 31	, 2012		i.	(in Rupees)	
Schedule 1: Fixed Assets	ets GR	GROSS BLOC	CK AT COS	ST		DEPRE	DEPRECIATION		NET	BLOCK
Particulars	As on 01.04.2011	Addition (Transfer)	Deletion (Transfer)	As on 31.03.2012	As on 01.04.2011	Rate	for the year	As on 31.03.2012	As on 31.03.2012	As on 1.03.2011
Community Banking Programme	gramme									
Freehold Land	2,016,436	1	1	2,016,436	ı		ı	ı	2,016,436	2,016,436
Land & Building	11,469,614	420,150	I	11,889,764	2,566,376	10	932,339	3,498,715	8,391,049	8,903,238
Furniture and Fixtures	1,056,309	29,559	ı	1,085,868	578,202	10	50,767	658,969	456,899	478,107
Office Equipments	393,941	21,590	ı	415,531	266,231	15	22,395	288,626	126,905	127,710
Professional Equipments	4,872,280	193,300	ı	5,065,580	4,513,999	09	330,949	4,844,948	220,632	358,281
Electrical Fittings	360,137	12,330	ı	372,467	248,134	10	12,434	260,568	111,899	112,003
Vehicles	5,486,225	I	ı	5,486,225	3,503,354	15	297,431	3,800,785	1,685,440	1,982,871
Staff Vehicles	514,163	226,084	267,269	472,978	1	1	1	1	472,978	514,163
Plant & Machinery	1,304,686	ı	ı	1,304,686	618,332	15	102,953	721,285	583,401	686,354
Total I	27,473,791	903,013	267,269	28,109,535	12,294,628		1,749,268	14,043,896	14,065,639	15,179,163
Tank Fed Agriculture Programme	ogramme									
Freehold Land	176,689	1	1	176,689	1		1	ı	176,689	176,689
Furniture and Fixtures	685,935	25,100	1	711,035	331,125	10	37,991	369,116	341,919	354,810
Office Equipments	328,716	21,100	1	349,816	208,361	15	21,219	229,580	120,236	120,355
Professional Equipments	4,387,671	83,345	1	4,471,016	3,737,586	09	440,058	4,177,644	293,372	620,085
Electrical Fittings	194,381	1	1	194,381	118,507	10	7,588	126,095	68,286	75,874
Staff Vehicles	124,207	97,820	74,082	147,945	1	ı	1	ı	147,945	124,207
Vehicles	1,773,575	1	1	1,773,575	1,110,367		99,481	1,209,848	563,727	663,208
Plant & Machinery	1,323,300	1	I	1,323,300	1,165,387	15	23,687	1,189,074	134,226	157,913
Total II	8,994,474	227,365	74,082	9,147,757	6,671,333		630,024	7,301,357	1,846,400	2,323,141
Rainfed Agriculture Programme	gramme									
Furniture and Fixtures		38,175	ı	38,175		10	3,818	3,818	34,357	1
Office Equipments		22,035	1	22,035		15	3,305	3,305	18,730	1
Professional Equipments		512,959	I	512,959		09	307,775	307,775	205,184	ı
Electrical Fittings		200	1	700		10	70	70	630	ı
Total III	1	573,869	1	573,869	1		314,968	314,968	258,901	1
Coastal Agriculture and Livelihood programme	Livelihood pro	gramme		103 770 7					1037707	6 077 531
I condition	0,777,321			120,777,321	717 216 7	10	1 460 277	076760	12 22 7 20 1	17 602 768
Furniture and Fixtures	865 165	325 250		1 190 415	394 479	0 0	7,5,50+,1	6,782,73	716342	470 686
Office Faminassife	927,160	062,630		031 768	751,477	5 4	1,0,0,0	77,4,07,5	27.7.6	205 400
Onice Equipments	637,109	170 600	1	6 242 515	431,009	CI 9	37,022	5185 737	327,030	303,400
riolessional Equipments	0,1/2,710	1,0,000		0,040,010	197,003	00	1,0,007	0,100,734	197,701	263,632
Electrical Fittings	300,304	1,300	1	309,004	100,741	2	767,07	607,707	107,031	201,423

DHAN (Development of Humane Action) Foundation

SCHEDULES TO CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2012

(in Rupees)

Schedule 1: Fixed Assets (Contd..)

GR	GRO	GROSS BLOC	CK AT COST	ST		DEPRE	DEPRECIATION	7	NET	BLOCK
Particulars	As on 01.04.2011	Addition (Transfer)	Deletion (Transfer)	As on 31.03.2012	As on 01.04.2011	Rate	for the year	As on 31.03.2012	As on 31.03.2012	As on 31.03.2011
Plant and Machinery Vehicles	11,291,517 5,703,756	1 1	1 1	11,291,517 5,703,756	4,357,122 3,640,486	15	1,040,159 309,491	5,397,281	5,894,236 1,753,779	6,934,395 2,063,270
Total IV	54,243,591	497,350	ı	54,740,941	22,293,196		3,213,406	25,506,602	29,234,339	31,950,395
New Themes and Other Programmes	Programmes									
Freehold Land	2,470,674	1	1	2,470,674	1		1	1	2,470,674	2,470,674
Building	51,131,743	321,057	1	51,452,800	5,947,957	10	4,550,484	10,498,441	40,954,359	45,183,786
Building work in Progress	ı	1	1	1	1	1	ı	ı	1	1
Furniture and Fixtures	1,808,913	ı	I	1,808,913	826,913	10	98,200	925,113	883,800	982,000
Office Equipments	764,333	1	ı	764,333	450,001	15	47,150	497,151	267,182	314,332
Professional Equipments	7,995,973	221,780	ı	8,217,753	7,530,115	09	412,583	7,942,698	275,055	465,858
Electrical Fittings	532,543	1	1	532,543	310,520	10	22,202	332,722	199,821	222,023
Vehicles	2,121,431	1	I	2,121,431	1,215,073	15	135,954	1,351,027	770,404	906,358
Staff Vehicles	73,390	1	26,334	47,056	ı		1	1	47,056	73,390
Plant & Machinery	2,270,971	861,750	1	3,132,721	578,346	15	383,156	961,502	2,171,219	1,692,625
Total V	69,169,971	1,404,587	26,334	70,548,224	16,858,925		5,649,729	22,508,654	48,039,570	52,311,046
Central Support System*										
Freehold Land	5,983,156	1	1	5,983,156	ı	ı	1	1	5,983,156	5,983,156
Furniture and Fixtures	218,347	ı	ı	218,347	123,055	10	9,529	132,584	85,763	95,292
Office Equipments	91,630	1	1	91,630	73,319	15	2,747	76,066	15,564	18,311
Professional Equipments	618,526	1	1	618,526	693,669	09	8,914	612,583	5,943	14,857
Electrical Fittings	84,924	1	1	84,924	63,780	10	2,115	62,895	19,029	21,144
Vehicles	1,764,313	1	1	1,764,313	469,741	15	194,186	663,927	1,100,386	1,294,572
Staff Vehicles	234,467	51,445	135,017	150,895	1		1	1	150,895	234,467
Total VI	8,995,363	51,445	135,017	8,911,791	1,333,564		217,491	1,551,055	7,360,736	7,661,799
Total (I+II+III+IV+V+VI)	168,877,190	3,657,629	502,702	172,032,117	59,451,646		11,774,886	71,226,532	100,805,585	109,425,544
Office Building Funded from Own Corpus	rom Own Corp	sn								
rree nold land Building work in Progress	2,094,344 12,958,249	17,091,924	1 1	2,094,344 30,050,173	1 1		1 1	1 1	2,094,344 30,050,173	2,094,344 12,958,249
Total	15,052,593	17,091,924		32,144,517	1	1	,	1	32,144,517	15,052,593

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Madurai June 23, 2012

Sd/-Treasurer

Executive Director

Sd/-Chairman

SCHEDULES TO CONSOLIDATED BALANCE SHEET

(in Rupees)

			March 31, 2012	March 31, 201
Schedule 2 : Investme	ents			
Ford Foundation Corpus	Deposits with:			
Housing Developme	ent Financial Corporation	9,700,000		17,200,00
Fixed Deposits with	REPCO Bank	19,312,583		17,500,00
Fixed Deposits with	City Union Bank	12,500,000		5,000,00
Fixed Deposits with	Pandiyan Grama Bank	7,039,345		6,657,42
Fixed Deposits with	Canara Bank	872,483	49,424,411	821,22
Sir Dorabji Tata Trust Co	rpus Fund Deposits :			
Govt. of India RBI b	onds	8,636,000		8,636,00
Post office - Kisan V	'ikas Patra Scheme	7,500,000		7,500,00
Fixed Deposit with	REPCO Bank	17,917,642		17,060,77
Fixed Deposit with	Pandian Gramma Bank	3,957,423	38,011,065	426,91
DHAN own /Tata-Dhan A	Acadmey /Other Corpus Fun	nd Deposits :		
Fixed Deposits with	City Union Bank	1,050,617		3,545,00
Fixed Deposits with	Pandiyan Grama Bank	2,805,673		9,542,49
Fixed Deposits with	REPCO Bank	401,155		1,824,52
Fixed Deposits with	Canara Bank	-	4,257,445	2,377,15
Community Risk Reserve	& Other Funds with:			
Fixed Deposits with	Pandiyan Grama Bank	8,229,091		5,560,26
Fixed Deposits with	Canara Bank	3,233,288		3,000,00
Fixed Deposits with	HDFC		11,462,379	5,716,23
	Total		103,155,300	112,368,00
Schedule 3 : Bank Bal	ances			
In Savings account	S		18,652,850	22,664,27
In Fixed Deposits			18,431,797	19,292,32
	Total		37,084,647	41,956,60
Schedule 4 : Loans an	d Advances			
Advances Recoverable:				
Project Advances to st	aff		339,082	180,22
Deposits			1,504,844	1,933,03
Other Advances Recov	verable		7,840,558	14,270,78
	Total		9,684,484	16,384,04
1adurai	Sd/-	Sd/-		Sd/-

Executive Director

Annual Report 2012

Chairman

June 23, 2012

Treasurer

DHAN (Development of Humane Action) Foundation

SCHEDULES TO CONSOLIDATED BALANCE SHEET

	Opening balances	Amounts not included in Income and	Approp Income and	Appropriation from Income and expenditure a/c	Transferred to	Closing
Fariculars	as on Apr 1, 2011	Expenditure accountReceipt / (Advance)	Income	Surplus / (Expenses)	Building Corpus	Mar 31, 2012
Schedule 5: Corpus and Capital Fund						
Corpus Fund	10000		0 70	(000 100 0)		100000
Cord Foundation	43,000,071	!	2,393,310	(2,621,666)	1 1	46,362,301
Sil Borabji fata Hust DHAN Foundation Own	20.783.819	1.500.000	10.980.601	(1.577,000)	(17.091.924)	14.520.079
Tata DHAN Academy	2,000,000		151,726	(151,726)		2,000,000
DHAN Foundation Own Building Corpus	15,052,593	ı	I		17,091,924	32,144,517
Total	117,067,982	1,500,000	16,986,735	(6,203,091)	ı	129,351,626
Capital Fund	18,918,777		1	1,995,864		20,914,641
Total	135,986,759	1,500,000	16,986,735	(4,207,227)		150,266,267
Schedule 6 : Specified Fund						
Donors' Account - Net	30,655,915	(2,647,711)		(25,059,314)		2,948,890
Sir Ratan Tata Trust (SRTT) Revolving Fund	376,000	1	ı	1		376,000
Other Revolving fund returns	5,400,331	3,167,720	ı	l		8,568,051
Community Risk Reserve Fund	10,621,957	I	4,147,385	l		14,769,342
Book Fund	412,419	ı	ı	1		412,419
Vehicle Fund	1,078,220	I	1,942,000	(269,809)		2,750,411
Total	48,544,842	520,009	6,089,385	(25,329,123)	I	29,825,113
Less: Donors' account net balance included above	30,655,915	17,888,927				2,948,890
Add: Donors' account Surplus balances 51,775,622 Donors' account Deficit balances 21,119,707				33,169,837 30,220,947		33,169,837
Total	69,664,549					60,046,060
Madurai Sd/-			-/ps			-/ps
June 23, 2012 Chairman	Ω.		Executive Director	Oirector	_	Treasurer

SCHEDULES TO CONSOLIDATED BALANCE SHEET

(in Rupees)

	March 31, 2012	March 31, 2011
Schedule 7 : Current Liabilities		
Payables etc	1,977,568	1,229,653
Total	1,977,568	1,229,653

SCHEDULES TO CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT

(in Rupees)

	March 31, 2012	March 31, 2011
Schedule 8 : Grants Received		
From Foreign Agencies		
Oxfam Novib - The Netherlands	25,031,717	11,088,190
Rabobank Foundation, The Netherlands	21,672,642	16,799,789
HIVOS - The Netherlands	21,103,800	29,335,324
Population Service International - USA	238,020	1,234,231
International Labour Office - Switzerland	2,693,840	6,586,260
Karunai Illam Trust, Newzealand	2,173,235	2,123,433
Consortium of DEWATS dissemination Society	105,600	319,500
International Water Management Institute	824,230	880,590
HOPE international	798,629	173,420
Donations for Tank renovation works	254,400	619,437
New Zealand High Commission, New Delhi	980,151	441,143
Oxfam India	2,500,000	44,528,479
International Development Research Centre (IDRC)	5,100,583	12,033,784
Caritas, Switzerland	3,718,700	5,500,446
Ekal Vidyalaya Foundation of India	823,000	2,000,000
Green Foundation	381,762	455,255
Ford Foundation	366,420	-
Micropension Foundation	4,805,750	-
GIZ, New Delhi	1,025,500	-
Others	49,500	1,090,862
From Indian Agencies		
Hindustan Unilever Limited	12,000,000	15,000,000
Sir Dorabji Tata Trust	5,000,000	6,000,000
National Bank for Agriculture and Rural Development	8,445,379	3,687,815

SCHEDULES TO CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT

(in Rupees)

	March 31, 2012	March 31, 2011
Tamilnadu Pudhu Vaazhvu Project - GoTN	4,202,607	2,595,685
National Agricultural Innovation Project (NAIP), Govt. of India	1,856,431	2,421,119
ITC Rural Development Trust	2,429,000	2,171,676
State Planning Commission - GoTN	200,000	807,945
Jala Samvardhane Yojana Sangha - GoK	3,467,101	1,197,854
District Rural Development Agency -Tamil Nadu	831,882	561,829
DWMA / APCBTMP , Govt. of AP	2,492,730	956,505
National Institute of Rural Development	3,027,810	862,327
MAVIM, Govt of Maharashtra	13,778,848	330,000
FIMSUL	762,350	190,000
CAIM Project, Govt. of Maharashtra	900,000	125,000
Bharat Petroleum Corporation Limited	11,609,233	586,000
Navajbai Ratan Tata Trust	1,446,500	-
Coir Board - Govt. of India	169,341	-
Municipal Administration	508,000	-
UNDP New Delhi	201,225	-
Award - Jindal Foundation	10,000,000	
Grants for Madurai Symposium	2,147,755	
Others	1,335,168	11,154,793
Total	181,458,839	183,858,691
chedule 9 : Other Receipts		
Interest from Investment of Corpus and other funds	8,079,240	9,962,546
Other Interest from Banks	1,763,639	2,433,096
Other Income	1,597,900	2,507,620
Donations	2,936,402	19,500
Total	14,377,181	14,922,762

MaduraiSd/-Sd/-Sd/-June 23, 2012ChairmanExecutive DirectorTreasurer

SCHEDULES TO CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT

(in Rupees)

March 31, 2012 March 31, 2011

Schedule 10: Appropriation of Excess of		
(Expenditure over income) / Income over Expenditure		
Excess of (Expenditure over Income) / Income over expenditure	(6,460,230)	8,072,900
Transfer:		
From Investment income		
Ford Foundation Corpus Fund	3,595,318	2,442,961
Sir Dorabji Tata Trust corpus Fund	2,259,090	2,417,278
DHAN Foundation own Corpus Fund	980,601	4,094,681
Tata Dhan Academy Corpus Fund	151,726	120,473
Revolving Fund	-	593,787
Community Risk Reserve Fund	974,519	293,366
Community Risk Reserve Fund from Grant Income	3,172,866	2,500,000
Vehicle Fund	1,942,000	876,732
DHAN Corpus from Award Income	10,000,000	1,000,000
Of Expenses to Corpus funds		
DHAN Foundation Own	(1,652,417)	-
Sir Dorabji Tata Trust	(1,577,060)	(1,505,075)
Ford Foundation	(2,821,888)	(2,850,572)
Vehicle Fund	(269,809)	(894,812)
Tata Dhan Academy Corpus fund	(151,726)	(120,473)
Of Surplus / (Deficit)		
Capital Fund - Net Surplus	1,995,864	1,989,055
Other Donors' - Net (Deficit)	(25,059,314)	(2,884,501)
Total	(6,460,230)	8,072,900

MaduraiSd/-Sd/-Sd/-July 23, 2012ChairmanExecutive DirectorTreasurer

Schedules to Balance Sheet & Income and Expenditure account - Consolidated - for the year ended March 31, 2012

Schedule 11: 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.321,44,517/- (including opening balance of Rs. 1,50,52,593/-) 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.
- 8. Fixed deposits of Rs. 1,57,990 (Previous year Rs 1,71,056) 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.

MaduraiSd/-Sd/-Sd/-July 23, 2012ChairmanExecutive DirectorTreasurer

- Jackson

Recognitions to DHAN's Works

DHAN Foundation bags Jindal Prize 2011 for its contributions in rural development and poverty alleviation. The prize carries a cash contribution of Rs. 1 crore to further its initiatives. The Jindal Prize has been instituted by Dr. Sitaram Jindal to accolade exceptional service of current significance rendered by individuals or organisations for the welfare of Indian citizens in the country. It is expected that the recognition garnered by the Jindal Prize awardees will catalyse their efforts towards social upliftment.

Sitaram Jindal Foundation has honoured 27
Outstanding Institutions and individuals including DHAN Foundation. Five prizes carrying Rs. 1 crore each have been given to DHAN Foundation for Rural Development and Poverty Alleviation, Rishi Valley Education Centre, Chittoor (AP) for Education - with moral upliftment, Shri Dharmasthala Veerendra Heggade for Health - including drugless healing, A P J Abdul Kalam for Science and Technology, Justice N Santosh Hegde for Social Development.

The founder of the Art of Living Sri Sri Ravishankar and Shri Tejendra Khanna, Lieutenant Governor of Delhi gave away prizes to winners in New Delhi on February 23, 2012.

Together Jindal & S R Jindal Prizes had attracted close to 2000 nominations in the first year of launch, mirroring the exceptional response for the Prizes. The nominations were invited from across India and abroad through advertisements in print and electronic media as well as the website of Jindal Foundation. The nominations received were adjudicated by Juries comprising eminent persons of high integrity through a process independent of the working of the Foundation.

Briefing about the Prize, M.P. Vasimalai, Executive Director of DHAN Foundation said 'The prize is timely, as DHAN Foundation reached a mark of one million poor families through its pioneering initiatives such as Kalanjiam Community Banking

DHAN Foundation bags Jindal Prize 2011



Programme and Vayalagam Tankfed Agriculture Development Programme, spread over 12 Indian states and over 10000 villages and slums"

"Since 1990, we have launched new themes in the beginning of each decade. The Kalanjiam and Vayalagam Programmes promoted by us in 1990, have now become larger programmes, and took a shape of resource centres supporting other development organisations, government agencies who are interested in replicating our model. ICT for poor, Democratising Panchayats, Tata-Dhan Academy and Rainfed Farming Development Programme were launched in 2000, and in 2010, we have launched Youth and Development, Migration, Climate Change Adaptation. DHAN will continue to evolve and launch new themes for poverty reduction in the future" he added

V.K. Padmavathy, Programme Leader, DHAN Foundation said "Driven by the philosophy of 'Giving back to the Society", DHAN Foundation attracts, grooms and engages highly motivated, educated young women and men to the development sector. Over 700 professional graduates drawn from various disciplines have been employed at the grassroots work along with 2500 local field workers. All these were possible because of the collective efforts of the communities with whom we are working, our collaborators, and DHAN Professionals and field workers working at the grassroots level".



Jindal Prize - 2011

DHAN FOUNDATION (Development of Humane Action)

DHAN FOUNDATION (Development of Humane Action), Madurai is awarded 'Jindal Prize - 2011' at the hands of Gurudev Sri Sri Ravi Shankar ji for their exceptional achievements in the field of Rural Development and Poverty Alleviation. This Award carries a Cash Prize of Rs. 1 crore.

With the vision of building poverty free, gender balanced, equitable, ecologically sensitive, democratic, just and value based inclusive society, DHAN Foundation follows 'Enabling' and 'Institution Building' approach which lays emphasis on self-help, mutuality, community ownership and control over resources and benefits. DHAN Foundation has successfully built Peoples' Institutions as vehicles of change with sustainable results in poverty alleviation. With their dedicated efforts, apart from other achievements in Rural Development, DHAN Foundation has economically empowered 9,23,865 women and marginalised poor in 12 states of the country through 37,051 Self Help Groups

23rd February 2012 New Delhi

Chairman

Sitaram Jindal Foundation

Vice - Chairman The Jury



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 - Rural Learning Journey India Participants, USA

Anand Charity, USA

Canadian International Development Agency (CIDA)

CARITAS, Switzerland

Consortium of DEWATS Dissemination Society

Deutsche Gesellschaft für Internationale Zusammenark

Ekal Vidhyalaya Foundation of India

Eureka Achmea Foundation, The Netherlands

European Union

FondsFamilie van Beek, The Netherlands

Ford Foundation

Green Foundation

HealthNet TPO, Combodia

HOPE International

Huguenin Ralapalli Foundation, USA

International Development Research Centre

Karunai IIllam Trust, New Zealand

Klein Hofwijck Foundation, The Netherlands

Micro Insurance Association Network, The Netherland

Micro Pension Foundation, The Netherlands

New Zealand High Commission, New Delhi



Pension and Development Network, the Netherlands

Population Service International, USA

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

ZLM Verzekeringen, The Netherlands

Our Water Partners

International Water Management Institute – RUAF Foundation National Agricultural Innovation Project–ICAR Bhabha Atomic Research Centre, Mumbai

Our Indian Partners and CSR Foundations

Arghyam Foundation, Bangalore

Axis Bank Foundation

Bharat Petroleum Corporation Limited

Care Today Fund

Hindustan Unilever Limited

Hindustan Petroleum Corporation Limited, Mumbai

Hitech Arai Limited, Madurai

ITC Rural Development Trust

Madras Atomic Power Station, Kalpakkam

Rabobank Foundation, the Netherlands

Sitaram Jindal Foundation

State Government

Convergence of Agricultural Interventions (CAIM) Project, Government of Maharashtra

Commissionerate of Rural Development, Andhra Pradesh

Department of Tourism, Tamil Nadu

Department of Environment and Forest, 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

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

International Labour Organisation (ILO)

UNDP-New Delhi

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 Dstrict Central Cooperative Bank
Deccan Gramina Bank
KalapatharuGrameena Bank
NagarjunaGrameena Bank
PandiyanGrama Bank
SaptagiriGramina Bank
Sri SaraswathiGrameena Bank
Sri VenkateswaraGrameena Bank
Sri VisakhaGrameena Bank

Apex Banks

HDFC Limited National Bank for Agriculture and Rural Development Rabo India Finance (P) Limited

Insurance Companies

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

Thanjavur Central Coorperative Bank

Academic and Research Institutes

Anna University, Chennai
Indian Space Research Organisation (ISRO)
Indira Gandhi National Open University
National Institute for Disaster Management, New Delhi
National Institute of Agricultural Extension Management(MANAGE)
National Institute of Rural Development
National Remote Sensing Centre (NRSC)
Postal Training Centre
Rajiv Gandhi National Institute of Youth Development
Tamil Nadu Agricultural University

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

Board of Trustees

Mr. B.T. Bangera



Mr. B.T. Bangera, *Chairperson*, DHAN Foundation is an MBA from Indian Institute of Management, Ahmedabad. He is currently the Managing Director of M/s Hi-Tech Arai 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

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 Maharasthra 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.



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

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, programmes and research to her credit. Her areas of interest are health information systems, and monitoring and evaluation of health and welfare programmes.

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Dr. Priscilla Daniel

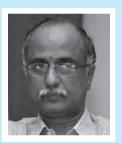


Dr. Priscilla Daniel holds two Master's degrees and a Ph. D. in Social Marketing of Health Education. She was formerly the Programme Executive in ECLOF International. She appraises large loan proposals, trains the staff and Boards of NECs. She worked as an educationist for more than 20 years and was 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

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.



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

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.

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

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.

DHAN Foundation - Addressess

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Madurai Urban Region

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Madurai Vayalagam Region

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Madurai Rainfed Region

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Dindigul Region

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Theni Region

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Salem Region

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Near District Central
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Kancheepuram Region

Thiruvalangadu Vattara Kalanjiam

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Vellore Rainfed Region

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@dhan.org

Tuticorin Coastal Region

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Thiruvallur Region

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Tuticorin Vayalagam Region

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Tel: +91-4630-256980

Email: vftuticorinro@dhan.org

Kanchipuram Vayalagam Region

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Kanchipuram District
Email: vfkanchipuram
@dhan.org

Krishnagiri Rainfed Region

DHAN Foundation
HIG 94, Phase II
Tamil Nadu Housing Board
Krishnagiri-635 001
Tel: +91-4343-226568
Email: rfdpkrishnagiri
@dhan.org

PUDUCHERRY

Puducherry Magalir Vattaram

45, 4th cross street, Moogambigai Nagar, 2nd main Road, Nainar Mandapam, Puducherry Tel: +91-413-6538865

ANDHRA PRADESH

Adilabad Regional Office Sri Indrayee Mahila Kalanjia Samakya

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

Email: kfadilabad@dhan.org

Hyderabad Region

DHAN Foundation
H.No:1-8-522/7
SISS Building 1st Floor
T.V.Meekshamma Memorial
Bhavan, Chikkadapally
Hyderabad-500 020
Tel: +91-40-65169017
Email: kfhyd@dhan.org

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: +91-877-2283614
Email: kfchittoor@dhan.org

Chittoor Vayalagam Region

DHAN Foundation 6-310, Banker's Colony Gudiyatham Road Palamaner-517 408 Chittoor District Tel: +91-8579-254123 Email: vfchittoorro@dhan.org

Vizag Region

DHAN Foundation
D.No.53-17-43/7, Beside Mahendra
Automotive, Maddilapalem
Visakhapatnam-530 016
Tel: +91-891-6578990
Email: kfvizag@dhan.org

KARNATAKA

Bangalore Region

DHAN Foundation
C/o M. Ravindra Building
No.14, 2nd Floor
Subbaiah Reddy Road
Near Subramanya Swami Temple
Ulsoor, Bangalore-560 008
Email: kfbangalore@dhan.org

Tumkur Kalanjiam Region

DHAN Foundation 1st Floor, Shree Shyla Near Chami Depo Basavanapalya, Sirgate Devarayadurga, Tumkur Tel: +91-816-2212550 Email: kftumkur@dhan.org

Tumkur Vayalagam Region

DHAN Foundation C/o. Ramamurthy, House No. 711 Veeranjaneya Nagar Gokul College Road Kolar-563 101, Karnataka Tel:+91-8152-222171 Email: vftumkurro@dhan.org

Mysore Region

DHAN Foundation 1169, 1st Floor, Aarihara Nilaya Near Vidyavardaka School 3rd Cross, Lalithadri Road Kuvembunagar, Mysore - 571 323 Tel: +91-821-4242320 Email: kfmysore@dhan.org

Gulbarga Region

DHAN Foundation C/o. Arjun Rao G. Mitra H.No. EWS 94. Shanti Nagar Near Hanuman Temple Opp. Central Bus Stand Solapur clinic Opp Road Gulbarga-585 103 Tel: +91-8472-250195 Email: kfgulbarga@dhan.org

MADHYA PRADESH

Sailana Region

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

ODISHA

Koraput Region

DHAN Foundation
Near District Head Quarters
Hospital, Behind Vijaya krishna
Medical Store
Pujariput, Koraput-764 020
Tel: +91-6852-252916
Email: kfkoraput@dhan.org

RAJASTHAN & MAHARASHTRA

Solapur Region

DHAN Foundation Block No 9, 3rd Floor 145, Shiv Shakti Complex Near Kothadiya Hospital Solapur-413 004, Maharashtra Tel: +91-217-6450203 / 2721535 Email: kfsolapur@dhan.org

Yavatmal Region

DHAN Foundation C/o Gangaram Ganpatrao Navhate Beside Jalaram Mandir Ghatanji-445 301 Yavatmal District, Maharashtra Tel: +91-80-55034914

ASSAM

DHAN Foundation Professor colony Near Barama Bazaar Barama-781 346 Baksa District, Assam Barama (BTAD), Assam Tel: +91-3624-282440

Email: kfbarama@dhan.org

JHARKHAND

DHAN Foundation House No. 122, Ward No. 6 Chatnahi (on Bye Pass Road) Latehar-829 206 Tel: +91-6565-248423

Email: kflatehar@dhan.org

BIHAR

DHAN Foundation C/o, Anand Prasad Singh West Church Road Opp. Khalish Park Gayawal Bigha Gaya District-823 001 Email: kfgaya@dhan.org





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

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Building Sustainable Livelihoods

HAN Foundation works to make significant changes in the livelihoods of the poor through building scalable, cost effective and sustainable development themes for self-reliance. Keeping innovation as its core value, DHAN continues to evolve and nurture new ideas in development that can impact the lives and livelihoods of the poor on a large scale. Kalanjiam model of community banking by and for the poor women, Vayalagam model of tank-fed agriculture development, rain-fed farming development, coastal conservation livelihoods, communication and information technology for development and working with Panchayats are the development themes nurtured by DHAN over the last two decades. Climate change adaptation, migration, youth and development are the new themes being piloted now. Health, education and tourism have emerged as crosscutting themes to augment the development brought by all the existing programmes. A common thread that binds all these themes is livelihood promotion. DHAN has observed 2011-12 as 'Year of livelihoods' to look closely at the impact that it has created on the livelihoods of the one million poor households organised by it, consolidate its experiences in livelihood interventions, and initiate the process of strategizing its livelihood approach with its experience at the ground.