

# MDG Matters

Localising Millennium Development Goals



*Annual Report 2010*

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DHAN Foundation

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# Annual Report 2010

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**DHAN Foundation**  
Madurai

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# Abbreviations & Acronyms

ACEDRR	Advanced Centre for Enabling Disaster Risk Reduction
ADB	Asian Development Bank
ASKMI	Advanced centre for Skill and Knowledge on Mutual Insurance
CAPART	Council for Advancement of People's Action and Rural Technology
CARC	Coastal Agriculture Resource Centre
CDA	Cluster Development Association
DHAN	Development of Humane Action
ELRP	Enabling Livelihood Restoration Programme
ICT	Information and Communication Technology
INAFI	International Network of Alternative Financial Institutions
INFOS	Indian Network of Federations of Microfinance Self Help Groups
JnNURM	Jawaharlal Nehru National Urban Renewal Mission
JSYS	Jala Samvardhane Yojana Sangha
KDFS	Kalanjiam Development Financial Services
KISC	Kalanjiam Integrated Service Centre
KMS	Kalanjiam Meenavar Sangam
KRCH	Kalanjiam Reproductive and Child Health
KTL	Kalanjiam Thozhilagam Limited
MAVIM	Mahila Arthik Vikas Mahamandal
MDG	Millennium Development Goal
MFG	Microfinance Group
NABARD	National Bank for Agriculture and Rural Development

MGNREGA	Mahatma Gandhi National Rural Employment Guarantee Act
NRM	Natural Resource Management
NSP	National Seed Project
NWDPRA	National Watershed Development Project for Rainfed Areas
PMG	Primary Marketing Group
PPG	Primary Producer Group
SHG	Self Help Group
SIDBI	Small Industries Development Bank of India
SUHAM	Sustainable Healthcare Advancement
TDA	Thagavalagam Development Association
TFA	Tank Farmers' Association
TNAU	Tamil Nadu Agricultural University
VADC	Vayalagam Agriculture Development Centre
VIC	Village Information Centre
VTADP	Vayalagam Tankfed Agriculture Development Programme

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# Introduction to DHAN Foundation

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

**The broad purposes for which DHAN stands are:**

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

The principles guiding DHAN are

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

## MISSION

**“Building people and institutions for development innovations and 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.

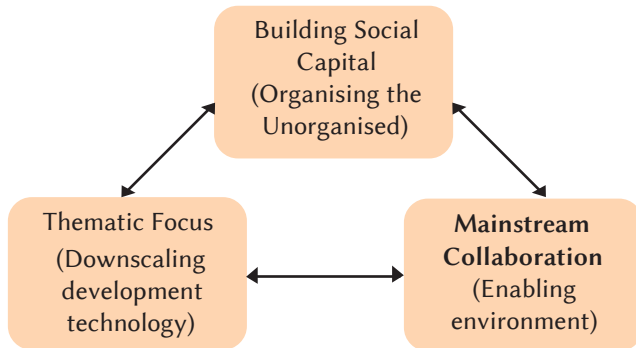
It will be occupying its legitimate space in policy making forums to shape the macro environment to the realities of grassroots and serving development community by disseminating good practices. It will shape thousands of development professionals to make millions of poor lives different with dignity 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, scale-down technologies and contextualizing those technologies for addressing the issues of poverty, which are highly complex and contextual.

The third factor, the mainstream collaboration is critical for creating enabling environment for the other two factors to perform. The thematic institutions continuously build the capacities of the People's Organisations built around the particular theme to bring relevant mainstream development institutions, both private and public institutions closer to the communities. They evolve and nurture the principle of sustainable partnership between the People's Organisations and the mainstream institutions. The collaboration process educates both

People's Organisations and mainstream institutions about their roles and responsibilities in sustaining their collaborations.

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

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

## DHAN Collective

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

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

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# MDG Matters

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**Perspectives, Principles and Practices of DHAN  
in localising Millennium Development Goals**



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# MDG Matters

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## Perspectives, Principles and Practices of DHAN in localising Millennium Development Goals

The Food and Agriculture Organisation estimates that a total of 925 million people are undernourished in 2010 all over the world. In India 237.7 million people out of total population of 1147.7 million are undernourished. Their poverty is not only a condition of low income and lack of assets. It is a condition of lack of opportunities, vulnerability, exclusion and powerlessness. It is the erosion of the capability to be free from fear and hunger and have their voices heard. Poverty reduction is about enabling poor women and men to transform their lives and livelihoods and supporting governments and civil society in creating and maintaining the conditions that allow them to do so.

After the 1995 World Summit for Social Development, the international community developed a broad consensus that all development actors should focus on reducing poverty. Five years later, at the Millennium Summit, governments committed themselves to reducing by half the proportion of people living in extreme poverty by 2015. This global commitment carries the promise of significantly greater resources and policy support for overall poverty reduction.

### The Millennium Declaration and the Millennium Development Goals

At the United Nations Millennium Summit in September 2000, 192 heads of state adopted the Millennium Declaration, which outlines the Millennium Development Goals (MDGs) as the commitment pledged by governments of sovereign states to achieve 21 development targets and 60 indicators by 2015.

The MDGs consist of eight specific goals to eradicate extreme poverty and hunger, ensure all

children, boys and girls alike, primary education, promote gender equality, improve the health of mothers and children, reverse the spread of HIV/AIDS, protect the environment, and create a global partnership for development. The MDGs are benchmarks for progress towards the overall goal of the Millennium Declaration to eradicate human poverty and fight inequality.

The international commitment to achieve the MDGs was reaffirmed by all Member States of the United Nations at Monterrey, Mexico in 2005. Achieving the MDGs requires strong political will from national leaders. Simultaneously, citizen participation is also a prerequisite for developing and developed countries by holding their governments to account to fulfill their pledges. In line with this international mandate, the United Nations Millennium Campaign Asia-Pacific works throughout the region with civil society organizations, parliamentarians, local authorities, youth, media and the private sector to support citizens in their efforts to hold governments accountable for the achievement of the MDGs.

### Localising MDGs: DHAN's Perspectives

Though the MDGs are broader and aimed at influencing national governments and donor countries, localizing these goals to suit to the varying socio, economic and cultural climates is critical to integrate them into action at the grassroots levels. The most effective strategy for making sustainable progress is to perceive and act upon all the goals in an integrated way. However, each goal will need well-designed and replicable development themes with the scope for vertical and horizontal expansion for success at the field level. Pursuing each goal independently without acknowledging its inter-linkages with others will

make them unsustainable interventions. This note is an attempt to reinforce the priorities of the themes and programmes of DHAN Foundation towards achieving these goals.

For DHAN Foundation, the overarching goal of poverty reduction implies ultimately the elimination of hunger, poverty, and maternal and child malnutrition. For instance the Kalanjiam Reproductive and Child Health programme works for averting maternal and fetal malnutrition, which will otherwise lead to low birth weight that damages health and reduces cognitive ability. Similarly, given the fact that majority of poor people living in villages are dependent on farming, agricultural and rural development should get priority among the broad array of economic and social indicators that the MDGs emphasize.

DHAN's interpretation of the MDGs therefore accommodates contextual variations while promoting development. The 'graduation approach' in poverty reduction, demonstrated by the Kalanjiam Community Banking Programme can work well to address such disparities. The People Planning process and goal setting exercise by the Peoples' Organisations can integrate these MDGs downscaled to their local situation. The MDGs can be used to set a powerful agenda for the Peoples' Organisations at various levels to achieve faster, sustainable human and economic development.

### **Principles of contextualization**

#### **Building local capacities for local solutions**

More than a decade of DHAN's experience in building peoples' organisations for poverty reduction shows that the experiences, expertise, ideas, feedback and collective learning would help the local communities to innovate solutions for their problems. Through enabling approach, the localised peoples' organisations can play a crucial role building capacities of the members and leaders in identifying, testing and adapting innovations. Since the MDGs call for national goals and targets, localising them in the varying socio-cultural and development contexts at the local level is a bigger challenge. DHAN believes that only through local capacities we can contextualize the development issues and evolve localised solutions.

### **Promoting local partnerships for sustaining development**

Given the enormous challenges for development, institutions cannot achieve the MDGs in isolation. Similarly, the peoples' organisations built by DHAN can function as the centres of convergence for all the development interventions implemented in line with the MDGs by the organisations at the block and district level such as banks, government departments, Panchayats, industries, and private institutions to achieve the goals collectively. The peoples' organisations continue to build local partnerships that would encourage community ownership and self-management. Partnerships with shared goals will provide a greater chance of sustainability for the interventions aimed at achieving the MDGs.

### **Encouraging innovations in the processes and methods**

There are no universal solutions but only universal processes in development. Innovations in the processes and methods will lead to locally relevant solutions. Since the problems to be addressed by the MDGs such as poverty, gender disparity, and environmental degradation are complex, they need multiple solutions and context specific approaches. Innovation is one of the core values of DHAN and it continues to nurture innovations in the programmes that have the potential to transform lives of the poor on a large scale. At the same time, the peoples' organisations work on innovations in the processes and methods to achieve the goal of poverty reduction.

### **Deepening programme interventions to achieve MDGs**

Though the programmes promoted by DHAN start with an exclusive thematic focus such as water, microfinance and rainfed farming, they would go beyond the primary theme and develop methods and processes which would significantly address the other issues of poverty. DHAN views its programmes as a means to organise the community and it lays high emphasis on linking the community organisations with other development institutions to address other development needs of the poor families. The deepening of a particular theme would include experimentation and development of

suitable products to address development issues of the poor such as drinking water, de-addiction, women and child health needs, sanitation, electricity, girl child education and skill building for livelihoods.

## DHAN's approach in localising MDGs

### Setting thematic goals and priorities

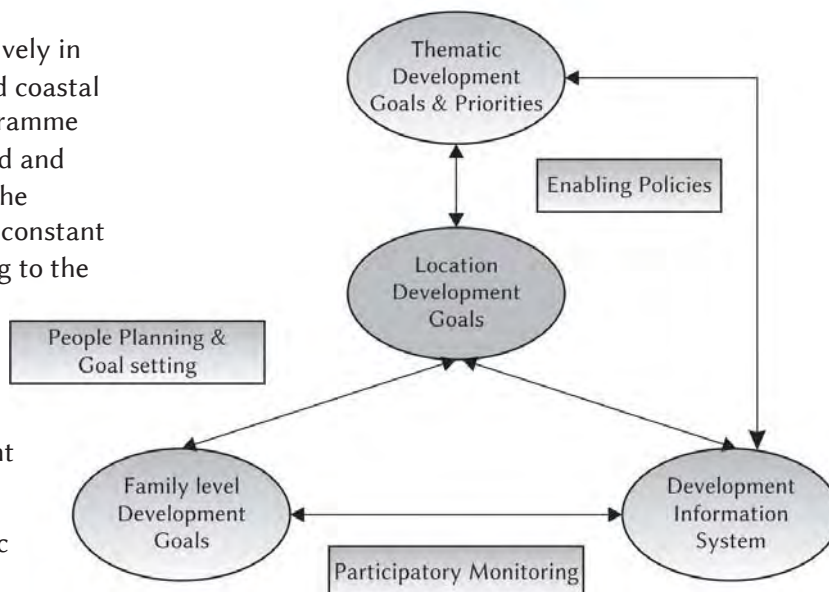
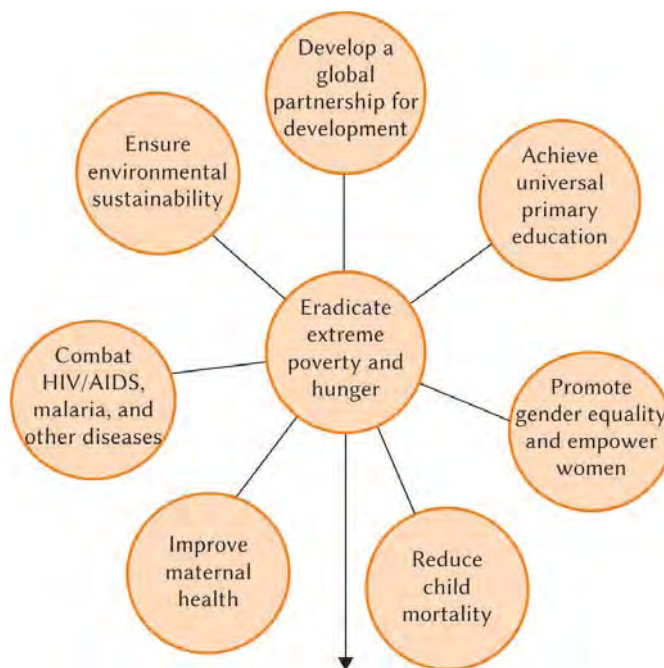
DHAN's core philosophy is mothering development innovations. DHAN is always on the lookout for emerging new opportunities for the poor; design a theme around the issue, experiment for few years to evolve a replicable and adaptable community organisation model in different contexts, and then consolidate 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.

The programme would be piloted intensively in select locations in rural, urban, tribal and coastal contexts for 5-6 years. By the time, programme design and components would be evolved and standardized according to the context. The programme components would undergo constant improvements and refinements according to the changing context and time. Each programme component would lead to concrete outputs and impact, which would be measured in periodical intervals through structured development information systems (DIS).

DHAN would promote separate thematic institutions for scaling up such matured themes. Both water and community banking have emerged as largest themes and DHAN has promoted exclusive Foundations for taking up expansion of these themes. Five more themes are in different stages of scaling up, such as rainfed farming development, ICT for poverty reduction, democratising local governance, development management education, and coastal conservation and livelihoods.

### Contextualising development goals

DHAN's development programmes are actively engaged in organising the poor into Kalanjams or Vayalagams. Efforts are taken to reach all the



poorest of the poor families in the villages where DHAN has initiated Kalanjams and Vayalagams. Several villages have been declared fully saturated. Similarly, efforts are on to attain 100 per cent saturation at Panchayat and Block level.

Thematic focus in DHAN Foundation provides livelihood focus to reduce the poverty. Understanding the extent of poverty within the organised groups is a pre-requisite to graduate them to next levels. Categorisation of all the families into survival, subsistence and self-employed categories and develop strategies to graduate them out of poverty in five to 10 years has been initiated.

Development Issue	Poverty Reduction Goals
Migration	Creation of more employment
Malnutrition	Nutrition garden, fish rearing, consumption loans
School dropout	Developing products to eliminate school dropouts, scholarships
Conservation	Conservation-based livelihoods like tree planting, strengthening sacred grooves and water bodies etc.
Common properties like tanks, ponds and village	Developing individual and institutional responsibility for management and funds development
Declining agriculture	Regenerating vibrant agricultural economy in villages
Village industries	Strengthening village industries for self-consumption and to meet urban demand
Lack of access and control for water	Developing products to ensure high access and control of water and lands in the hands of poor

### Developing poverty reduction 'goals' for each people organisation

Kalanjams and Vayalagams are working with bye-laws and the same is getting refined each year. There is a practice of 'relooking' at the bye-laws each year to bring new insights and to remove the outdated norms. There are lending norms, books of accounts, and auditing, as a part of systems at each people organisation. Likewise, they have initiated evolving poverty reduction 'goals' in all people organisations. These goals are specific to context and time. Many of the Kalanjams and Vayalagams are addressing poverty in their own way. Identifying development issues related to the area and people are imperative to evolve appropriate development policies. The people's organisations at different levels plan to declare poverty free families each year. This will help keep the focus on poverty reduction and ensure that all initiatives are geared towards it. This paves the way for declaring poverty free families, groups and villages over a period and finally the entire area under the particular peoples' organisation.

### Measuring changes: Development Information System

DHAN has a well established management information system for measuring its outputs. Also it facilitates studies, internal and external evaluations

for assessing the impact of the programme. A comprehensive development information system has been devised to collect the baseline information for the members, and documenting the changes in the lives of the members at defined periodicity.

An Action-Reflection-Action mode of intervention is done by the professionals in DHAN through a system called 'Development Intervention Group (DIG)', wherein each professionals directly handles five groups in a location and this provides an opportunity to understand the developmental needs of the members on first hand and in turn evolving suitable interventions. As an advancement of this DIG, the Kalanjiam Programme has evolved 'Development Information System (DIS)' to exclusively monitor the development issues, interventions and their outcomes.

DIS includes a range of tools, techniques and processes with defined roles and responsibilities at different levels, which generate and disseminate information for decision making on development interventions. The DIS goes beyond ad-hoc and time bound studies and it envisages a permanent mechanism as an integral part of the Programme. The system would enable the Programme and people's institutions in evaluating the existing interventions, products and experimentations, evolving new products and strategies, formulating

and updating policies, and creating a knowledge base. Primary emphasis in DIS is on people orientation, which implies that the information generated out of the system would be owned by the people for decision making and other applications.

A structured tool has been developed to collect data on the quantitative variables. Data collection is done through household interviews by the professionals. A baseline of information in the line of selected variables is created first and the database is updated through the same tools and techniques on periodic intervals. The results and interpretations of the survey help design location and context specific strategies and products. Since the basic assumption of DIS is 'people orientation', major emphasis is given to make the community to own the information. In order to achieve this, processes such as sharing the observations derived out of the survey with the people and goal setting by the groups for further action is facilitated.

#### Goal setting at the family level

Goal-setting is an integral part of Development Information System, wherein the group members meet once in a year with an exclusive focus of reviewing and setting development goals of individual families as a group. This exercise is done with the audited financial statements of the previous year, outputs of goal setting exercise done in the last year, confirmation of savings, loan

outstanding and loan graduation details, a detailed record of the benefits received by members including health, education, insurance, and other civic programmes from the cluster or federation. All the members deliberate changes in their families, immediate and long term needs, plan for the coming year, support required and so on. Individual plans are collated at the group level and it becomes the group's goal.

The goal setting exercise allows members to decide what they want to accomplish and sets the guidelines for reaching them. Effective goal-setting starts with a member's personal desire to improve, and it ends with a group's effort and willingness to work for the outcome of choice. Goal-setting simplifies and makes possible the attainment of a seemingly impossible dream. Setting personal goals within a group also makes the possibility for success real because by setting a personal goal publicly, group members may increase their willingness to work through tough times.

The goal-setting also aids in improving member's focus on the important details necessary for achieving a goal. It is so easy to lose focus or become distracted by other responsibilities, and in the process, abandon goals; by setting a goal and outlining the steps required for achievement, meeting the goal becomes a priority for not only the member, but also for the group.

### Towards achieving the localised MDGs: DHAN's way

#### GOAL 1: ERADICATE EXTREME POVERTY AND HUNGER



Poverty and hunger are two complex and fundamental challenges. Enabling poor to access sustainable livelihood opportunities help prevent hunger and poverty. Keeping Poverty Reduction as an overarching goal, DHAN believes firmly on the enabling approach, where the poor families are facilitated to organise their social capital in the form of self-governed nested institutions around microfinance, water, rainfed farming and ICT. They in turn 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 contextualized microfinance services and products; enhance human capital by building leadership and enterprising skills; create and strengthen physical capital in the form of income generating assets.

## Microfinance for poverty reduction

DHAN believes that creation of a separate line of credit for consumption in the groups would help the members to secure food and healthcare to come out of hunger and malnourishment. The peoples' organisations built on the theme of microfinance facilitate smoothing of cash flows of the poor families to enable them fulfill their consumption needs. The peoples' organisations further work on providing livelihood skills for raising employability of youths in addition to extending enterprise support services through non-exploitative input and output market linkages for the poor producers including farmers, fishers and artisans. As one of the core components of microfinance theme, the Kalanjams ensure social security measures through appropriate insurance products to prevent the poor from falling again into debt trap due to loss of earning members, sudden health risks, ageing, crop loss and asset loss. The federations work with the mainstream institutions to ensure entitlements for the poor members from the state such as public distribution systems, pensions and subsidies meant for poor and vulnerable.

The microfinance programmes in Vayalagam and rainfed farming development themes help their members through enhancing production and productivity of resource scarce and marginal lands through loan products for land improvement and



quality input supply. Similarly the CALL programme integrates climate change mitigation mechanisms in the networks of SHGs, such as disaster risk funds, vulnerability mapping, and setting up humanitarian cells in Federations for relief and restoration at times of disasters.

Microfinance products and services that were integrated as part of Vayalagams have helped the farmers and landless labourers for creating productive assets such as livestock, land development, and meeting working capital needs. Similarly, collective marketing of produces for bargaining better price and collective purchase of farm inputs such as seeds, fertilizer, and pesticides at reduced price have helped the farmers to enhance their incomes enabling them to secure their food and mitigate hunger.

## Financial Inclusion for realising MDGs

The National Sample Survey Organisation's data as per 59<sup>th</sup> round survey reveal that 45.9 million farmer households in the country (51.4 percent), out of a total of 89.3 million households do not have access credit, either from institutional or non-institutional sources. Further, despite the vast network of bank branches, only 27 percent of total farm households have access to formal sources of credit, of which one-third also borrows from informal sources. Among non-cultivator households nearly 80 percent do not access credit from any source.

Financial inclusion, which is promoted by the Indian government and banks today, is not a 'start' from the scratch. Already the Self Help Group movement in India has shown the way by connecting the millions of poor families to the banking system.



DHAN Foundation has been working on demystifying financial inclusion through building localized financial institutions of poor men and women for the past two decades. The credit delivery models of state and some NGOs view poor as only users of services. Whereas DHAN values poor as partners in the development process and promotes SHG federations as people's organisations, where the poor themselves are owners, managers and clients of the organisations.

A federation is an autonomous legal entity of 200-300 primary groups with around 3000-4000 poor women as members promoted at Panchayat union level. The emphasis is on member ownership, control and decision making encouraging local self-governance. DHAN provides the techno-managerial support. The Federations evolve need-based, context-specific products for savings, credit and insurance as per the demand.

Savings in Self Help Groups bring equity and build ownership with rights to the poor that ensures entitlements for financial services. The Self Help Groups promoted by DHAN have exploded the myth "Poor cannot save", and they have shown the success of savings-led microfinance model. Continued access to credit has enhanced livelihood opportunities and asset creation. All the eligible groups promoted by DHAN have been linked with commercial banks and mobilized credit. The groups provide a separate line of credit for consumption, which can protect the investment credit given to the members for livelihoods creation. The members avail loans for healthcare, education, and to pay out their debts that they availed earlier from moneylenders at exploitative interest rates. Micro Insurance is another critical input that can address the multiple risks and vulnerabilities faced by the poor through insurance products for life, health, crop and assets.

### Contributions

- Nearly two decades of intensive work by DHAN Foundation in some of the backward districts of India has resulted in an enabling model of microfinance for poverty reduction.
- Over 30000 Self Help Groups of poor women, small and marginal farmers, fishers, and landless labourers covering 810,000 poor families have been organised in 12 Indian states
- All these poor have an accumulated savings of ₹1,292 million in their institutions.
- All the Self Help Groups promoted by DHAN have been linked with 210 branches of 30 commercial banks and mobilized over ₹3,830 million as credit.
- With their own savings and credit mobilized from banks, they have generated credit worth of ₹7,928 million for poverty reduction. About 30 percent of these loans were given for food and healthcare
- Micro Insurance initiatives have helped reach 600,000 poor families with an annual premium of ₹40 million to provide a risk cover to the tune of ₹26,546 million.

- All these SHGs networked into 133 autonomous Federations, are truly democratic self-sufficient civic institutions. These Federations are the ideal platforms for realizing the MDGs through their collective action and in collaboration with mainstream institutions.

### Water security for food security

Water is elixir of life, says the Saint Poet Thiruvalluvar. Water and poverty are deeply connected. Right to food is a basic right for all and is an integral part of the right to life enshrined in the Indian Constitution as well as the Universal Declaration of Human Rights. DHAN's Kalanjiam enabling model of microfinance lays primacy on providing a separate line of credit for consumption and emergencies; otherwise the poor families will liquidate even the meager productive assets they possess. The Vayalagam Tankfed and Rainfed farming development programmes work for augmenting food security of the small and marginal farmers by securing water availability, improving crop water use efficiency, zero budget natural farming, facilitating collective trading of farm inputs and outputs, ensuring credit and insurance services and other agro based interventions.

Minor irrigation structures such as tanks and ponds are part of village eco-systems and they help the local communities meet the various demands viz. irrigation, human consumption for drinking and domestic purpose, industrial use, for animal herds and so on. Regeneration of the tank complex environment leads to economic well - being of farmers as well as landless, as a result of greater resource availability, improved agriculture and animal care, and consequently, increased incomes and secured consumption. More than a decade of DHAN's experience on minor irrigation structures like tanks and ponds in the south Indian peninsular has demonstrated that community centric conservation and development works on these time tested native wisdom of our forefathers have resulted in enhanced access to water for farming through increased storage of water in tanks. The subsequent shift of DHAN's focus from individual



tanks to chain of tanks, then tank-based watersheds expanded the scope of the programme to take up other components such as farm ponds and community wells for providing life saving irrigation to crops, land treatment and agricultural development.

### **Poverty reduction strategy of Rainfed Farming Development Programme – Combining land, water, microfinance and livelihoods**

#### **Asset development through**

- Accessing land e.g. share-cropping, leasing-in land and purchase
- Upgrading performance of assets e.g. land leveling to enhance productivity of land
- Creating assets e.g. converting uncultivable land into cultivable land
- Protecting assets e.g. insuring milch animals
- Restoring assets e.g. reclaiming salt affected and weed infested land.

#### **Reducing vulnerabilities in existing livelihood through**

- Ensuring capital for farming through microfinance products and services such as savings and credit
- Mitigating risks through mutual insurance products for life, health, livestock and crop
- Increasing drought tolerance of crops through seed treatment and seed hardening

#### **Improvement of existing livelihoods through**

- Creating farm ponds to ensure water and critical stages of crops
- Supplying good seed stock
- Promoting Zero Budget Natural Farming
- Agronomical practices like nutrient spray and earthing-up in groundnut
- Collective purchase of inputs and marketing of produces

#### **Diversifying rainfed farming based livelihoods from**

- Agriculture to livestock rearing,
- Annual crops to tree crops
- More water requiring crops to less water requiring crops
- More climate-vulnerable crops to less climate-vulnerable crops

## Achieving Productive Employment

There are many causes of poverty but ultimately the poor are poor because they earn too little from what they do. Within the primary groups of women or farmers organised by DHAN, the poor families are going through survival, subsistence, and self employed stages of poverty according to possession of productive assets, employable skills, number of dependents and family life cycle. They graduate from one level to the other through facilitation by the primary groups and their networks, by acquiring new assets, improving performance of existing assets, gaining employable skills and access to market linkages. However, the pace of graduation depends on the contextual and structural issues among the rural, urban, coastal and tribal environments.

### Livelihood 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. The number of youths unemployed and under employed is increasing. When the potential of these youths are not tapped, they dissipate their energy through unwanted social activities. On the other hand the industries are in need of trained manpower to meet their growing demand. They could not find out skilled laborers. Imparting required skills to enhance the employability of the youths and build their capacities to meet the needs of the current job market are very much needed. With sound collaboration between grassroots organizations involved in skill building and industries that are in need of manpower we can channelise the human resource for better future.

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. Twenty five 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. The DHAN People Academy, after having a series of consultations with these people's organisations has evolved a model for decentralized skill building centres, called LIFE (Livelihood Initiatives with Functional Education) Centres. It 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 Kalanjiam federations.

The first LIFE Centre was initiated in Madurai to serve the member families living in urban slums and rural areas adjoining Madurai city. The LIFE Centre started its activities with computer education course and later diversified to skill building in various

trades. Based on the experiences gained over two years, eight more centres have been initiated during 2009-2010 in rural locations such as Viraganur, Kazhugumalai, Maraimalainagar, Nillakottai, Pallathur, Tanjore and Singampuneri federations in Tamil Nadu and Chittoor in Andhra Pradesh. These centres 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 10,000 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.

- Members have initiated ₹3,015 million worth of Income Generating Activities with the loan support from their groups
- Kalanjiam Thozhilagam Limited, a public limited company promoted by SHGs facilitated ₹55 million worth of business linkages

### Case: LIFE impacts Varalakshmi's life:

Varalakshmi, 27 years is a native of Bengaluru, got married to Rajendran, who hails from Madurai, Tamil Nadu. Their daughter is studying 5th standard. Varalakshmi lost her husband three years ago when they were living in Bengaluru. After that she and her daughter have come back to Madurai. They were supported by her in-laws for some time. She had passed 12th standard and started looking for some employment in Madurai. She came to know about the LIFE Centre in Madurai through her neighbor,



who had earlier undergone a training course in it. With courage and determination she learned computer course as well as Videography course from this center. Before learning this skill, her family was surviving only using the pension money of ₹2000. After successfully completion of these courses, she has joined a local studio as a video editor. Now she earns ₹4500 as monthly income and she runs her family without depending on others.

### GOAL 2: ENSURING PRIMARY EDUCATION



Poverty prevents children from using opportunities to live healthy and get good quality education. DHAN believes that education can play a key role in breaking the vicious cycle of poverty and social exclusion. It is crucial to invest in quality childcare and education. Recognizing the vital role of primary education, particularly for the girl children, the Kalanjiam federations promoted by DHAN take up education as a key civic development agenda. The special school and tuition centres being run by the federations show the ability of women in managing quality education services to their children.

- Activity based learning is promoted by the remedial schools run by the Kalanjiam federations in Tirupati, Adilabad, Madurai, Theni and Dindigul districts
- Twenty percent of loans availed by the Kalanjiam women for their children's education.
- The SHG federations have facilitated 28,766 families to avail ₹31 million as education scholarships for their children from the Life Insurance Corporation of India.

### GOAL 3: PROMOTE GENDER EQUALITY AND EMPOWER WOMEN



DHAN recognises gender inequality as a major development issue and is committed to addressing this issue in all its development interventions. DHAN imbibes 'empowerment' within its mission, core values and development philosophy, which gets expressed in its approach of enabling individuals to expanded their choices and capabilities. Gender equality is a cross-cutting goal in all the development interventions of DHAN. The focus is on facilitating women to gain control over social and economic conditions and over democratic participation in their communities. It believes that social change will evolve over a period of time and leading to economic empowerment. DHAN, hence, has adopted the gender-sensitive economic centric approach.

## Gender Matters

In spite of constituting half of the human population, and significantly contributing to development by playing crucial role in economic activities, women continue to be a deprived section in the society. Their needs and issues have been neglected since generations and they are deprived of their basic rights and access to wealth, education, health care, inherited assets and social status. They are the worst sufferers due to drudgery, ill-health, illiteracy and deprivation. Based on its commitment to work with the disadvantaged sections of society, DHAN ensures that approaches towards empowerment of women cut across all its development programmes and thereby strives to create a favourable atmosphere for women's development and well-being. The deprivation and disparities of women are quite telltale: wage disparity, income disparity, consequential asset disparity, and generally widespread acceptance among the women that decision making is men's domain. Despite several development programmes initiated by government and civil societies in past decades gender imbalance has not received adequate attention. What's more, the problem got more accentuated for lack of gender focus and sensitivity.

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

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

### Addressing gender issues: Vayalagam Approach

- Both farmer and his spouse are members and the household is treated as a unit. Women in governance position, gives a space for making effective decisions.
- Exclusive space for women in fish rearing, tree growing, tank-fed cultivation, and cultivation of medicinal plants on the tank bund and channel
- Management of drinking water supply programmes by women self help groups
- Reducing drudgery of women by providing access to drinking water within their village and preventing them from walking for long distance to fetch water
- Building skills of women on advanced technologies of agricultural development increases water use efficiency, productivity and participation in agriculture development.

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

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

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

DHAN promotes three kinds of institutions to realise its mission: institutions for fostering development innovations, institutions for reaching the scale and deepening the development themes for poverty reduction and institutions for building strong grassroots democracy as a demand system for achieving quality of life and self-reliance through sustainable development.

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

The Kalanjiam federations provide exclusive identity for women from poor families, create an enabling environment for promoting collective working culture (enabling) and facilitate expression of their needs and interests through legitimate democratic process (entitlement and empowerment). The social capital promotes greater awareness through a well set communication systems in their organisations

### Empowering Women: The Kalanjiam strategies

- Creating assets in the name of women or create equal stake for women in the properties and livelihood assets generated with groups' support
- Ensuring compulsory enrollment of girl children in primary schools and continuity for secondary and graduate education
- Creating leadership space for women in the groups and their networks
- Creating an enabling environment for the group and network leaders to represent in larger social / political forums within and outside the villages.
- Raising the level of awareness of women on their personal healthcare and provide social security (insurance) cover for their life, health and assets
- Evolving exclusive savings and loan products for securing health and education for the women members and their daughters
- Including the agenda of addressing domestic violence faced by the women members in the groups
- Including legal education as an important component in the trainings organised by groups and their networks.
- Creating a legal support cells in the federations to counsel, advise and extend legal support to the women facing domestic violence

about the issues to be addressed. It also helps DHAN to identify the leadership and nurture it for sustaining the federations and its development activities. The institution building process set in the federations creates ample space for everyone to experience leadership by unleashing their hidden talents. It also builds their managerial abilities.

### Contributions

- Ninety percent of the 810,185 members organised into SHGs by DHAN around the themes of microfinance, water, ICT, Panchayat and rainfed farming are women.

- Around 75 percent of women have been covered under life insurance and 40 percent of the women have been covered under health insurance.
- The SHGs are primarily meant for empowering the poor women economically, which would in turn elevate their position within and outside the family. All the women were able to initiate ₹3,015 million worth of Income Generating Activities with the loan support from their groups. They have secured savings of ₹1,292 million in their groups.
- The leadership capacities of poor women have been unleashed. Around one lakh women members are serving as leaders in their primary groups and networks and another 40,000 members had already served as leaders.
- In addition to a number of trainings and exposure programmes organised for the members and leaders at their group level, the DHAN People Academy has offered structured long duration training programmes on community organisation, leadership, and Panchayat systems to 6,000 women members.
- These women empowerment programmes are spearheaded by the committed field workers at the grassroots level. Eighty percent of the 2,200 field workers serving the peoples' organisations are women.

#### GOAL 4: REDUCE CHILD MORTALITY & GOAL 5: IMPROVE MATERNAL HEALTH



Women and children are more vulnerable due to poor nutrition, lack of sanitation, poor hygiene awareness, and lack of access to quality healthcare. The Kalanjiam Federations promoted by DHAN design and implement comprehensive reproductive and child health programme to bring positive changes in the health seeking behaviour of the members' families to prevent or reduce anemia and malnutrition among mothers and adolescent girls. The

Kalanjiam women are enabled to devise 'Self Health Governance' and encouraged to work with Government healthcare system to ensure quality healthcare for all the poor.



#### Combating anaemia: Ensuring maternal and child health

In India, maternal mortality rate remains high; under-five mortality rate is also high, among which infant mortality is significantly high. Fighting anaemia can help reduce child mortality (MDG 4) and improve maternal health (MDG 5). World Health Organization (WHO) estimates that over one third of the world's population suffer from anaemia. India continues to be one of the countries with the highest prevalence of anaemia. National Family Health Survey (NFHS) estimates reveal the prevalence of anaemia to be 70-80 percent in children, and 70 percent in pregnant women.

This is more pronounced in rural areas. While the survey says 56 percent of adolescent girls are anemic, and independent survey in rural India by Survival for Women and Children (SWACH) Foundation (1997) found an anaemia prevalence rate of 82.9 percent among girls in school and 92.7 percent among girls not in school. These girls are our potential mothers. Anaemia causes adverse effects on physical and cognitive performance of individuals. But the true toll of anaemia lies in the ill-effects on maternal and fetal health.

In India, 20 percent of all the maternal deaths are attributed to anaemia during pregnancy and in another 40 percent, anaemia is a contributory factor.

### Focus on Child and Maternal Health: The Kalanjiam approach

- Focusing on pregnant women and adolescent girls for their reproductive health including contraceptive use, anemia control, personal hygiene, and family planning.
- Promoting community health workers and trained native delivery attendants through the SHGs and networks to provide Antenatal and Postnatal care to the poor women members.
- Evolving and offering suitable savings, credit and insurance products to women members for their pregnancy and healthcare
- Raising the level of awareness on the ill-effects of early marriages and early pregnancies.
- Ensuring 100 percent follow-up of immunization programme to the pregnant mothers and children
- Supporting the immunization campaigns and prevention of communicable diseases campaigns
- Encouraging breastfeeding for minimum up to 6 months to 2 years with complementary feeding
- Integrating reproductive and child health as a critical component of SHGs and its networks through appropriate microfinance products, health education through BCC strategies, linking them with mainstream programmes
- Promoting safe drinking water, sanitation and personal hygiene in the members' families through affordable products and services, BCC strategies to avoid infectious diseases.
- Ensuring access and quality of delivery of nutrition support programmes of states to children and pregnant mothers
- Ensuring institutional deliveries and follow up

The rate of low birth weight and premature children born to anaemic mothers is also high. So, addressing anaemia can help us achieve the twin goal of reducing child mortality (MDG 4) as well as ensuring maternal health (MDG 5).

DHAN Foundation's Anemia Control Project was done with 1,204 Kalanjiam SHGs; benefitting 1315 pregnant women and 6,690 adolescent girls. 'Enabling Self Health Governance' was the core

- 18,000 Kalanjiam women, 9,000 adolescent girls and 4000 children benefited under Reproductive and Child Health Programme
- Set to upscale this initiative in other 80 locations with 1,60,000 families
- Anemia Control project is implemented in five blocks in Tamil Nadu in partnership with the Department of Health and Family Welfare benefitting 10000 maternal mothers and 25,000 adolescent girls

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

#### Impact\*

- Highly significant ( $P < 0.000$ ) decrease in the prevalence of anaemia among pregnant women, by 25.7 percent from 89.3 percent (before intervention in 2006) to 63.6 percent (after intervention in 2009). The mean haemoglobin (Hb) and maximum Hb level had an increase from 9.49 to 10.41 g/dl and 12.1 to 14.2 g/dl respectively.

\* According to the evaluation report by Dr. Abel Rajaratnam and Dr. Jolly Abel based on comparison of baseline and end line survey taken up among the pregnant women and children covered by the KRCH programme.

- Significant ( $P < 0.001$ ) decrease in the prevalence of anaemia by 34.4 percent among adolescent girls. The mean Hb and maximum Hb level had an increase from 9.6 to 11.3 g/dl and 13.0 to 14.4 g/dl respectively.
- Pregnant women who had minimum of three antenatal checkups increased from 65.4 percent to 80 percent.
- Iron-Folic Acid tablet procurement and consumption, among adolescent girls significantly increased from 22.1 percent to 86.5 percent.
- Practice of wearing slippers to avoid hookworm infestation increased significantly from 55.6 percent to 93.9 percent among pregnant women and from 55.4 percent to 97.2 percent among adolescent girls.

The Kalanjiam Reproductive and Child Health programme (KRCH)

intervenes on preventing and correcting malnutrition by reinforcing gap between two pregnancies and avoiding early marriages, controlling anemia during and after pregnancy through iron and folic acid supplements, ensuring mother feeding and giving de-worming tablets and Vitamin A syrups, vaccination as per schedule, ensuring nutrition with supplementary food, maintaining sanitation and personal hygiene to prevent chronic infections that lead to underweight.



### Combating malnutrition: Ensuring Healthy Babies

Malnutrition is defined as condition among children due to deficiency of one or more nutrient. The major cause of malnutrition is lack of balanced diet with the mix of major nutrients like proteins, carbohydrates and fats with minor nutrients like vitamins and minerals. It also happens when the mother during her pregnancy doesn't take a proper balanced diet resulting in the low-birth weight (LBW) and stunted growth of the child.

Health education and health services to prevent Malnutrition are given both for the mother and child from the moment the child is born till attains three years of age. Further, education on timely vaccination to the child, awareness of nursing the baby with mother's milk at least till eighth month of the child, and starting supplementary feeding by 4th to 6th month are given. Regularly the child is weighed and monitored by the Kalanjiam health workers.

### Case: KVK Implements KRCH - Malnutrition Control Programme

Kamuthi Vattara Kalanjiam (KVK) is one of the federations located in drought prone Ramanathapuram district in Tamil Nadu, where the KRCH programme was implemented among the Kalanjiam members' families. Since the initiation of programme in 2007, the status of children enrolled in the malnutrition control programme of KRCH is given below:

Grade (weight against age)	2007-08		2008-09		2009-10	
	No.	%	No.	%	No.	%
Normal	88	33.8	149	54.6	141	61.8
Grade - I	65	25.0	77	28.2	48	21.1
Grade - II	47	18.1	38	13.9	26	11.4
Grade - III	22	8.5	9	3.3	12	5.3
Grade - IV	-	-	-	-	1	0.4
Not taken	38	14.6	-	-	-	-
<b>Total</b>	<b>260</b>	<b>100.0</b>	<b>273</b>	<b>100.0</b>	<b>228</b>	<b>100.0</b>

The percentage of children with normal growth parameters has increased from just 33.8 percent in 2007-08 to 54.6 percent in 2008-09. Now in 2009-10, it has gone up to 61.8 percent.

### Impact of malnutrition control programme\*

- The child card to monitor the growth of the children was found to be maintained by 86.3 percent mothers.
- Giving sugar water soon after birth of a child was significantly reduced from 26.2 percent to 3.1 percent. The practice of giving colostrums was adopted by almost all mothers for their babies.
- Mothers who have started complementary feed at the 4th month increased from 9.2 percent to 49 percent while mothers who started from the 7th month have decreased from 18.2 percent to 3.7 percent.
- The practice of giving vitamin A solution was adopted for 58.7 percent of the children at least once after the intervention as the practice was uncommon among mothers for their children 0-5 years.
- The practice of de-worming children 0-5 years was not adopted as this was not promoted by the government health system however one third of the children (33.2 percent) were de-wormed at least once after the intervention.
- The practice of using iodized salt by mothers 'always' for cooking was significantly ( $P < 0.001$ ) increased after the intervention, however only little more than half the mothers (57 percent) were regularly using it.

### Case: Kamala saves her child

Kamala is a member of Ganapathy Kalanjiam in Velichanatham cluster of Chinnapatti village in Madurai district, Tamil Nadu. She got married in 2000, and she maintains a petty shop in the village and ekes out her living. In 2006, at her first delivery she delivered twins – one child weighing 2.5 kgs and the other one weighing 2.75 kgs. Due to difficulty in rearing them, she left one child at her mother's house. In June, 2009, she was expecting another child, but due to bleeding and complications, she had to be admitted at her eighth month of pregnancy in Government Rajaji Hospital, Madurai. The doctors have conducted caesarian section to deliver the baby weighing just one kilogram. The baby was kept in incubator for five days and 45 days later, got vaccinated. It was that time, Kalanjiam Health associate enrolled her in the Kalanjiam malnutrition control programme and monitored Kamala and her baby regularly to ensure that she takes nutrient rich food and educated on child care. With the advice and follow up of the health worker, she feeds the child with mother milk, and gives supplement food supplied by the local *anganwadi* centre. With continuous follow up of the health worker and the care from Kamala, at the 14<sup>th</sup> month, the baby has moved to II grade, weighing 6.800 kilograms.



### Sustainable Access to Healthcare

Health is not only an individual issue, it is a community issue. When people identify health problem, their health seeking process is influenced by availability, accessibility, affordability, adequacy, and acceptability of health infrastructure. In the remote and vulnerable tribal locations prone for epidemics

like Malaria, healthcare is integrated with microfinance from very beginning. The Kalanjiam federations evolve and implement community based healthcare solutions for major health issues of women and children such as anemia and malnutrition. They work in concert with the government and private healthcare systems for reducing healthcare expenditure and increasing health seeking behaviour.

\* According to the evaluation report by Dr. Abel Rajaratnam and Dr. Jolly Abel based on comparison of baseline and end line survey taken up among the pregnant women and children covered by the KRCH programme.

SUHAM stands for Sustainable Healthcare Advancement, a collective health intervention model evolved by the Kalanjiam Federations promoted by DHAN. This model combines a community owned multi-specialty hospital with a mutual health insurance package poor families, who are members in the Kalanjiam SHGs contribute mutually to cover the healthcare costs from primary care to advanced treatments. The first hospital was started in Theni to cater to the needs of 25,000 SHG member families. Following the success of the Theni SUHAM Hospital, the Madurai hospital was started in 2008 to serve over 40,000 poor families.

The primary objective of the venture is to reduce leakages in family cash flows of the poor in the form of medical expenses. The hospital is fully community owned, with the SHGs having provided ₹1.2 million initially and the remaining was mobilised from national and international philanthropic institutions. Kalanjiam leaders review the functioning of hospitals twice a month. There is a sense of pride and ownership in them.

- To eradicate malaria, 8000 families from four tribal locations in Madhya Pradesh and Orissa have been organised under 'microfinance plus health' integrated approach
- In Salem and Madurai districts 12000 poor families have been organised to integrate HIV-AIDS control as part of microfinance activity
- Agreements with 25 referral hospitals have been made to avail healthcare at 30 - 35 percent lesser than the actual rates.

Both the hospitals have an operation theatre, an outpatient section, a laboratory and a pharmacy. For X-ray and scan, the SUHAM Trust has signed a memorandum of understanding with a nearby scan centre that provides its services at highly affordable rates. For intensive and trauma care a tie-up has been arranged with hospitals in the city.

Under the Mutual Health Insurance programme, a special product, members are required to pay ₹300 as annual premium for a family of five members and avail themselves of medical treatment for ₹10,000 in a year. Seventy five per cent of the expenses will be reimbursed for secondary care services at designated hospitals. For hospitalisation of SHG members of the Kalanjiam federations in government medical institutions, wage loss compensation is provided for 15 days at the rate of ₹75 a day in a year. The hospital provides treatment to the public at the same cost as for SHG members.

There are ten primary care centres operating in Federation offices in both Theni and Madurai districts, to compliment with the SUHAM Hospitals. These centres, which supplement the role of primary health centres, function in the afternoon and evening. Medical camps are organised by the Hospital in villages in association with the local PHCs. The hospital follows a code by which preference in treatment is given on the basis of medical emergency. Medicines are bought only from wholesale agencies and hence sold at lower rates. A mobile medical unit provides service in interior villages and it is also used to bring patients to the hospital in an emergency.

## GOAL 7: ENVIRONMENTAL SUSTAINABILITY



Access by the poor to natural resources, including land, forests, water, fisheries and wildlife, is essential for sustainable poverty reduction. DHAN believes that building collective conscience and action among the communities is the key to conserve and manage natural and man-made resources. With this philosophy, DHAN is working on the centuries-old water harvesting system called 'tanks' by organizing the farmers to conserve and develop such time tested indigenous innovations. Similarly, the Coastal Conservation and Livelihoods Development Programme promote conservation focused traditional livelihoods around marine resources in addition to community-led disaster preparedness strategies.



## Reviving Community-led conservation

India has historical evidences of its human interventions in the management of water for agriculture from village water bodies. One such intervention is an irrigation tank. A tank is a simple rainwater harvesting structure designed by early settlers using indigenous wisdom and constructed with the generous support of native rulers and chieftains. There exist 500,000 irrigation tanks in the country, of which 150,000 tanks are located in the semi arid region of Deccan plateau. They are located in sequential chains or cascades, effectively capturing the rainfall and serving multiple uses with irrigation having the major share.

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

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

The performance of these tanks has been declining over the years. The entire country had lost 1.7 million ha of area irrigated by tanks, nearly 25 percent of the total tank irrigated area. Around ₹51 billion worth of capital loss is estimated due to this decline (Indian Planning Commission, 1999); the indirect loss in ground water recharge, as drinking water source are not quantified. Since the tank irrigated areas benefit the marginal farmers, the livelihoods of these farmers are affected.

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

Programme	Priorities
Kalanjiam Community Banking	<ul style="list-style-type: none"> <li>● Low cost Household Water Treatment Methods through the SHGs to provide safe drinking water</li> <li>● Evolve microfinance products to provide electricity, safe drinking water, water harvesting, farm pond construction, horticulture plantations, tree plantation, and inland fishery and so on.</li> <li>● Focus on house construction and up gradation for providing decent living environment to the urban poor.</li> <li>● Enhance production and productivity of resource scarce and marginal lands through loan products for land improvement and quality input supply, creating productive assets such as livestock, fulfilling working capital needs of farmers</li> </ul>
Vayalagam Tankfed Agriculture Development Programme	<ul style="list-style-type: none"> <li>● Holistic development of water resources through tank based watershed development</li> <li>● Conjunctive use of Tank water and ground water</li> <li>● Recharging groundwater aquifers</li> <li>● Fisheries in tanks and foreshore plantation for providing additional income for upkeep of tanks.</li> </ul>

	<ul style="list-style-type: none"> <li>● Creation of endowments for continuous repair and maintenance of tanks and tank structures</li> <li>● Enhancing accessibility to drinking water through Ponds/Ooranis</li> <li>● Low cost Household Water Treatment Methods to provide safe drinking water</li> </ul>
Rainfed Farming Development Programme	<ul style="list-style-type: none"> <li>● Promoting Zero Budget Natural farming with no/low external input</li> <li>● Soil and moisture conservation in individual farm holdings through land development, farm pond individual approach</li> <li>● Collective efforts for water conservation through tank based watershed development</li> </ul>
Coastal Conservation and Livelihoods Programme	<ul style="list-style-type: none"> <li>● Renovation of coastal water bodies including tanks, village ponds, farm ponds and restoration of community management to sustain coastal farming livelihoods.</li> <li>● Tree plantation along the water bodies, wastelands and horticultural plantation in the farm lands</li> <li>● Watershed development</li> <li>● Conservation Movement at the district level to create awareness and educate the farmers on climate change</li> <li>● Involving local communities on eco-friendly methods of fishing and orienting them on legal and environmental implications of using banned methods of fishing.</li> <li>● Creating disaster mitigation funds at the Peoples' Organisations to meet future disasters</li> <li>● Ensuring social security for the lives, health, and livelihood assets of the coastal communities,</li> </ul>

### Contributions

- 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 161,307 poor farmers are organized as 2164 Vayalagams (or Tank Farmers' Associations) and 161 Cascade associations in conserving traditional water structures like tanks, ponds and cascades.
- Mobilized and implemented ₹755 million worth of conservation and development programmes in partnership with development agencies of state and central governments, national and international donors.
- In 2009 alone, the Vayalagam programme has taken up and completed conservation works worth of ₹42.26 million, in addition to ₹20 million worth of physical works in different stages of completion.
- Resulted in stabilizing cultivation in 57,541 hectares of tank command area.
- Farmers Groups have generated ₹202 million for various agricultural production needs through their microfinance activities

## Ensuring access to Drinking Water

Ramanathapuram district is a water-starved region in Tamil Nadu. Water is scarce and often a priced commodity in this area. Located at the tail end of the Vaigai River, there are no other perennial rivers. Because of saline nature of ground water there is no scope of having wells for drinking water or irrigation purposes. People have to walk 3-5 kms. to fetch water, and the burden falls mostly on women. Harvesting and storing the rain water is the only way. There exists for centuries in these regions, ancient small-scale water sources called Ooranis built with the traditional wisdom of the native people and managed locally. These Ooranis are dug-out ponds 2-5 metres deep, built in the most hydro-geologically strategic location to harvest the maximum of the monsoonal rain for future use. Additionally, Ooranis are also known to help recharge groundwater.

Ramanathapuram district is home to around 3000 such Ooranis with each village having two or three ponds, one for drinking, other for domestic purposes and for animals. The people have been following some traditional methods for lifting and purifying the water. Somehow in the last 200 years, centralised state-owned water supply projects (like hand pumps and wells dependent on groundwater) overlooked this simple system. And today we are in desperate need of reinventing what was once a sustainable way of life. Years of neglect have reduced the efficiency of Ooranis due to the dependency on state-owned water supply systems, official emphasis on groundwater based water supply systems, lack of understanding the Oorani system.

DHAN's focus was on the tanks to renovate them and to bring back the farmer's management and thereby stabilize the livelihoods of the farmers dependent on it. When DHAN foundation started its work in Ramanathapuram the people made a demand for work on their Ooranis, which they said was as important if not more important than work on the tank. The first Oorani was done in 1993 in a small village called Thattanendal. A study on the Ooranis as source of drinking water was taken up



with International Water Management Institute in 1999 which revealed that the Ooranis were an enduring and sustainable solution to the frequent water scarcity faced by the district.

### Contributions

- Nearly 81 percent of the people in the Ramanathapuram district get their drinking water mainly from Ooranis (47 percent) and tanks (34 percent). The rest use groundwater or desalinated water along with Ooranis.  
*Source: The Socio-Ecology of Groundwater in India, ANNUAL REPORT 2002-2003, International Water Management Institute Survey 2002*
- 120 Ooranis (traditional drinking water ponds) were rehabilitated in two drought prone districts in India.
- Over 120,000 people gained access to drinking water by renovation of Ooranis.
- Ooranis provide water for drinking and for livestock and also recharge groundwater.
- Before women have to walk 1-2 km to fetch water and revival of Ooranis saved aptly 365 hours or 45 working days.
- After Ooranis were restored, incidences of diseases especially gastrointestinal disorders related to water shortages and water-borne diseases reduced.
- Locally available and managed water source means reduced dependency on centralised water supply systems

## Case: Renovating oorani in Orivayal village

Orivayal village is situated in Kadaladi Block of Ramanathapuram district in Tamil Nadu. The village has 249 households where farming is the major livelihood with tank as the major source of irrigation. Safe drinking water has been a worry to the village. Though the government has put up four bore wells and an over head tank in the village high salinity, makes it unfit even for bathing. A decade ago, a well was excavated on the bund of the village irrigation tank, but the well water was not sufficient to meet the drinking water needs of the village throughout the year.



### Oorani in Orivayal village

The village has a drinking water Oorani situated near the local primary school. In the past 10 years, people's dependency on the Oorani was increasing owing to the failure of conventional water supply source. At the same time, the water available in the Oorani is inadequate to fulfill the mounting demand for drinking water, due to its reduced capacity. And villagers sometimes have no option, but to go to nearby villages to fetch drinking water. A village elder says, "In summer we go to Punaivasal, six kilometers away to bring drinking water. Both men and women fetch water with the help of bicycle or bus from the hand pump there." "Widening this Oorani would provide water throughout the year....." he further added. Thus situation necessitates the need to rehabilitate the Oorani and enhance its storage capacity.

### Oorani rehabilitation

DHAN Foundation has been working in the area since 2002, and promoted Vayalagam in the village. In 2008, the villagers with the support from DHAN took up the Oorani rehabilitation work with total cost of ₹1,68,500. Out of this the villagers alone contributed ₹52,500 (31 percent), while ₹1,16,000 came from Pan-IIT alumni. DHAN Foundation contributed ₹20,000 by providing professional and techno-managerial support. After the construction, the water problem in the village is solved.

"Now as the Oorani has been rehabilitated, there won't be any water scarcity in future," says Karuppaiah. The villagers have realised the importance of preserving the Oorani. They have planned to put a fence around the Oorani to avoid entry of animals.

## Ensuring Safe Drinking water

Though India has 16 percent of world's population, it has only 4 percent of the total available freshwater; providing drinking water, particularly in rural areas is still a challenge. If availability is one part of the equation, quality is another. Around 194,000 hamlets are affected by poor water quality

with 200 million Indians having no access to safe drinking water (Bharat Nirman Action Plan, 2006). About 30 percent of urban and 85 percent of rural households still depend on completely untreated surface or ground water.

No wonder, more than 86 percent of the diseases in the country are attributed directly or indirectly to

water, for which at least 25-30 percent of family's income is drained towards health care expenses. India has the highest number of annual child deaths due to diarrhea at 386,600 (Reuters, 2009). At the same time, water has become a priced commodity, and a number of sophisticated water purification technologies have sprung up promising safe drinking water, apparently not so affordable for the poor. But there seems to be hope in the form of a more sustainable and localised solution.

In order to ensure the quality of the drinking water, DHAN supplies Biosand filter, a simple and affordable method of household water treatment and storage. The Biosand filter is a modified version of a slow sand filter made to accommodate for a household utility. The device has been developed by a Canadian Engineer and Scientist named Dr. David Manz and has been actively promoted by a Canadian development organization named CAWST (Centre for Affordable Water and Sanitation Technology) located at Calgary in Canada.

DHAN Foundation in association with CAWST has been promoting the Biosand Filters for the last ten years among the poor families. There is now growing evidence that the filter eliminates viruses, bacteria and parasites from household stored water, and reduces the risks of diarrheal disease for people of all ages. It can filter 240 litres of water a day.

#### Contributions

- 2000 Biosand filters have been installed ensuring the quality of drinking water and



benefitting over 15000 people in Tamil Nadu and Andhra Pradesh

- Microbiological tests have shown that use of Biosand filter reduced Coli form bacterial counts to less than six, safe for human consumption
- The users have reported that incidences of cold and fever, diarrheal diseases, gastrointestinal and arthritis diseases have come down drastically
- Considerable reduction in hospital expenses in the family
- Health expenses due to water infections have significantly reduced
- An institutional model has been evolved to mobilise, train, produce, distribute and monitor the use of Biosand Filters. Women are the main stakeholders in the whole project.

### GOAL 8: DEVELOP A GLOBAL PARTNERSHIP FOR DEVELOPMENT



Given the enormous global challenges, the Millennium Development Goals call for partnership with shared commitment involving all the actors include governments, donors, NGOs, civil societies and corporate to share knowledge, resources, expertise, explore joint ventures and develop solutions. The peoples' organisations built by DHAN around microfinance, local governance, water and agriculture are becoming the centres of convergence for all the development interventions designed and implemented by these partners. DHAN facilitates convergence, where the community can define the problems, propose solutions, and make the changes happen, using methods with which they are familiar.

## Connecting Banks and the Poor

There has been increasing realisation about the problem of inadequate access to formal banking system, particularly for poor sections of the society. According to the 59th round of survey by the National Sample Survey Organisation, only 27 percent of the rural farm households have access to formal sources of credit and one third of this group also borrow from non-formal sources. This accentuates the problem of exclusion from gainfully participating in the process of and sharing the fruits of economic development.

Self-help group (SHG)-Bank linkage programmes have proven to fill that gap. SHG-bank linkage can help poor, especially the women to access the much needed capital to enhance their livelihood, increase income and thereby improve their standard of living. Studies carried out have clearly established that microfinance programmes contribute to the achievement of several aspects of the Millennium Development Goals (MDGs) (GTZ-NABARD Study, 2008).

SHGs in India have shown that banking with poor is a viable business proposition thereby creating business interest to sustain the financial linkages with SHGs. Federations of SHGs have brought the advantage of the scale to the banks with a large clientele base in rural areas and made many rural branches vibrant and profitable. In the process, there is a gradual build up of mutually trustworthy relationship between the SHGs and banks enabling and nurturing the financial inclusion process for long.

DHAN Foundation has been one of the pioneers in promoting and up scaling SHG-Bank partnership model for poverty reduction. Its Kalanjiam programme was instrumental in building up and demonstrating the viability and sustainability of the linkage model.

DHAN Foundation is one of the resource institutions supporting the state and banks, training their staffs in scaling-up the SHG-Bank linkage model. Now, people institutions promoted by DHAN have been recognized as 'Business Facilitators/

Correspondents' by the banks to reach out to the unreached people in the remotest of the places.

### Contributions

- The first SHG-Bank linkage in Tamil Nadu was done in Mangulam village of Madurai district promoted by DHAN Foundation under its Kalanjiam Programme in 1992. Today, all the 30,000 Self Help Groups promoted by DHAN have been linked with 210 branches of 30 commercial banks and mobilized over ₹ 3,830 million as credit.
- Trained over 2500 branch managers of Commercial Banks by giving hands on experience and exposure for them to initiate SHG Bank linkage with the support of NABARD.
- Fostering networks such as International Network of Alternative Financial Institutions (INAFI), Indian Network of Microfinance Self Help Groups (INFOS) for sharing knowledge and advocacy

## Promoting Partnership for water

Over the last one decade the Vayalagam programme has demonstrated that tank farmers' organisations are capable of implementing tanks conservation and development works in collaboration with mainstream agencies. The collaborative works have resulted in influencing the policies and development of new schemes by government for development of tanks in the state of Tamil Nadu and Andhra Pradesh. The funds required for the tank program have been raised from the district rural development agencies, government departments and other mainstream institutions. In many places the farmers were able to negotiate with them and get allocations for tank work from the development funds available with them. In the recent years the Vayalagam programme has initiated partnership with the corporate bodies through their Corporate Social Responsibility.

In partnership with the ITC Rural Development Trust, the Vayalagam programme launched a Mission Sunerakhal in Sivagangai district of Tamil Nadu in 2004. The focus was on the tank based watershed development and enhancing the farm productivity of small land holdings belonging to

small and marginal farmers. Similarly the Vayalagam programme has launched a partnership project with Hindustan Unilever Limited to revive tanks in the drought prone Gundar Basin in Tamil Nadu benefitting directly over 20,000 small and marginal farm families. Continuing the success of promoting partnership for water conservation, the Vayalagam programme also started raising resources for the drinking water pond renovation programme from the individual as well as group philanthropies within and outside the country.

### Partnership for advocating pro-poor policies

With intensive works at the grassroots level on the themes of water and community banking, DHAN has partnered with many NGOs, government departments, national and international to share its experiences as well as to learn their experiences.

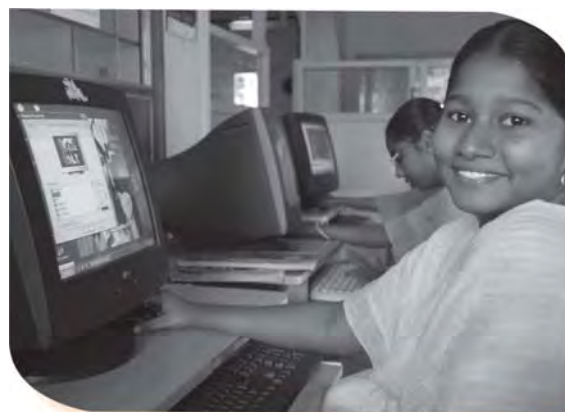
DHAN is a member in many policy forums constituted by state and central governments. DHAN played a vital role in Central Planning Commission as a working committee member on micro irrigation during tenth five year plan. DHAN has been identified as a driver agency for Village Tank Management in South India by Global Water partnership, Stockholm.

DHAN advises the Tamil Nadu Government's microfinance programme supported by World Bank. As a resource NGO, DHAN provides capacity building services to the IFAD sponsored Post Tsunami Sustainable Livelihoods Programme being implemented by the Government of Tamil Nadu. The CEOs of State-run women development programmes have visited DHAN to understand and replicate the community banking model.

DHAN's Executive Director is a member in National Technical Advisory Group of Jawaharlal Nehru National Urban Renewal Mission (JNNURM), the largest urban development initiative of the Government of India. DHAN is the Secretariat for the Conservation Council for Small Scale Water Resources promoted by the eminent development workers, academicians and researchers. This group functions as a vibrant force to interact periodically with the policy makers, planners, and bureaucrats to shape the government policies related to this sector.

### Ensuring ICT for Poor

There exists a great digital divide between rich and poor. The Information and Communication Technology (ICT) for poor 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 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, employment, and social security.



### Contributions

- Twenty five Community Colleges offer a range of certificate and diploma courses in computer applications, easy mathematics, spoken English recognized, and they also offer computer literacy programme of Indira Gandhi National Open University.
- Thirty two types of online and offline e-services are offered to the people in 162 villages benefiting around 1,50,000 users
- Seventeen Village Resource Centres have been promoted with the support of Indian Space Research Organisation focusing on ICT literacy and livelihoods, GIS package for watershed planning, and telemedicine.
- The Community Radios promoted in Nagapattinam (Kalanjiam 90.8 FM) and Kottampatty (Vayalagam community radio) are serving the information needs of the community.

- Interactive multimedia content on health, education, legal awareness, microfinance, insurance, Panchayats, agriculture and livestock have been generated based on the needs of the local communities.

### Promoting Good Governance and Democracy

Good governance is a cornerstone of development process with equity. The structure of Peoples' Institutions promoted by DHAN provide enabling environment for nurturing good governance practices include participatory democracy, accountability, transparency self regulation and advancing the value of mutuality. The poor communities use their democratic rights not only to press for individual and collective rights but also demonstrate it. The Peoples' Institutions provide ample scope for the poor men and women to unleash their leadership potential. These leaders form foundation for the good governance.

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

DHAN has promoted two peoples movements – the Kalanjiam Movement and Vayalagam Movement. These peoples' movements are nurtured and supported by DHAN Foundation to address the larger development issues related to women and water. These movements would slowly transform

into a force to reckon within the society they live.

Presently there are 90,000 women members and over 15,000 farmers occupy leadership positions at various levels of the nested institutions in all the themes in DHAN. In addition to this, nearly 40,000 members who had occupied leadership positions at various levels are now providing guidance to the serving leaders. This indicates that one out of every five women members have had the leadership experience. The policies of leadership graduation and rotation facilitate everyone to occupy such space and unleash their leadership potential.

At each level of the nested institution, there are specific norms that ensure leadership rotation and leadership capacity building. The leadership in the nested institutions is nothing but collective leadership (executive committee) for building the shared vision and providing direction by strategic guidance in achieving the set goals. Role of governance in integrating and managing special services such as insurance, health and education, and basic amenities such as electricity, drinking water, sanitation and drainage into their development planning is being enhanced through specialised trainings. The leadership graduation and promotion of succession leaders as a tradition is being followed at all the three levels through democratic process of consensus (not by election or voting). The gender empowerment happens not only because of individual leadership abilities but by the collective action by institutional leadership.

### Promoting MDGs through Madurai Symposium

The United Nations Secretary General Ban Ki-Moon stated that:

*Looking ahead to 2015 and beyond, there is no question that we can achieve the overarching goal: we can put an end to poverty. In almost all instances, experience has demonstrated the validity of earlier agreements on the way forward; in other words, we know what to do. But it requires an unswerving, collective, long-term effort.*

Poor countries have pledged to govern better, and invest in their people through healthcare and education. Rich countries have pledged to support

development through aid, debt relief, and fairer trade. Yet, there remains a challenge in contextualizing these MDGs and mobilizing collective commitment by all stakeholders.

### **Madurai Symposium: A knowledge platform**

Madurai Symposium is a development platform where development stakeholders—community institutions, civil societies, the Government, non-government organisations (NGOs), financial institutions and academia—converge at Madurai for conventions, conferences and a development carnival. Bringing all development stakeholders together in a common venue facilitates sharing and learning from each others' experiences and practices. For each Symposium, along with people conventions, conferences, seminars, and workshops, there are also events open to the public including an exhibition hall, cultural programmes, and a development film festival.

The 2009 Madurai Symposium, titled Advancing Development Towards Millennium Development Goals, was designed as an opportunity for all the stakeholders of development to consolidate their experiences and field practices, share what they have learned, and establish an agenda for realizing the MDGs. The Symposium provided an opportunity to collectively assess the contributions made by all the stakeholders towards reaching these goals, to disseminate best practices, and to share and build knowledge.

### **Themes**

The events at the 2009 Madurai Symposium were designed around four major themes: *poverty*; *environmental sustainability*; *women and children*; and *global partnerships*. Under each of these broad themes, events were organised in consideration of the Millennium Development Goals. MDG 3, *promote gender equality and empower women*, was a common theme throughout all four of these themes.

#### **Poverty**

The first theme of the 2009 Symposium, with its focus on poverty, provided a platform for events related to MDG 1, *eradicate extreme poverty and hunger*. Some of the resolutions which emerged from

the various events held under the first theme are as follows:

- In planning poverty-reduction and hunger-eradication programmes, plans to ensure the dignity and social security of the elderly must also be considered. All development work should focus on holistic family development.
- NGOs can increase community awareness and capacity with respect to the MDGs. NGOs can also monitor the design and implementation of different programmes to ensure they address the problems highlighted in the MDGs.
- NGOs and the government can help small farmers and producers get better market information and facilitate product value addition. Crop insurance products need to be developed and indigenous risk-coping mechanisms need to be revisited to ensure that shocks do not put families into poverty.
- Research on MDGs needs to be strengthened and demonstrations, pilots, and models have to be experimented with, and the experiences to be shared, to promote the scaling up of development efforts.

#### **Environmental Sustainability**

The second theme of the Symposium related primarily to MDG 7, *ensure environmental sustainability*. Through the events that occurred along that theme, the resolutions made included:

- It is unanimously accepted that renovation of tanks and ponds in India has high relevance as they are instrumental to cope with and adapt to climatic change implications. The community, NGOs, academics and Indian meteorological organisations shall ensure that the community must be organised, empowered, and informed about the consequences of climate change. Context-specific integrated watershed development is required for environmental sustainability.
- NGOs have to be actively involved in creating awareness among the public on planting of native species of trees and reducing noise pollution to make cities noise- and pollution-free.
- Organic farming using Indian knowledge and practices should be revived within the next 20

years and should involve the younger generation.

- The cultivation and promotion of medicinal plants has to be encouraged not only as a potential activity of income generation, but also because of its potential to treat diseases.
- Public awareness and understanding of the importance of a “clean and green environment” can be improved through practical demonstrations, models and success stories; laws regarding the environment should be strictly enforced. Waste must be properly treated to prevent environmental pollution and to reduce the spread of certain diseases.

### Women and Children

Under the theme of women and children, events were organised relating to MDG 2, *achieve universal primary education*; MDG 4, *reduce child mortality*; MDG 5, *improve maternal health and* MDG 6, *combat HIV/AIDS, malaria, and other diseases*. The following are some of the resolutions that were made:

- Mutuals for education should be created to help achieve universal primary education. Beyond achieving universal primary education, they should also promote higher education opportunities for the poor. This can be done by initiating an educational trust which will provide financial assistance in the form of scholarships.
- The prevalence of anaemia is startling high; this poses problems particularly for pregnant women, children, and adolescent girls. Community health programmes can help to reduce anaemia, but individuals are ultimately responsible for reducing the problem by making changes in their behaviour. Reproductive child health programmes should be able to help individuals understand anaemia better and enable them to make wiser decisions about their health and nutrition.

### Global Partnership

The fourth theme of the 2009 Madurai Symposium related directly with MDG 8, *develop a global partnership for development*. Some of the resolutions made during the events organised for this theme are noted below:

- In all government projects and schemes social audit should be integrated as a mandatory component. Social audit committees should include member representatives from people institutions and should be promoted in all village Panchayat institutions.
- Panchayats should be involved in planning as well as implementing programmes and schemes; schemes should be implemented by Panchayats based on their capacity to implement them, and subsidies should be increased to meet the needs of the poor.
- Banks, regional rural banks, the Government, NABARD, and NGOs should all be more active in financial inclusion. If financial inclusion is to be achieved, products must be developed which suit the local needs.
- Rural tourism must be promoted as a means of providing employment to youth and the elderly. Tourism related subjects need to be included in the school curriculum, and the public awareness on tourism must improve.

### Contribution of Madurai Symposium 2009

The 2009 Symposium is a natural progression from the preceding three symposia which grew progressively from looking at development innovations in South India (2003), to the advancement of development throughout India (2005), to the systematic designing of development programmes by building effective alliances between development stakeholders (2007). The Symposium was also a timely reminder to all development stakeholders of the scope of work that remains if we are to achieve the eight Millennium Development Goals.

Over the course of a short five days, nearly 50 formal events were organised to build the world of knowledge of over 15,000 visiting practitioners and community members. This does not include the numerous informal opportunities for learning that were available at the public exhibitions, which included stalls not only for vendors to sell products made by self-help groups or primary producer groups, but also to provide a space for further dissemination of knowledge through demonstrations, posters, literature, and other media.

## DHAN Foundation at a Glance

Particulars	March		
	2008	2009	2010
<i>Cumulative Figures</i>			
<b>Reach</b>			
No. of Families	649,389	735,501	810,185
No. of Primary Groups	28,027	29,326	33,039
No. of Clusters	1,638	1,367	1,648
No. of Federations	116	164	206
No. of Villages	9,148	9,531	9,757
No. of Districts	41	41	51
No. of States	11	11	12
<b>Staff</b>			
No. of Professionals	330	314	331
No. of Programme Staff	316	347	346
No. of People Functionaries	2,340	1,904	2,197
<b>Finances (₹ in million)</b>			
a) Programme Funds			
People	1,444	1,637	2,051
Banks	3,011	3,368	5,020
Government and Donors(for the year)	93	486	104
<b>Sub Total</b>	<b>4,548</b>	<b>5,491</b>	<b>7,175</b>
b) Programme Management (for the year)			
People	65	52	63
Government	13	8	17
Donors	253	240	236
<b>Sub Total</b>	<b>331</b>	<b>300</b>	<b>316</b>
<b>Grand Total</b>	<b>4,879</b>	<b>5,791</b>	<b>7,491</b>

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# Annual Report 2009-10

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# Annual Report 2009-10

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## Overview

The year 2009-10 was a year of advancing partnerships for development action for DHAN Collective. All the thematic programmes and institutions in DHAN Collective have started exploring partnership for strengthening the Peoples' Organisations built by them through innovative development products to create sustainable impact in the lives and livelihoods of the poor communities. Apart from scaling-up the programme horizontally, the programmes have given greater emphasis on deepening the interventions already made through the Peoples' Organisations.

The Kalanjiam Community Banking programme initiated partnership with state governments of Maharashtra, Madhya Pradesh, and Tamil Nadu to scale-up the Kalanjiam enabling model of microfinance either through direct expansion or by providing resource support. The programme has taken up demonstration of Kalanjiam model by promoting Community Managed Resource Centre and guiding other NGOs for the Tejaswini Rural women Empowerment programme with the Mahila Arthick Vikas Mahamandal (MAVIM) in Maharashtra, and implementation of poverty alleviation project – *Vaazhnthu Kaatuvom* in tribal locations with the Government of Tamil Nadu. This kind of partnership with the state governments for scaling-up would bring new learnings and position the uniqueness of the Kalanjiam model.

With nearly two decades of experience in building linkages between banks and Self Help Groups, DHAN has proved banking with poor is a viable business proposition. Mutually trustworthy relationship between Groups and Banks reinforce long term sustainable financial inclusion. As a graduation of SHG bank linkage, the SHG Federations promoted by DHAN have become Business Facilitators (BF) and Business Correspondents (BC) for the banks.

With almost a decade of intensive work in the tribal areas of Andhra Pradesh, DHAN has evolved a package with a combination of microfinance, forest based livelihoods, water resource development, health and educational services. The Kalanjiam programme has been expanded to the interior tribal areas of Madhya Pradesh, Rajasthan, Orissa, Jharkhand, Assam, Bihar and Tamil Nadu.

The success realized from the partnership with the Hindustan Unilever Limited (HUL) from the project for impacting livelihoods of 75,000 poor women last year has made the partnership stronger and a new water conservation project was launched to renovate over 250 irrigation tanks with farmers' participation in the drought prone Gundar Basin. The project will directly benefit over 20,000 small and marginal farm families and thus contributing towards both environments as well as enhancing livelihoods.

The partnership between DHAN and the NABARD in Andhra Pradesh has been unique and mutually reinforcing for community based natural resource management. DHAN taken up tank based watershed development project under various schemes of the bank.

The partnership project implemented by DHAN with European Commission and Oxfam Novib, the Netherlands, in drought prone coastal areas of southern India, through conservation of traditional water bodies like tank and farm level ponds has brought new dimension in coastal agricultural development; apart from benefiting over 12500 families and a population of 75000, the project would create changes in the policies related to coastal agriculture.

The Tata-Dhan Academy has completed its first decade and is consolidating its experiences in offering development management education. With a renewed vision of building development

missionaries, the Academy is becoming the third thematic institution in DHAN Collective in the coming year.

As a knowledge building centre, the Tata-Dhan Academy has anchored the Madurai Symposium 2009, with a focus of *Advancing Development Towards Millennium Development Goals*, as an opportunity for all the stakeholders of development to consolidate their experiences and field practices, share what they have learned, and establish an agenda for realising the MDGs. The Symposium provided an opportunity to collectively assess the contributions made by all the stakeholders towards reaching these goals, to disseminate best practices, and to share and build knowledge. Over the course of a short five days, nearly 50 formal events were organised to build the world of knowledge of over 15,000 visiting practitioners and community members.

The new themes such as Rainfed Farming Development, Working with Panchayat and ICT for Poor have started synthesizing their experiences gained from the experimentation phase. These

programmes are preparing to scale-up in integration with the existing programmes.

The Madurai Marathon on the theme of Anemia was organised in January 2010 with over 30,000 people including school children, college students and women from SHGs participating in it. This event was organized in partnership with the Tamil Nadu State Health Society and the Madurai Corporation. This is the fourth year in row that the marathon is being organised. The Madurai Marathon 2011 will focus on climate change adaptation as the Cause being highlighted by the Marathon.

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

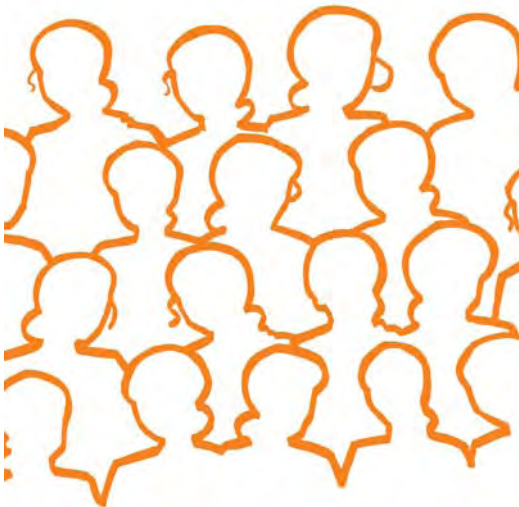


# Kalanjiam Community Banking Programme

**D**HAN Foundation initiated the Kalanjiam Community Banking Program in 1990. Over the last two decades these efforts resulted in developing an ‘enabling model’ of microfinance, emphasizing member ownership, self-help, and mutuality. The primary aim of this model is to empower women and address poverty. The programme focuses on women and believes that localised financial institutions owned and controlled by women are an effective way to alleviate poverty and address gender issues.

The DHAN Kalanjiam Foundation has been promoted for scaling-up the Kalanjiam nested institutions model. The approaches of the programme are:

- The primary unit is Kalanjiam, Self-Help Group of 15 to 20 poor women. It acts as a single window and works at the doorsteps of the beneficiaries for savings and credit transactions. The cluster and federation at Panchayat and block levels are the nested institutions at next higher levels. They help the Kalanjiam address other social and development needs of the members such as drinking water, health, education, sanitation, access to basic infrastructure, alcoholism gender issues etc. The aim is to sustain these institutions.
- Promotion of creative financial products such as savings, credit and insurance are 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.
- These nested institutions help create linkages with banks and apex financial institutions to meet the multiple credit needs of members, collaborate with other development agencies such as the Government to get their entitlements, implement civic programmes in health and education, and provide insurance services.
- The Federations create conducive environment for promoting livelihoods of the member families through business development services, skill building, market linkages.
- Identifying and nurturing the latent leadership potential among poor women. The programme provides a great opportunity for poor women 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 Kalanjiam.



## Scaling-up of Kalanjiam model of microfinance

The Kalanjiam Programme has reached out to another 58,181 poor families during the year by promoting 3,713 Kalanjiams. As on March 2010, the Programme has an outreach of 485,867 poor women spread over 173 locations in 45 districts in India. There are 108 registered federations in the Programme.

Scaling-up through providing resource support to the affiliated NGOs and programmes of the Government is one of the strategies of the Kalanjiam programme to benefit the poor communities. DHAN is a Resource NGO (R-NGO) for the Tejaswini Rural women Empowerment programme implemented by the Mahila Arthick Vikas Mahamandal (MAVIM), a mission promoted by the state government of Maharashtra. As an R-NGO, DHAN has agreed to provide support for training, material development, system development, monitoring and review. More importantly it would promote a model Community Managed Resource Centres for demonstration. DHAN would reach 110 federations (CMRCs) through this project and benefit over 200,000 women members.

In collaboration with Tamil Nadu Voluntary Resource Centre (TNVRC), DHAN has provided resource support to the Tami Nadu Mahalir Thittam Scheme and the *Vaazhnthu Kaatuvom* Project being implemented by the Government of Tamil Nadu. Trainings were organised for the staff and SHG leaders from the TNVRC. Training on Panchayat level Federations (PLF) for office bearers on governance and leadership was conducted for 307 participants. Another 235 office bearers of PLFs were trained on financial management. DHAN has also organised a training programme on 'Promotion of SHGs and their networks - an exposure to Kalanjiam model' for 26 representatives from NABARD, different Banks and NGOs from Jharkhand.

DHAN has partnered with the Government of Madhya Pradesh to support its Madhya Pradesh Rural Livelihoods Project (MPRLP), on social mobilisation, microfinance and networking of SHGs. During this year, two batches of 27 middle level staff, 119 field staff and SHG members from MPRLP

were trained on the concepts of SHGs, systems and management. An inception report assessing the training needs among the Non Government and Government Organisations involved in SHG model of microfinance in Orissa, Rajasthan and Madhya Pradesh was prepared during the year. Exposure programmes for the managerial staff of Srijan, a local NGO in Madhya Pradesh and Rajasthan on networking of SHGs, governance building in SHGs and systems for managing SHG federations. An Orissa based network of organisations involved in microfinance - VIKALPA has approached DHAN Foundation seeking resource support for its member organisations.

## Visioning for sustainability in Peoples' Organisations

All the 108 registered federations have completed their legal compliances with Income Tax departments. As many as 24 federations were able to meet all the operational cost from their own resources and other federations are in different stages of graduation towards financial self-sufficiency. The poor women have contributed over ₹56.8 million to meet the operational costs of their groups and federations.

The federations in the programme undertook a visioning exercise and plan for attaining sustainability. They have planned for covering the left-out poor families, systems and strategies for enhancing savings rate, ensuring timely linkages and adequate resource mobilisation from banks, and cost reduction to sustain the growth and development. The advanced federations have planned to start diversified services like health, education and housing.

## Financial services

### Savings and credit

As a result of the efforts taken by the Programme, the members in new groups have enhanced their average monthly savings to ₹100 - 150. All the members have a total savings of ₹1659 million in their groups. The members in the older groups have withdrawn ₹11 million from their accumulated

savings in their groups for various purposes. The members were educated on the use of accumulating more savings in their groups to leverage credit as well as build asset for their future use. This year member loan outstanding stands at ₹3300 million. The improvements made in the financial software package and the loan card system introduced in the groups helped track the *portfolio at risk* every month and maintain the repayment performance.

### Insurance

As many as 544,705 lives including the women members and their spouses have been covered under life insurance as on March 2010. With appropriate information, education and communication (IEC) materials such as flipcharts, flashcards, posters, pamphlets, street theatres and film shows, the staff and leaders have campaigned to educate the members on health insurance. As a result, 51,769 persons have been enrolled in the Universal health insurance scheme of National Insurance Company Limited with the facilitation of People Mutuals<sup>1</sup>, the social security initiative of Peoples' Organisations promoted by DHAN. The programme has evolved a new integrated product which consists of health and life insurance at affordable costs after studying different micro insurance products available in the market. The programme has initiated exclusive training programmes for the block integrators, field workers and members on micro insurance. Insurance guidelines and content for the training have been developed.

### SHG-Bank linkage

Efforts were taken to increase the portfolio of SHG Bank linkages in the overall finance portfolio of the groups. Focus during the year was more on business promotion to improve the credit absorption by the groups and members. Over 12,080 loans were mobilized from the banks to the tune of ₹1294 million. The Programme is also in the process of

converting term loan to Cash Credit Limit (CCL) to ensure timely credit, for which the programme has initiated dialogue with the banks. The Kalanjiam Development Financial Services (KDFS)<sup>2</sup> has designed a loan product Regulated online credit (RoC) similar to CCL. The KDFS has initiated identification of SHGs across locations to provide ROC limit and the success from this would demonstrate to the banks that providing CC limit to SHGs is viable.

The Corporation bank has come forward to provide promotional grant to promote 1000 SHGs and linking them with Corporation banks. It could demonstrate that promoting and linking SHGs with banks is a viable business proposition. The groups promoted with this support could mobilize ₹15.4 million as credit from the Corporation Bank.

### Graduation in SHG-Bank linkage

With nearly two decades of experience in building linkages between banks and Self Help Groups, DHAN has proved that banking with poor is a viable business proposition. Mutually trustworthy relationship between Groups and Banks reinforce long term sustainable financial inclusion. As a graduation of SHG bank linkage, the SHG Federations promoted by DHAN have become Business Facilitators (BF) and Business Correspondents (BC) for the banks. Kalanjiam Development Financial Services (KDFS) has become the National level Business Correspondent for State Bank of India (SBI). State Bank of India has conducted training on BC-BF after the formal launch in July 2009. Under BF model over 295 groups have been linked with SBI to the tune of ₹26 million. The Gangai Vattara Kalanjiam and Palamedu Vattara Kalanjiam would take up BC model on a pilot basis. Three Kalanjiam Federations in Salem region have taken up BF model with Indian Bank and earned remuneration of ₹0.92 million as a business facilitator.

<sup>1</sup>The Peoples' Organisations promoted by DHAN have collectively promoted 'People Mutuals' to facilitate social security to all the member families either through their mutual programmes or through links with various social security schemes and development programmes of the Government or mainstream insurance companies. It has been incorporated under the Indian Trusts Act 1882.

<sup>2</sup>KDFS is a Section 25 company promoted by the Peoples' Organisations of DHAN Foundation. KDFS extends bridging loan support to the SHGs wherever there is a delay in the sanction of loans from the mainstream financial institutions and commercial banks. It also provides credit to the SHGs wherever there is no commercial bank in the place of operation of the locations.

## Contextualising microfinance

### Microfinance in urban context

A large section of urban slum population consists of low skilled migrants from rural areas and they are a part of informal sector as they neither have the appropriate skills nor opportunities for livelihoods security. Poverty reduction in urban areas is about enabling them to transform their lives and livelihoods to have a secured well being. While social capital among the urban poor is critical for daily survival and making their voices listened to the decision makers in power, it is only by accessing increased resources that urban poor will be able to come out of poverty.

The Kalanjiam programme has taken up a pilot of promoting and facilitating urban governance in selected slums. The components of the pilot project are promotion of slum development associations, micro planning, and promotion of user groups on water supply, waste water and solid waste management, ensuring basic amenities and community infrastructure, promoting slum information resource centres and community healthcare initiatives. This pilot project would be taken up in nine urban locations.

Since DHAN Foundation and the Kalanjiam federations in Madurai have already initiated collaboration with urban governing bodies under the Jawaharlal Nehru Urban Renewal Mission (JNNURM), the pilot of contextualising microfinance for urban environments has been phased out in such a way that it will be implemented in Madurai urban slums initially to develop a model and the learnings from this experience would be taken to other urban locations.

A Community Participation Fund (CPF) as a part of JNNURM has been established by the Ministry of Urban Development and Ministry of Housing and Urban Poverty Alleviation with the primary objective of creating capacities in the communities to effectively engage and contribute in improving their living environment. The Fund is meant to catalyze the process of community participation by allowing communities to experience the process of collective decision-making for themselves, and

taking full accountability for these decisions on themselves. Following the call for proposals from the Ministry, three Kalanjiam federations in Madurai city namely Sellur Vattara Kalanjiam, Thenmadurai Vattara Kalanjiam and Jaihindpuram Vattara Kalanjiam submitted proposals. All the three project proposals got sanctioned with the approval of grant funds of ₹1 million and the list of projects are as follows

- 'Protecting a canal from garbage dumping and ensuring safe drinking water to slum dwellers' by Sellur Vattara Kalanjiam
- 'Creating clean and hygiene environment within a slum by changing the activity of the community' by Thenmadurai Vattara Kalanjiam
- 'Providing technology to down to earth-promotion of slum information centre' by Jaihindpuram Vattara Kalanjiam

**Promoting slum development associations and micro planning:** Under CPF, the Sellur and Thenmadurai federations have promoted neighbourhood committees and slum development associations in two slums. With the outcomes of participatory issue and resource mapping conducted in the slums involving residents, elected representatives and officials of local bodies, the federations have promoted ward/street level user groups on solid waste management and drinking water. Campaigns were organised to educate the residents on solid waste management and safe drinking water. Bio-sand filters and garbage bins with grading facility were provided to the households.

Outcomes of this project were encouraging as collection, segregation and disposal of solid waste has been regularized, monitoring of the activity by the association members has been made routine and the use of bio-sand filter and other safe drinking water measures are practiced by the households. The slum development associations and the respective federations could actively interface with the Madurai Municipal Corporation in all the processes. Building on from the positive experience activities on promotion of slum development association and user groups around solid waste management has been initiated in six more slums.

**Establishing slum information centre:** A pilot on promoting slum information centre was undertaken in one slum by the Jaihindpuram federation. The information centre aims to ensure effective e-governance through link the slum communities to the mainstream institutions for getting better services to enhance their quality of life. The centre facilitates services such as online resource consultation with health, education and animal husbandry departments in the city, computer literacy programme in partnership with IGNOU, and computer aided school education were provided.

**Creating access to basic services for the urban poor:** The scheme on Basic Services for the Urban Poor (BSUP) is a component of JNNURM and it focuses on providing shelter and other basic civic amenities to the urban poor. The Kalanjiam federations in Madurai city with the support of Madurai Municipal Corporation provided awareness to the slum dwellers about the scheme. The federations also supported the Corporation in identification of potential beneficiaries, processing applications from the slum dwellers and providing advisory support to the selected beneficiaries on technical aspects and budget preparation. Through these activities, the federations have facilitated housing support to 512 families in the slum area of Madurai city.

#### **Microfinance in the tribal areas of North India**

DHAN has started working with the tribal communities of Indervelly Mandal of Adilabad district in Andhra Pradesh since 1997 in partnership with Integrated Tribal Development Authority (ITDA). Tribal youths were identified and groomed to work on the issues of their own communities by organising Kalanjiams of tribal women, creating networks of Kalanjiams to make the women interact with the women in other villages, introducing savings, credit and insurance services. Strengthening traditional livelihoods was given high emphasis in all the groups. Later the Kalanjiams have joined together and promoted “Sri Indrayi Mahila Kalanjia Samakhya”, a federation of women Self Help Groups in 2002, with 3140 members, organised into 240 groups. Based on the experience from Indervelly, DHAN has expanded its tribal development

programme in the tribal locations in the district – Triyani and Azifabad. The Federations apart from savings and credit activities implement agriculture development, watershed activities through renovation of water bodies and providing input supply and marketing linkages. Farmers have purchased input collectively and arranged to establish market linkages through promoting exclusive producer groups for soya bean and minor forest produce.

With almost a decade of intensive work in the tribal areas of Andhra Pradesh, DHAN Foundation has come out with a package of microfinance plus strategies such as freeing the tribal communities from financial bondedness of exploitative traders, creating and strengthening forest based livelihoods, water resource development and building health and educational services from the inception. The Kalanjiam Programme has been expanded to other states such as Madhya Pradesh, Rajasthan, Orissa, Jharkhand, Assam, Bihar and Tamil Nadu. Currently, the Programme is working with 23,157 tribal families from 10 locations organised into 1,483 groups.

**Savings:** The experience gained from the tribal communities has given an insight that tribal households are capable of saving from their income, if they get access to appropriate and context specific products and continuous education to inculcate savings habit. It requires a deeper understanding of the existing scenario of the area with respect to household cash flows and savings. So far, the members have accumulated own funds of ₹29.5 million in all the locations which is inclusive of savings by the members of ₹24.3 million and reserves and surplus accumulated at group of ₹5.2 million.

**Credit:** Agriculture and allied activities were the largest contributors to the livelihoods of tribal communities. Lack of investment capacity and access to institutional credit from banks due to lack of collateral make the tribal farmers to depend on the local money lenders and obtain credit at exorbitant interest rates of 60-120 percent per annum. Thus, the farmers become permanently indebted to the moneylenders. Next to agriculture,

credit need among the tribal people is higher for purposes like consumption, social obligation, and festival. The Kalanjiam SHGs have become an effective substitute for credit for the tribal people. During the year, ₹39.26 million was disbursed through 17,542 loans as credit to the members. Of the total loans disbursed to the members, 52 per cent is meant for agriculture and allied activities, followed by 17 percent for debt redemption, 15 percent for consumption.

**SHG-Bank linkages:** The Self Help Group concept in north Indian states is at a nascent stage and hence conducive environment like south Indian states is yet to be evolved. This scenario has had implications on SHG-Bank linkage processes for the Kalanjiam groups. The bankers in states namely Madhya Pradesh, Rajasthan, Orissa, Jharkhand and Assam are hesitant to take part in the SHG-Bank linkages. There were operational issues even in opening a bank account for the groups in these locations since the bankers do not have the confidence to lend to the poor people. During the year, over 65 per cent of the SHGs promoted in the locations could open account in the local commercial bank branches. Though delayed, the banks came forward to open account for our SHGs after continued persuasion and dialogue at different levels.

Also in the locations such as Betnoti, Sailana and Koraput could make significant breakthrough and a considerable number of groups got linkage assistance from the banks. Banks namely State Bank of India, UCO Bank, Bank of India and Ratlam Regional Rural Bank involved in the Kalanjiam-Bank linkages in the project area. However, in other locations SHG-Bank linkage continues to be a major issue in spite of larger demand for credit from the members. The support from KDFS was quite critical in addressing gaps in bank linkages through providing bridge loans to the groups. So far, ₹12.4 million has been lent to the groups in north Indian states through KDFS as bridge loan.

**Piloting on malaria control interventions:** In four locations namely Sailana and Piplotha of Madhya Pradesh and Koraput and Borigumma of Orissa,

Malaria has been prevailing as an endemic disease in these areas significantly affecting the livelihoods of the tribal communities. The intervention was primarily envisaged as a pilot to evolve and standardised methods and processes to scale-up to other malaria prone areas. Promoting Self Health Governance, behavioural change communication (BCC), linkage building with mainstream health institutions and diagnosis and care for malaria were the project components.

The field teams could extend support to the Health Department to organise 34 health camps, in addition organising 41 malaria control camps on their own involving the medical officers of the health department. The support extended by the field teams to the health department to conduct camps on malaria has brought department officials closer to the Kalanjiam programme. A system of Self Health Governance in which members and village level project staffs referring the patients affected by fever is getting evolved in Koraput and Borigumma locations. The Health staffs from Kalanjiam locations join with the Village Health Nurses and Malaria Health Workers during village visits. In the villages of Borigumma-1 and Koraput, the chloroquine tablets issued by the public health department are channelized through health staffs of the Kalanjiam programme. During the year 26 screening camps were conducted in the four tribal locations to diagnose malaria involving public health department. Out of 4,480 persons diagnosed, 456 were found to have symptoms of fever and 68 were referred to PHC for further diagnosis and treatment on malaria.

In order to address the issues of accessibility, a system of 'health post' have been created in tribal villages that are difficult to reach by the VHNs. In each health post a health guide has been placed and s/he will act as a first aid provider and referral points for VHNs. So far 46 health posts have been initiated in the project locations. These health posts are managed by Kalanjiam members who were trained in first aid system. In Piplotha and Sailana locations, 10,056 mosquito nets were issued to the member households.

**Quality of primary education:** In Borigumma, Betnoti and Latehar locations, remedial education centres have been established to bridge the gap in the quality of education being provided by the Government. Activity Based Learning (ABL) methodology has been introduced in these centres. There are 90 such remedial centres functioning to care 3,498 primary school students.

**Piloting on enhancing the productivity of agricultural and allied activities:** A team of professionals has been placed in Koraput district to undertake pilot on integrating the natural resource based interventions with microfinance support. With the support of the local teams, so far 36 rainfed farmers groups have been initiated with a membership of 502 farmers in 26 villages. The location team undertook a study on disaster preparedness of rainfed farmers in Koraput district to understand risks and vulnerability of the rainfed farmers and also the coping mechanisms adopted by the farmers. Major focus was given on piloting activities such as installation of treadle pump in low lands, zero budget farming and System of Rice Intensification, regeneration of old wells, and creation of farm ponds in plains.

In Betnoti location, an activity grant was given to 40 members of 15 groups to support Sal leaf cup/plate making activity. The raw material is collected from the forest and it is processed manually to produce cups and plates. Since the manual production was time consuming and yielded low returns for the primary producers, they have used the grant to purchase a machine for making the products. Due to the intervention, income of the members could increase from ₹20 to 60 per day. Similarly, in Latehar location, credit support at low interest rates was made available to the 140 members of 10 groups for the lac processing activity. They were trained on lac production with the support of Indian Institute of Natural Resins and Gums (IINRG), Ranchi.

**Vaazhnthu Kaatuvom Project:** The Kalanjiam Programme has taken up implementation of the

Tamil Nadu state government sponsored Vaazhnthu Kaatuvom project in five tribal blocks viz., Kalrayan hills in Villupuram district, Kolli hills in Namakkal district, Jawadhu hills in Thiruvannamalai district and Yercaud hills in Salem District. Inception reports for each location is prepared and project teams have been placed for implementation. Baseline has been completed in all the four locations and orientation to panchayat presidents and line departments about the project have been organised. There was good encouragement and support from panchayat representatives, government officials, local youth, SHG members and NGOs. Village poverty Reduction Centres (VPRC) with the representatives of the target population and Social Audit Committee (SAC) with the Gramasabha were formed. Participatory Identification of Poverty (PIP) has been completed in all the locations. The programme is in the process of identification of context specific issues in these block and intervention strategies for better implementation of the project in Tamil Nadu.

### **Impacting livelihoods through business support**

The livelihood intervention strategy of the Kalanjiam programme is through organising business based Peoples' Organisations to access the skills and reach the global market. The members, who are mostly unorganised labourers, small and marginal farmers, artisans and small vendors, would be organised into Primary Producer Groups (PPGs) or Primary Marketing Groups (PMGs). These PPGs and PMGs promote Producer Companies (PC) around select activity. Building relevant business skills starting from procurement, production, administration and financial management and marketing is the major focus. While the promotional support is offered by the business development unit in the Kalanjiam programme, marketing support is provided by the Kalanjiam Thozhilagam Limited (KTL)<sup>3</sup>. The programme's business development unit helps the federations in identifying potential activities and location, analyzing value chain, developing promotional strategies, training the field team,

<sup>3</sup> The Kalanjiam Thozhilagam Limited (KTL) is a people institution with business-based people organisations like PPGs, PMGs and Producer Companies promoted by DHAN Foundation as share holders. It is a registered public limited company under Company's Act, 1956. The KTL links the people, skills and business to alleviate poverty. It works with the Peoples' Organisations in designing suitable micro enterprises based on the existing skills of the poor or the resources available at their locations.

reviewing the progress in the field and evolving a model for business intermediation.

### **Business promotional interventions**

**Dairy activity:** Dairying is a major activity in many of the members' families either as a primary or subsidiary activity. The Kalanjiam programme undertook an assessment of existing dairy groups in Dindigul and Theni regions for initiating dairy interventions in a larger scale. A consultative workshop on promoting dairy interventions was conducted involving the representatives of the Kalanjiam federations in Theni and Dindigul regions and people from successful dairy cooperatives. It was observed that there exists a greater potential for promoting dairy activities in these federations. Dairy inception documents were prepared in order to assess the potential of each dairy location.

Vadamadurai Federation has taken a Bulk Cooling plant at Kamatchipuram village for lease and they have reached a turnover of 100,000 liters per month. They are procuring 1500 liters every day from the Kalanjiam members in and around Dindigul and around 2000 liters from others. Bulk cooling plant is having a storage capacity of 5000 liters. Entire milk is going to Kalanjiam Anandam Milk Plant at Kullanchavadi and marketed as Anandam Milk. Leased cooling plant is also equipped with Lactometer and Fat monitor. Assessments were also on to install a bulk Cooler plant in Theni region. These dairy activities were spread across Vadamadurai, Kadamalaikundu, Vathalagundu, Narayanpur, Saanarpatti, Bodi, and Chinnamanur blocks. So far 21 Dairy PPGs covering 463 members have been promoted.

As part of developing model for dairy intervention, experimentation on milking and procurement systems was taken up in Saanarpatti. A system of milking the animals at a common centre instead of house by house milking was piloted in one PPG and it has given good results in terms of monitoring of quality, hygiene and reduction in cost. Earlier, these members had to depend on milkmen to procure milk. About 40-50 percent of the total cost went as labour and the milk-men had followed several malpractices. The members in Saanarpatti federation

have purchased a semi automated milking machine at a cost of ₹45,000/-. Now milking is done hygienically with minimal efforts the middlemen were eliminated.

**Cattle feed:** There are 16 PMGs involved in marketing Cattle feed across Theni and Dindigul regions. Sales turnover was about 1,151 tons during the year with a sales turn-over of ₹0.72 million. The PMGs have a tie-up with Godrej Cattle Feed Limited for marketing the feeds.

**Terracotta:** There are two Production units run by PPGs in Shanarpatti federation. Turnover of these two PPGs during the year was ₹1.16 million. These two PPGs have jointly got a loan of ₹1.20 million from Canara Bank and established their own production unit in one acre of land. Several advanced technologies like mud conditioning machine, auto igniting choola were procured for these units.

**SPCL-Chain of provisional stores:** Sri Padmavathy Provisions Company Limited (SPCL) at Tirupathi promoted by Sri Padmavathy Mahila Abyudaya Sangam has achieved sales of ₹1.13 million. It has started a project for producing wealth from waste. All the scrap materials from the local households are procured and marketed at SPCL.

**Chamki designed sarees:** This activity is undertaken in Chittoor urban and Tanjore urban federations. During the year a total of 1120 chamki designed sarees were produced amounting to a turnover of ₹0.78 million. Produced sarees were marketed through local textiles shops. The Chittoor and Tanjore urban federations have also got grant support of ₹0.48 million from NABARD for skill building of members on the Chamki activity and trained 750 women from the Kalanjiam groups.

**Indigenous tourism based livelihoods:** Tourism based livelihood interventions in Sakkottai block through promoting Chettinad indigenous tourism. The tourism based Kalanjiam self help groups have been supported through skill development, market linkages, and tourism promotion activities. Promoting cultural stay inns, marketing of sarees of native origin namely Kandangi sarees, indigenous

restaurants, wood carvings and sculptures were the components of this initiative. CNBC AWAAZ has acknowledged the contributions made by Karaikudi, Tamilnadu to the Indian Travel and tourism industry by acknowledging the award for the Best Example for Community Based tourism.

#### **Collaboration of DHAN–Hindustan Unilever Ltd.**

Hindustan Unilever Limited (HUL), as part of celebrating its 75 years in India, collaborated with the DHAN Foundation to enhance the Livelihoods of 75,000 poor women from 75 federations promoted by DHAN Foundation on specific themes such as microfinance, water and rain fed farming. As part of this project, 58,400 households from Kalanjiam Programme were covered. The project focused on pooling own savings of women or accessing resources from banks and also helping the women identify activities based on skills and the local market. The project enabled the women to mobilize a total ₹525 million and generate an incremental income of ₹187.5 million in just one year. The project thus helped to increase incremental incomes by a minimum of ₹2,000 in one year. The women in rural and tribal areas have taken up various agriculture and allied activities such as land development, construction of farm ponds, in addition to dairy and livestock related activities.

#### **Livelihoods Initiative with Functional Education (LIFE)**

The People organizations promoted by DHAN Foundation already have the experience of providing skill training on established activities such as dairy and tailoring to their members. There was a need expressed by the members on other trades that could fetch employment in nearby towns and cities. The LIFE (Livelihood Initiatives with Functional Education) Centres promoted by DHAN aims at imparting livelihood oriented skills to the poor women and men, particularly youths through vocational education.

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 it has offered the courses related to computer

education and later diversified towards providing skill development courses in various trades. Based on the experiences gained from Madurai, eight more centres have been initiated during the year in Viraganur, Kazhugumalai, Maraimalainagar, Nillakottai, Pallathur, Tanjore and Singampuneri federations in Tamil Nadu and Chittoor in Andhra Pradesh. These centres 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.

LIFE center has constituted an advisory committee which consists of the people who are experts in different fields related to livelihood promotion such as NGO, Industries, and Academic institutions and Government in Madurai. This advisory committee guides LIFE to take up the Centre to next level with their expertise. Totally 16 courses were offered during the year including computer, cell phone mechanism, beauty culture, videography, *Madurai Malli* garland making, simple chemicals preparation, artificial jewels making, saree Chamki Designing, tailoring, embroidery, toys making, jam and jelly, woolen work, painting in pots, fabric and glass materials, snacks preparation, kantangi bag making and so on. A total of 2,092 people were trained during the year and 1,359 of them have been employed.

#### **Deepening and advancing civic intermediation**

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

#### **Kalanjiam Reproductive and Child Health (KRCH) Programme**

The Kalanjiam Programme undertook a pilot project on Reproductive and Child Health in eight advanced Kalanjiam federations to promote health seeking behaviour among member families through behaviour change communication (BCC) approaches. The project was supported by ICICI bank.

The baseline on KAP and Haemoglobin clinical test revealed that the prevalence of anaemia was 89.5 percent among pregnant women and 95.5 percent among adolescent girls. BCC was first piloted in anaemia control component that gave good results in changing behaviour and practice towards anaemia control. In the end line survey, the change in knowledge from 65 per cent to 93 per cent was noticed. About 85-90 percent of the target members have changed their behaviour and practice especially in consumption of iron rich food, Iron Folic Acid and de-worming tablets. About 35.4 percent of adolescent girls and 25.7 percent of pregnant women have come out from anaemia. There was not a single case of severely anemic. As part of interventions on childhood malnutrition an interim assessment was undertaken during the reporting period. The results showed that around 20 percent children have become normal and the percentage of grade IV and V children have significantly reduced. The focus during ante natal as well as post natal periods has brought good impact on the birth weight of children.

The fund mobilized for the cause of anaemia reduction through Madurai Marathon 2009 was allocated to initiate anaemia control project among adolescent girls and pregnant women in Singampunari block of Madurai district and Malkapuram block of Vizag region. Building on from the positive experience of the first phase of interventions, the programme has expanded the KRCH programme in 10 locations. The preliminary analysis of the baseline survey showed that 91 per cent of the adolescent girls and pregnant women were anaemic.

**Anaemia Control Project - Collaboration with the state government of Tamil Nadu:** DHAN Foundation has partnered with the State Health Society, Tamil Nadu to implement anaemia control interventions in five selected blocks. The project covers entire population in the block and aimed at enabling Village Health and Sanitation Committee (VHSC) for implementing this project. Preparation of inception reports, placement of project team in locations, creation of baseline, formation of adolescent groups, initiation of cultural campaigns and other educational activities were undertaken

during the year. Now haemoglobin test for all the adolescent girls and pregnant women is being taken. A convention on VHSC was conducted to clarify about role of VHSC members and prepare action plan for anaemia control.

**Water, Sanitation and Hygiene (WASH):** The Water, Sanitation and Hygiene (WASH) project was taken up in 50 locations. Creation of awareness among the Kalanjiam member families was the primary focus of the project. Followed by an orientation, a technical training on the subject was given to block integrators, community accountants and cluster associates of the project locations. A baseline survey on KAP on the subject was completed in the project locations during the year. Communication materials to ensure practices on safe drinking water, hand washing and usage of toilet have been developed in consultation with resource persons.

**Interventions on HIV/AIDS:** Campaign for creating awareness on HIV/AIDS among member households was taken up in 50 Kalanjiam locations. A work place policy on HIV/AIDS was developed and work place training on HIV/AIDS to all the block integrators, community accountants and cluster associates in 12 regions has been organised. Focused HIV/AIDS intervention was taken up in Sellur location from Madurai Urban and Ponnampet and Kondalampatti locations in Salem. In addition to creating awareness, the project focuses on identifying the HIV positive individuals, linking them with the positive network and government system for counseling, treatment and care, promoting livelihood opportunities for the affected and breaking the stigma and discrimination among the community. So far four men and three women with the infection were identified and referred to Integrated Counseling and Treatment Center run by the Government. Three medical camps were conducted at Sellur in which 115 persons benefitted out of it. The Kalanjiam members in Madurai urban locations participated in the exhibition cum screening camp organised in Red Ribbon Express by Tamil Nadu AIDS Control Society to create awareness about HIV/AIDS. Cultural campaigns with three trained teams using folklores programmes were conducted in 192 places.

### ***Sustainable Healthcare Advancement (SUHAM):***

In order to create access to quality and timely healthcare service at affordable cost, community managed SUHAM Hospitals have been initiated in Theni and Madurai. In Theni SUHAM Hospital 8,705 outpatients and 189 inpatients including 51 surgery cases were treated. The hospital could cover 80 percent of its operational costs. Similarly the Madurai SUHAM Hospital has served 20,186 outpatients and 864 inpatients including 147 surgeries. As many as 21 camps have been conducted on different ailments. Likewise, four health centres housed in Federation offices have served 7,243 patients and they could meet all their costs themselves.

### **Ensuring access to electricity**

Based on the need assessment taken up in all the locations, an exclusive product for 'Electricity' was designed and offered to the members. Exclusive associates were placed for this managing this product. They help the clusters/federations to identify the needy families and based on the felt need from the applicant the application is generated and given to the group. Group conducts preliminary assessment and they in turn recommend the loan application to cluster Executive Committee. During this year 1450 loans have been distributed across 96 locations to the tune of ₹8.08 million with the loan mobilised from various banks including KDFS.

### **Strengthening Kalanjiam Movement**

State Level Kalanjiam Movement cells have been constituted in Tamilnadu based at Madurai and Andhra Pradesh based at Tirupati. These cells would take up regional level initiatives of the Kalanjiam Movement. The Movement has conducted self regulation workshops in four regions. These self regulation programmes helped to set standards and equip leaders to regularly review their growth and development. The Kalanjiam Movement campaigned against usury all over Tamil Nadu. Meetings were held in all the Cluster Development Associations, hand-bills were distributed to all the public to sensitise them on the usury. Signature campaign against the usury was taken up and more than 60,000 Kalanjiam members have signed against usury. We expect it to be doubled in the coming

year. The Kalanjiam also took part in the Stand Up and Take Action against Poverty (SUTA) campaign organised by United Nations on the World poverty day – October 17 through campaigning against the usury. About 116,000 Kalanjiam members pledged against usury and resolution was adopted by each of the Kalanjiam members for eliminating poverty and to eliminate usury.

### **Policy Advocacy**

In Madurai Symposium 2009, the Kalanjiam Programme has organised a number of seminars and conventions as part of its policy advocacy efforts. In partnership with the State Bank of India a Conference on Business Facilitator/Business Correspondent Model for Financial Inclusion was organised. Senior officials of SBI, Business Correspondents of SBI, and NGOs have attended the conference. Conference concluded that BC/BF is the alternative channels to address Financial Inclusion. Microfinance was accepted in the conference as an effective tool to achieve Financial Inclusion.

The Kalanjiam Programme in association with the Indian Network of Federations of SHGs (INFOS) organised a national level summit, in which 450 community leaders from SHGs and Federations from about 110 federation and 50 senior level Executive and Professionals from promoting NGOs involved in Microfinance and SHGs from across India participated. The summit focused on sensitizing the SHG networks about Millennium Development Goals, sharing the best practices related to microfinance and MDGs and charting out way forward to achieve MDGs through the SHG movement.

A workshop on 'SHGs and Financial Inclusion' was organised in the Madurai Symposium, and participants from various banks and representatives from various NGOs, Federations and SHGs attended the event. The business facilitator and business correspondent models were discussed in detail. The Kalanjiam programme in partnership with the International Network of Alternative Financial Institutions(INAFI) organised a national conference on "Microfinance and MDGs". Several senior officials from the public sector banks, NABARD and

SIDBI attended the conference. It was deliberated that conventional credit systems of banks were not adequate enough to address the problems of Financial Inclusion. The need for viewing Microfinance in the context of achieving MDGs was stressed in the conference.

A seminar on policies on accounts for people Federations was organised with the Chartered Accountants, representatives and staff from SHG federations, network members of INAFI and INFOS to bring uniform accounting policies for SHG federations. A Development dialogue on the role of medical professionals in poverty reduction was organised in Madurai on November 1, 2009 and

several medical professionals attended the programme.

The Kalanjiam Programme organised a National Conference on Sustainable Self Help Groups (SHGs) on March 4–5, 2010 at Chennai in association with INAFI-India and INFOS. As many as 60 senior level officials from Government, NGOs involved in promoting SHGs, Commercial Banks, Cooperative Banks, RBI, NABARD, and insurance companies donor agencies, academic institutions, and SHG Federation leaders across India participated and deliberated on the different dimensions and issues pertaining to the sustainability of SHGs.

### Status of Kalanjiam Community Banking Programme

Particulars	March		
	2008	2009	2010
<b>Spread of the Programme</b>			
a) No. of States	11	11	12
b) No. of Districts	36	36	45
c) No. of Blocks	157	164	173
d) No. of Kalanjiam	24,469	26,049	28,488
e) No. of Cluster Development Associations	1,451	1,143	1,120
f) No. of Federations	73	99	108
g) No. of Members	401,688	434,419	485,867
h) No. of Villages	7,311	7,615	7,489
<b>Finance (₹ in millions)</b>			
a) Total own funds	1,405	1,670	1,928
b) Savings	1,131	1,368	1,659
c) Reserves & Surplus	274	302	268
<b>SHG Bank Linkage</b>			
a) No. of branches involved	192	194	320
b) No. of banks involved	29	29	31
c) No. of loans	56,092	66,626	78,706
d) Amount mobilized	2,666	3,521	4,815
Loan outstanding with members	2,190	2,595	3,300
<b>Total credit generated</b>	<b>6,629</b>	<b>8,377</b>	<b>10,783</b>

# Vayalagam Tankfed Agriculture Development Programme



There are numerous small irrigation tank structures spread over the entire Deccan Plateau, which serve millions of small and marginal families in South India. The tanks deteriorated because of neglect and need urgent renovation and good management. The Vayalagam Tankfed Agriculture Development Programme was initiated in the year 1992 to work on these small water bodies with the participation of the farmers. The programme believes that local management of the tank system can be the only solution to the problem in the long run. The DHAN-Vayalagam (Tank) Foundation has been promoted for the following core purposes

- Poverty Reduction of small and marginal farmers, the landless and women through Conservation and Development of Small Scale Water Resources
- Building nested institutions and their sustenance to ensure local management
- Sustainable the livelihoods of farmers through stabilising tankfed agriculture

The programme has moved from working on isolated tanks, to cascade-watershed, small scale water bodies, basin and now 'Water' has become a unique tool for alleviating poverty. The key components of the programme are:

- Organising the farmers around the tanks and later on at the level of cascades, blocks, district etc.
- Rehabilitating water harvesting structures with farmers' contribution and participation to improve the acquisition of water, and 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 way for harvesting all the rain water within each watershed boundary.
- Promotion of Microfinance Groups(MFGs) to provide access to savings, credit and insurance services to the farmers. These groups serve as a platform to bring farmers together regularly to discuss the conservation of tanks and sustaining tankfed agriculture.
- The Vayalagam Agriculture Development Centres are working to raise land productivity to improve the livelihood of command area farmers by creating awareness about new farming and irrigation management techniques through farm schools, promoting seed farms to produce quality seeds and for bulk purchase of farm inputs to get the benefits of economy of scale.
- Collaboration with relevant academic and research institutions at national and international levels to do research on tank systems and tankfed agriculture.
- The programme constantly interacts with the local, State and Central Governments to fund tank development work and to frame better policies for tank system administration.

## Scaling-up Vayalagam model of conservation and development

The Vayalagam programme expanded the conservation and development of small scale water resources by reaching out to 22,146 more small, marginal and landless families with a total outreach of 182,801 farm families. The programme has been taken to 195 new villages and promoted 278 more Vayalagams during the year. The Vayalagam Programme made an entry into Eastern India and it has started working on Ahar-Pyne Irrigation Systems in South Bihar in Gangetic plains akin to tank irrigation systems in South India.

Now the Vayalagam model of conservation and development of small scale water resources has been expanded to six new locations. Community organising and conservation works have been initiated with the support of government of Karnataka in Kittur and Nandagada blocks in Belgaum district and Bethamangala block in Kolar district. With the support of NABARD and Government of Andhra Pradesh, the Vayalagam programme has been initiated in East Godavari, Warangal and Nalgonda districts, Andhra Pradesh. In Tamil Nadu, works have been initiated in Narikudi block of Virudhunagar district with the support of Rabobank Foundation, the Netherlands. Baseline and secondary data collection, seeding Vayalagam concept, and promotion of Vayalagams were carried out in these new locations. Similarly, the Vayalagam Programme also integrated its works along with the Kalanjiam programme in Betnoti block of Orissa to renovate village ponds for fish rearing to be managed by Self Help Group members for meeting their nutritional security.

## Community owned Conservation and Development of Water resources

Water has been the key driver for cooperation as well as conflict. One of the important programme components of Vayalagam programme is organising the community for conservation and development of traditional small scale water resources in rural, urban, tribal and coastal contexts. The programme teams at locations and regions have played a key role in mobilising programme funds from

government, bilateral, philanthropic and corporate agencies either to create new water assets such as farm ponds, check dams or to renovate existing traditional water commons such as tanks, ponds, and community wells.

The programme could get most of the water resources conservation and development works under individual philanthropic support and Corporate Social responsibility in Tamil Nadu and with the World Bank funded community tank management projects under the national level Bharat Nirman initiatives to increase the irrigation potential under tank commands in Karnataka and Andhra Pradesh.

The programme has completed the implementation of ₹30.58 million worth of conservation works. The teams in South Tamil Nadu have made attempts to facilitate renovation of rural water bodies such as supply channel clearance, tank bed de-silting and deepening ponds under the National Rural Employment Guarantee Scheme in 36 villages and ensured the physical infrastructure development to the tune of ₹17.41 million. The programme could implement ₹48 million worth of physical works for ensuring water security.

## Partnership with NABARD in Andhra Pradesh

The partnership between DHAN and the NABARD in Andhra Pradesh has been unique and mutually reinforcing for community based natural resource management. DHAN has been accorded projects under various schemes of NABARD. Under Watershed Development Fund (WDF), DHAN has got a sanction for three watershed projects in Gudihathnoor Mandal and two more watersheds in Koutala Mandal in Adilabad district; three watersheds in Warangal district. Under Indo German Watershed Development Programme – Andhra Pradesh (IGWDP – AP), the programme has got a sanction for three watersheds in Indervelly Mandal of Adilabad district. Through all the 11 watersheds over 13,207 hectares of land would be treated, benefitting 4,961 farming families.

NABARD has also recognized 122 Vayalagams in Chittoor, Nalgonda and Gulbarga districts of

Andhra Pradesh assuring support for 3-5 years. The Vayalagam programme has entered into an agreement with NABARD for facilitating implementation of WDF watersheds in Karimnagar, Nizamabad and Nalgonda districts in Andhra Pradesh to support, guide and monitor implementation of watershed projects by 22 NGOs. The programme extends techno managerial support for implementation of totally 70 watersheds covering 79,760 hectares, and it has facilitated implementation of ₹7.27 million of conservation and development works.

The Vayalagam programme has also got an approval from NABARD for implementing a unique credit based natural resources development under its Umbrella Programme for Natural Resource Management (UPNRM) to the tune of ₹20 million to provide credit support for 12 natural resources management activities benefiting 9,000 families.

### **Integrating microfinance in Vayalagam**

Considering the potential of microfinance activities in sustaining the livelihoods of small and marginal farm families, the microfinance model integrated in the Vayalagam conservation and development model proved to be a resounding success and SHG-Bank Linkage model has been well recognised an effective economic empowerment approach to address poverty. With the knowledge gained from the Kalanjiam Community Banking Programme, the Vayalagam Programme integrated microfinance, promoting microfinance groups (MFGs) as sub-committees of Vayalagams. The success thus gained has made the programme to expand it to all the locations. The promotion of microfinance groups with exclusive farmers, both men and women landless members, exclusive landless women members within a village as sub-units of Vayalagams has helped ensure sustainability of Vayalagam programme after rehabilitation. About 50,132 members have been organised into 3,179 microfinance groups for meeting agricultural needs by facilitating the linkage with formal financial institutions for affordable credit.

As an March 2010, members in the microfinance groups have saved ₹20.25 million and mobilized ₹41 million worth of credit from commercial banks. The

members have loan outstanding to the tune of ₹148.2 million in their groups.

### **Social security for the farmers**

#### **Life Insurance**

The social safety nets of the vulnerable against accident and natural death, health deterioration and complexities of diseases become crucial for improved standard of living. In the microfinance groups 13,754 families have got an insurance cover by paying ₹1.43 million as premium with the mainstream insurance companies.

#### **Piloting Crop Insurance**

Based on the experience gained from deficit rainfall based index crop insurance in two locations of Rainfed Farming Development Programme and subsequent experience from composite mutual insurance pilots on chillies in Ramanathapuram district during last year, the People Mutual initiated the mutual crop insurance pilot project in Mudukulathur, Singampuneri and Kottampatti federations to cover about 1500 farmers. During the year only over 30 percent farmers got enrolled as a result of insurance literacy programmes organised by each federations with the support of People Mutuals. The People Mutuals has organised an orientation programme to the staff and leaders of Sira location in Karnataka on Mutual livestock insurance.

### **Sectoral Contributions**

#### **Tankfed agriculture development**

Stabilising tankfed agriculture to sustain livelihoods of the underprivileged and landless farmers is the core area of intervention of Vayalagam programme. The programme could facilitate certain focused agricultural interventions through partnership with mainstream agencies. For example, under Andhra Pradesh Community Based Tank Management Project (APCBTMP), as a part of agriculture livelihood support services, the programme has taken up promotion of 101 vermi-compost units to promote organic farming, System of Rice Intensification (SRI) method of paddy cultivation in the ayacuts of seven tanks, demonstrations on

Integrated Nutrient Management and Integrated Pest Management in vegetables was taken up in 11 tank associations, *kissan melas* were conducted in two villages by mobilizing all departmental officials and around 350 farmers.

In Karnataka, under IWMI-RUAF Urban Agriculture Project, about 100 carrot cultivating farmers were organised into Primary Producer Group (PPG) and as a new intervention, off-Season Carrot cultivation was demonstrated in trial plots of five farmers. The yield and quality of the carrot produced were very good and the farmers got fairly high price. These farmer groups were directly linked with Reliance's Farm Fresh as a value chain. In Pavagada, continuing the success of seed village project in earlier years the farmers produced about 3,245 quintals of groundnut seed and sold them at ₹3,245 per quintal. The Pavagada Vayalagam federation collaborated with Horticulture department of Government of Karnataka and implemented ₹0.21 million worth of dryland horticulture development works. It also distributed 1,590 bags of ₹0.9 million worth fertilizers to 911 farmers. Moreover 660 farmers have got certified seeds of about 436 bags worth ₹0.20 million. The Vayalagam marketing groups have collected 56 bags of Ragi and sold to ₹45, 900.

In Tamil Nadu, 1500 kilograms of certified paddy seeds were distributed by Singampuneri federation to its members. The Kottampatti Vayalagam federation facilitated 300 kilograms of Paddy seed to farmers from Agriculture department. Eight trainings were conducted on SRI method to farmers from Narikudi, Tiruchuli by the Krishi Vigyan Kendra in Kovilankulam. Ten veterinary camps were organised in T.Kallupatti, Theni and Tirumangalam locations and about 500 farmers got benefited. Four PPGs and PMGs have been promoted in Tirumangalam and Theni locations. ₹0.13 million worth of cattle feed was marketed by three PMGs in Theni.

### **Ensuring accessibility & quality of drinking water**

**Oorani Renovation:** Renovating ooranis to meet the drinking water needs of people remain one of the priorities of Vayalagam Programme. During the year, with the support of Centre for Facilitating

Philanthropy, Hindustan Unilever Limited, ITC Rural Development trust, 30 Ooranis were renovated and over 25,000 families got access to drinking water for the entire year. The drudgery of women has been brought down by this intervention.

**Installing Bio-Sand Filter:** Creating awareness about Safe drinking water and Household Water treatment by installing biosand filters was given a major thrust. About 13 trainings were organised and 360 members were trained on the functioning of biosand filters and safe drinking water. The team also ensured production of 504 Biosand filters in three production centres in Madurai, Chittoor and Adilabad. Over 502 biosand filters were installed in 10 locations benefiting 2,750 members with an access to safe drinking water.

An action research on redesigned Biosand filter was conducted with the support of Canadian International Development Agency. The new design makes the volume of the water reservoir equal to the volume of the fine sand media and the performance of filter was evaluated under two criteria viz. the effects of reduced head and user acceptance. The study attempted to address four key objectives viz. ensuring the filter functions correctly, measuring the frequency of cleaning, measuring the frequency of usage, determining the new operational parameters acceptable to users. With this new design, 12 new filters were installed in S.Gopalapuram and Sengapadai villages in Madurai district. The study concluded that there were no serious hydraulic problems, operations problems were primarily with sand disturbance/diffuser plates, user knowledge on the frequency and periodicity of cleaning was about 50 percent and all the 12 users have high acceptance to the new design.

### **Sanitation and Waste water Recycling**

With the support of Arghyam Foundation, 12 ecosan toilets were installed in Chittoor region. The people have contributed about 20 percent of total cost towards material and labour in the construction of toilets. The Centre for Urban Water Resources (CURE) of Vayalagam programme supported one of the urban Kalanjiam federations to design and monitor the reconstruction of community toilet

funded by Madurai Corporation under JNNURM programme. The CURE also facilitated two international UN events viz. Global Hand Washing Day on October 17 and End Poverty Campaign by convening Toilet Queue from 20-22, March 2010. The awareness programmes were organised in schools, colleges and locations of Kalanjiam programme. The team also implemented two Decentralised Wastewater Treatment Systems (DEWATS). One DEWATS unit was installed in Panaiyur location with the support from Namakku Namae Thittam. A Knowledge Building Workshop on DEWATS was conducted by CURE at Madurai Symposium and a training programme to DEWATS was conducted to the project executives of DHAN.

### **Fishery development**

With continued success in the past years, fish rearing activity was promoted actively in 111 bigger water bodies covering up 560 acres water spread area. Apart from this, 65 farm ponds and 660 small household ponds, check dams and open wells were also stocked with fish seeds mainly for providing additional income and nutritional security to the farmers. During this year, fish rearing activity was initiated in Thoothukudi district and also in Betnoti location in Mayurbhanj district of Orissa.

The Vayalagam programme has got support from Tele Food Special Fund, a part of FAO's assistance to support food security in fifty villages from five districts of Tamil Nadu. This project has supported to take up fish rearing in 30 Tanks and 42 village ponds. Nearly four lakhs fish seeds were supplied worth of ₹400,000. The community has provided 30 percent of the cost of fish seeds as their contribution and the same was kept in the federation for future support to this activity. In Gulbarga district, the highest drought prone district in North Karnataka, the Vayalagam programme took up renovation of 10 tanks and 10 ponds including fishery activity in those water bodies. The Vayalagam programme has initiated fish rearing on an experimental basis in the tribal context involving tribal women groups in Betnoti block of Mayurbhanj District in Orissa. Similarly, in Pavagada location of Karnataka, fish rearing activity was taken up in 650 small ponds and open wells for household consumption. Over 750,000

fingerlings were released and it is expected that this activity would yield 90 tons of fish with an estimated net income of ₹1.67 million. The Programme has initiated an experiment on fish rearing in two drinking water Ooranis in Mudukulathur block.

### **DHAN as Resource centre in Water sector**

The Vayalagam programme has concluded the project done with the Council for Advancement of People's Action and Rural Technology (CAPART) as a Nodal NGO. This report was prepared in three volumes which contain narrative completion report, financial report, data base of 345 NGOs, development document and project mapping of 20 blocks and profile of 100 NGOs. This project has helped the Vayalagam programme to identify suitable NGOs as affiliates to replicate the Vayalagam model of conservation and development.

The Vayalagam programme has convened a number of workshops, training programmes and participated in national, international events during this year to share the experiences of Vayalagam model of water conservation and climate change adoption. The events organised / attended by the Programme are as followed.

- Regional Consultative Workshop on Water Sector: Issues and Challenges by UN Solution Exchange at KILA, Thirissur in June 2009
- Poster Session on Ecosystem based Watershed Development for Securing Livelihoods in India at World Water Week held at Stockholm, Sweden during August 2009
- Central Level Coordination Committee Meetings were organised to discuss financial Inclusion and SGSY organised by MoRD, Government of India September 2009 and January 2010
- General Body Meeting of India Water Partnership and helped in search Committee to elect New Board Members and DHAN has got another term to be part of Executive Committee of India Water Partnership, New Delhi. Also participated online in the General Assembly of World Water Council to elect new 15 members Governing Body

- Offered Development Management Programme on Umbrella Programme of Natural Resources Management for Middle Level Officers of 49 Officials of NABARD during February 2010
- National Level Training Programme on Commodity Procurement and Marketing – Different Models in India organised by IIM, Lucknow during July 2009
- Participated in National Level Workshop on Natural Resources Conservation and management by IIM, Lucknow and presented a paper during October 2009
- Conducted a Policy Seminar on Farm Ponds to enhance productivity in backward regions of Tamil Nadu along during November 2009
- Carried out Impact Evaluation of two watersheds implemented by BAIF-UP at Chitrakoot district of Uttar Pradesh for NABARD.
- Undertook Impact Evaluation of DPAP, IWDP watersheds in Chittoor, Cuddapah, Mehabubnagar, Nalgonda and Adilabad districts in Andhra Pradesh sponsored by National Institute for Rural Development.
- A Chapter on Customary Rights in Tank Management was written in the book edited by Mr.Ramasamy Iyer on the title ‘Water Laws in India’ published by SAGE
- A Chapter was written on GIS Application for water Resources Planning and Development- Experience of DHAN Foundation and shared to Bharathidasan University, Trichy, The book is yet to be printed.

### Status of Vayalagam Agriculture Development Programme

Particulars	March		
	2008	2009	2010
	<i>(Cumulative figures)</i>		
<b>Spread of the Programme</b>			
a) No. of States	4	4	6
b) No. of Districts	22	22	22
c) No. of Vayalagams	1,982	2,164	2,442
d) No. of Cascade & watershed associations	140	161	161
e) No. of Federations	31	31	31
f) No. of Members	148,770	160,655	182,801
g) Command area benefited(in ha.)	52,081	57,541	63,101
<b>Value of Physical works implemented during the year (Rs. in millions)</b>			
a) Through Farmers Contribution	15	9	12
b) Through Govt. and other agencies	45	34	36
c) Agriculture Credit support through MFGs	36	51	41

# Coastal Conservation and Livelihoods Programme

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

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



## Institutions at Grassroots

Peoples' Organisations are central to the coastal conservation as well as livelihood enhancement initiatives. The success was evident in the post tsunami in 2005, when DHAN entered into organising the victims of disaster, poor and most vulnerable communities into SHGs to facilitate community based restoration. Farmers, fisher folks, salt pan workers, vendors and labourers were organized into SHGs. These Peoples' Organisations enable the poor families to improve and initiate the livelihood activities, lead a healthy life, improve the shelter conditions, educate the children, create assets, interact with mainstream resource and research institutions to channelise technology and to mobilise resources.

As on March 2010, the CALL programme has organized 80,440 poor and vulnerable families in 875 coastal villages in the state of Tamil Nadu and Puducherry union territory. During this year 7,375 poor families were organised into primary groups (SHGs). These SHGs have created opportunities for the communities to work together and help mutually.

## Microfinance for conservation and livelihoods

With more than two decades of implementing the enabling model of microfinance, DHAN has integrated microfinance as a strategy to address the vulnerabilities and sustain livelihoods of the poor families through addressing their diversified needs such as consumption, education, health, and livelihoods. Financial intermediation reduces the dependency and builds the confidence of the individuals. The members have enhanced their average monthly savings in SHGs ranging from ₹100 to 150. The savings by the SHG members during the year was ₹71.0 million, taking the cumulative savings of ₹250.4 million. By increasing the savings the communities have gained the capacity to leverage more funds from the mainstream institutions like banks. Initially the banks were providing credit to a maximum of one or two times to the amount saved by the SHGs and presently they lend about five times to the amount saved by the SHGs.

## Mobilising resources

The SHGs are linked with the nationalised commercial banks mainly to address large scale financial needs of poor communities and this would help the groups to reach financial sustainability. So far, the SHGs have been linked with more than 10 nationalised banks in 10 coastal districts of Tamil Nadu and Puducherry. They have built a strong relationship with these banks through timely repayment. The commercial banks address the credit needs of poor families for strengthening the livelihoods and during the year alone the 934 SHGs have mobilized ₹108 million from the banks, and cumulatively they have mobilized ₹716 million.

## Poverty reduction through livelihood intervention

Restoring affected livelihoods and promoting new livelihood opportunities have been the central focus of CALL programme. The livelihood interventions were sector and sub-sector focused and it primarily focuses on promotion or strengthening of livelihood activities, promotion of income generating assets, value addition and market linkages. The families supported include farmers, fisher folks, salt pan workers, labourers and families involved in small and petty trade activities. As on March 2010, over 71,500 families were supported to initiate and strengthen the livelihood activities. The poor communities were encouraged to market their produce collectively. The intervention yielded better results in the form of enhanced livelihood income and community ownership.

## Agriculture development

The CALL programme designed its intervention aiming to address short and long term issues in the agriculture sector. The small and marginal farming families, who were affected by the Tsunami, were supported to revive their agriculture fields and initiate crop production. After addressing the immediate issues, the programme shifted its focus towards addressing the long term issues like organising markets to fetch better price for their produces. Building the skill of the farming community towards organic farming, promotion of alternative crop and facilitating collective marketing were the focus of the programme during this year.

To enhance the income of the poor farmers CALL programme has promoted Primary Agriculture Marketing Groups (PAMG). The intervention of PAMG begins with supply of quality seeds at competitive price and ends with marketing of agriculture produce at better price than the local market. During this year the collective marketing was done by the PAMGs in Kanchipuram and Nagapattinam districts of Tamil Nadu. In Kanchipuram district eight tons of cashew worth of Rs 0.13 million was marketed by the farmers collectively. In Nagapattinam district 600 kilograms of *Gloriosa superba* seeds worth of Rs 0.75 million were marketed collectively. The farming families have gained around ₹0.23 million as additional incomes through this marketing intervention. To address the issue of market fluctuation, three village level warehouses were established during this year with the support of Care Today Fund. The agriculture marketing groups promoted in the villages have started using the infrastructure to store their produces and market when the prices are high. Each warehouse supports 400 poor and marginal farm holdings

### Stabilising fisheries

The major focus of the CALL programme was on sensitising the fisher folks for eco-friendly methods of fishing without losing their income. The programme has also experimented alternative livelihood activities. The fisher folk involved in traditional method of fishing were organized as Kalanjiam Meenavar Sangams (KMS). KMS is functioning with an objective sustaining the eco-friendly fishery practices, reducing the role of intermediaries and conservation of marine resources. During this year ₹9.8 million worth of fishes have been marketed by KMS with a cumulative turnover of ₹52 million. The concept of KMS has achieved its purpose by enhancing the livelihood income of the fisher communities.

The SHG federation of fisher folk in Erwadi is facilitating the poor families to market crab collectively. The fishers have gained prices better than the local market. The additional price received by the fisher folks per kg was ₹20. So far the Federation has marketed 15.2 tons of crab worth of

₹0.15 million. The additional income gained by all the 60 families in a year was ₹0.3 million.

The fishing labourers, who have settled near the shore involved in dry fish making, were supported to market their produce collectively to enhance their income. They have marketed ₹29.6 million worth of dry fishes. A total of 540 families are involved in such activity.

**Infrastructure for Livelihood Development:** To support the fisher communities in Cuddalore district, a warehouse is established to store dry fish and market it when the price is high. The infrastructure is managed by the fisher communities. The programme has already established a fish meal processing unit in Cuddalore district. The dry fish pooled by the fisher folks would be stored in the warehouse for processing and the pulverized dry fish will be marketed to the poultry industries in other parts of Tamil Nadu. This intervention would impact the livelihoods of 400 fisher families.

### Dairy Development

Kalanjiam Milk Producer Company Limited (KMPCL) was established as a Peoples' Organisation with an objective of addressing the poverty through livelihood intermediation. KMPCL has been formed as a nested institution, with the Primary Producer Group (PPG) being the core or primary institution with defined governance structures, Dairy Association at the block level as a facilitator for a group of PPGs and Producer Company (KMPCL) as the Apex body, coordinating the activities of procuring, processing and marketing of milk and milk products. PPG is an activity based group, comprising of 15-20 members engaged in milk production activity in a village. KMPCL is currently serving around 800 members directly through milk procurement covering around 180 villages. The procurement that began at 5,744 liters a day on April 4, 2009 reached a peak of 17,800 liters a day on September 30, 2009 – within five and a half months since inception. There have been fluctuations in daily procurement but the trend has been upward. *Anandam Milk*, the brand established by KMPCL has secured the market share and gained the confidence of the consumers. The KMPCL has also

expanded its support in the form of quality feed supply and artificial insemination for livestock at their door step.

### **Small Scale Activities**

Apart from farming and fishing, the labourers in the coastal districts are involved in livestock, vending and other small scale livelihood activities. The families involved in farming were supported to initiate integrated farming system. During this year 400 poor farm families were supported to create farm pond and initiate fresh water aquaculture. Further, these families were supported to rear 20 broiler birds each. The droppings of the birds will enrich the soil nutrients and it will serve as feed to the fishes. About 500 dryland farmers were supported to initiate goat rearing activities. All the livestock owned by the members were insured. About 100 landless agricultural labourers were supported to promote mushroom and vermin-compost activities. Around 300 poorest of the poor fisher families were identified and they were supported to initiate sea weed culture during this year.

### **Environment Sustainability**

The CALL programme has the mandate of promoting community centric conservation. The twin focus of the programme includes reducing the human activities that are leading to the depletion of natural resources and conservation of coastal and marine resources. The Peoples' Organisations promoted are involved in conservation of water bodies, promoting soil health, regenerating mangroves and other vegetation. The marine resources like coral reefs, sea grass and other endangered species are conserved by building awareness on eco-friendly livelihood activities.

### **Renovating tanks – mitigating droughts**

Irrigation tanks along the coast have been constructed before many centuries to manage climate variations. Renovation of these water bodies and restoration of community management would provide opportunities to the poor communities to generate and sustain their livelihoods. To restore the community management, the poor and marginal

farming families were organised into associations to renovate the water bodies at regular intervals and enhance the farm productivity. During this year three irrigation tanks have been renovated to support 655 families to irrigate their fields. The total population reached through this intervention was 2,718 and 513 hectares of agriculture fields get assured irrigation.

### **Reviving Ooranis**

Renovation of village ponds ensures drinking water for the human as well as to feed the cattle. During this year seven village ponds located in Ramanathapuram district was renovated to augment rainwater for drinking and domestic purposes. Each pond renovated has the capacity to store 4500 cubic meters of water and supports around 80 – 250 families. Women in these seven villages were able to access fresh water for their domestic purposes, without a burden of walking for miles to fetch water. Around 1330 families would get the benefit.

### **Farm ponds for saving crops**

The small and marginal farming families identified at village level were supported to dig farm ponds to collect rainwater for providing life irrigation to the crops during the critical phases of crop growth. During this year 67 farm ponds were established in Ramanathapuram, Nagapattinam and Pudukottai districts assuring life irrigation to the crops cultivated in 27 hectares of land.

### **Watershed development**

As part of National Watershed Development Programme in Rainfed Areas, water bodies in Kanchipuram districts were renovated. Under this project four canals supplying water to irrigation tanks were renovated. Apart from renovation of canals connecting to tanks, field channels were renovated to ensure availability of water for irrigation. To ensure availability of water for domestic use five ponds were renovated. Through renovation of these water bodies over 800 poor and marginal farm families would be benefitted. Three families were supported with farm ponds and percolation ponds.

### **Tree plantation to increase vegetation**

The CALL programme has encouraged the Peoples' Organisation to plant trees along the bunds of water bodies and common lands to mitigate the effects for climate change. Increased tree cover would remove the carbon dioxide from air. During this year over 2500 saplings were planted by the Peoples' Organisations. The local tree species planted include Neem, Jamun, Tamarind and Pungamia. The local community took the responsibility of digging pits and maintaining planted trees. The trees planted are having fruit and commercial values. The benefit out of trees planted would be used by the Peoples' Organisation to meet the maintenance of the water bodies.

### **Workshop on conservation**

As part of the Madurai Symposium 2009 CALL Programme has organised a workshop on coastal resource utilization, conservation and management. Around 200 community representatives from 10 coastal districts participated in the event. As an outcome of the event, eight resolutions were passed by the community. The workshop called for unified efforts of the state and central governments to ensure environment sustainability through training at least one third of the people in the coastal districts in the next five years. The workshop resolved that the state and central governments should take necessary legal actions to stop the production of banned nets and legally empower the village level conservation councils and community institutions involved in coastal conservation. It also called for setting up an exclusive department for the coastal agriculture development. The resolution encouraged the promotion of village level conservation councils in all the coastal villages.

### **Insurance for disaster risk reduction**

The coastal districts are prone to recurrent disasters and the most vulnerable are the poor and vulnerable families living in huts and semi-pucca houses with limited or no livelihood assets. When a breadwinner dies or the income generating assets fail it will be a great blow to the economy of a family. The fisher folks involved in fishing face life threat due to the

nature of their livelihood. The farmers in the coastal district frequent face crop failures due to poor availability of water for irrigation. The families involved in dairy farming might face death of animals due to flash floods. Assessing the potential vulnerabilities the CALL programme has introduced insurance products according to the contexts to reduce or mitigate the impact of the disaster. The diversified insurance products introduced include life, health, livestock and crop insurance. As on March 2010, 63,191 individuals have been covered under life insurance, 1800 families were provided health insurance cover, 321 families were covered under crop insurance and 1100 families opted for livestock insurance.

### **Training on disaster risk reduction**

In October 2009, two training events were organised to the coastal communities on Disaster Risk Reduction with the support of Oxfam Australia. Over 50 participants from Andhra Pradesh and Tamil Nadu representing NGOs working in the coastal districts have participated in the event. The training modules were designed to train the community on basics of community based disaster risk reduction, disaster risks in coastal areas, policies on disaster management and DHAN's experience. At the end of the event all the participants have developed action plans for disaster risk reduction.

### **Civic interventions**

During this year, the SHG federations promoted by CALL programme have mobilised Rs 5.4 million worth of scholarships from the Janashri Bhima Yojan insurance scheme to support 6311 students. About 55 percent of the students supported were girls. In addition the SHGs promoted have given Rs 22 million worth of loans to support the education of members' children. Apart from the financial support the federations have established tuition centers to enhance the academic performance of the students. To build awareness and address the health related issues, the SHGs federations have organised several health camps at village level and awareness events. Over 2450 members were benefitted through the eye camps, breast cancer screening camps, general health camps and alcohol de-addiction camps.



# Tata-Dhan Academy

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

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



Tata-Dhan Academy is in its 10th year of operations. During the nurturing phase, between 2001 and 2006, the core activities such as the Programme in Development Management (PDM), short duration development management education programmes, research, documentation and publication, consultancy, and faculty development were initiated and strengthened. The support extended by SRTT during the transition (2006-2007) was significant to get into the second phase of stabilization (2007-2010).

### **Programme in Development Management**

The design of Programme in Development Management has been stabilized into a two-year post-graduate programme. The representation of students was expanded to 14 states. The selection and admission process was intensified by introducing a two-day selection camp. The placement was opened to designated NGOs from the sixth batch onwards.

The students of PDM were exposed to various development themes and issues such as ecology, legal environment, inequality and poverty, legal frameworks for carrying various development interventions and ecological perspectives on development, agriculture, animal husbandry, forestry, fisheries, non-farm sector and urban livelihoods, microfinance, research methods and tools, social issues sanitation, safe drinking water, community health, child labour, gender issues, watershed concepts, written and oral communication, and micro-lab process on self and interpersonal relationships through various courses and fieldwork assignments. They were also exposed to different development organisations to understand the development initiatives and the mission of the organisations and solidify their future career in the development sector.

The admissions process to PDM 11 was initiated and admissions test were conducted. The selection process would be conducted in two centres, Chennai and New Delhi, by a selection panel.

### **Faculty development**

The investments made on the faculty members has resulted in improvement of the teaching ability,

research and documentation ability, design and coordination of events, and particularly the confidence level. The short courses at IIM-A and CSRI, Chennai, were a few good opportunities for faculty development. The complementary support by faculty members has improved the capacity of the Academy in taking new initiatives and activities. Consultancy was given due attention. The existing campus and environment was utilized effectively to manage diversified activities.

There are five disciplines under which core activities were planned and performed by the Academy during the last year. The Academy's disciplines are (i) Basics of Development (BASICS), (ii) Technology of Development (TECH), Management of Development (MADE), Leadership Development and Institution Building (LAB), and Communication for Development (CODE).

The position paper for each discipline has been revised to include integration between courses, themes under which training programmes should be offered, research and consultancy activities to be taken up, and reference materials, publications and reports which support the discipline.

### **Researches and studies**

The capacity of outsourcing people for research has improved. The Centres of both ASKMI and ACEDRR provided opportunities for the team to initiate and coordinate pilots and research projects on different related themes of Centres. The funding support by Oxfam America and ZLM, Netherlands has been significant in stabilizing the research activities of the Academy.

Through the research team, district-level human development reports were prepared for the State Planning Commission for Sivaganga and Thiruvannamalai districts; this increased the confidence level of the team in undertaking government projects.

Two dissemination workshops on district human development reports (DHDR) prepared for Dindigul and Sivaganga were conducted for the district level department officials, block level officials, Panchayat presidents, and SHG federations. It was facilitated by the district administration and was attended by

800 participants. The focus areas were orienting the participants on human development concepts, status of livelihoods including agriculture and allied, social status related to health and education, and gender status. The Academy has undertaken two projects on to prepare additional reports for Kanyakumari and the Nilgiris districts with the State Planning Commission.

PDM students undertook micro studies on themes such as community ethnographic studies, health (malnutrition and anaemia), education, microfinance, and livelihoods (forest based, and specific activities in urban and rural contexts).

### **Development Management Programmes**

The Academy has acquired confidence in conducting short duration education courses; ART of Microfinance, Social Development Research Capacity Building, Micro Insurance, Human Resource Development, Development Management Appreciation, Leadership Education for Advancing Development, and Rural Development are seen as star programmes.

Several short duration Development Management Programmes were conducted including Perspectives Building for Advancing Development; Trainers of Training on Gender; Development Finance; Participatory Research Methodology; UPNRM; a 12-day programme on development management appreciation; five programmes on team building, human lab and leadership development; web designing; and managerial oral communication. These programmes were offered for young professionals, bankers, university officers, middle and top management of national and international NGOs. About 300 participants benefited out of the said programmes.

### **Events**

Workshops, seminars, micro-studies, and short research projects were conducted. Brochures, case studies, course materials, manuals, and guidelines were prepared according to the needs and demands. These documents and a few other publications were brought out.

Three dialogues were conducted on (i) Is politics an alternative path for development leaders?, (ii) Quality of education in India: The role of NGOs, and (iii) Contract farming and its relevance in India. to facilitate building knowledge from the national and global contexts through literature reviews, presentations, and discussions among the PDM students and the faculty members.

Seminars and workshops on “Nurturing Development Missionaries”, “Water Management Practices: The Netherlands Perspective”, “Research and Development with Reference to MDGs”, and “Budget Watch and Dialogue on the Union Budget 2010-11” were conducted with different development sector stakeholders. Internally faculty seminars were conducted on “Tata-Dhan Academy as a Centre of Excellence: Status, Challenges and Prospects” and “Using TDA Style Manual: Formatting and Citation”.

Events such as PDM 10 inauguration, Independence Day celebration, sports week, ethnic dinner (representing Bihar state, Cambodia, and India), and development seminars were organized to build the students’ skills in organizing and managing events as well as to offer opportunities to facilitate expression of the students’ individual talents.

### **Specialised Centres**

There are three specialized centres at the Academy: ASKMI (mutual insurance), ACEDRR (disaster risk management), and WETC (water). ASKMI has intensified its activities on building and disseminating knowledge through online courses; national and international research on risks and vulnerabilities, microfinance and micro insurance; workshops on coping mechanisms for risk management; and a seminar on micro pension involving stakeholders of insurance industries, NGOs and the community. WET Centre has conducted 16 training programmes on community health promotion, sanitation, project planning, project implementation on biosand filter, filter fabrication and water awareness programmes for field executives, NGOs, and masons. Documentation of DHAN’s experience in hygiene, sanitation and safe drinking water was facilitated by involving a

team from CAWST, Canada. WET Centre has also equipped its lab on drinking water quality testing.

There are seven regions representing Tamil Nadu, Andhra Pradesh, and Madhya Pradesh identified as potential satellite centres to expand WETC activities. The regional integrators have been consulted about it. They have sent a few masons for undertaking biosand filter training. SERP, a government organisation in Andhra Pradesh, has been approached to undertake training on water. The Centre has been equipped with two full-time members and about ten part-time trainers and technical experts. It has constituted a steering committee and conducted two committee meetings; a consultative group will be constituted to recommend strategic direction to the centre.

ACEDRR has revived its contact with the Oxfam America team. A three-day exposure programme for 11 participants from three NGOs has been conducted. Two internal review meetings were conducted to consolidate the lessons and experiences from pilots and research projects. An intern was engaged to write the research briefs and compile the research compendium for ACEDRR. The Centre also published a primer on DRR.

### **Positioning Tata-Dhan Academy**

The faculty members attended the following seminars and workshops, and presented papers:

- A seminar on “Indigenous coping mechanisms for risk management” conducted as part of the Madurai Symposium 2009 in which a paper on the subject was presented.
- Connecting microfinance and MDGs in the African context. A paper on DHAN’s experience was presented as a case.
- A paper on deepening microfinance was presented at a national seminar on “Sustainability of SHGs”.
- A paper on the theme of “Relevance of Research and MDGs” was presented during the Madurai Symposium 2009.
- Six senior DHANites were deputed to handle courses and share a few administrative responsibilities in the Academy.
- Several consultancy projects were undertaken including “Gender Impact Studies on SGSY and Dr Muthulakshmi Reddy Maternity Scheme” for the State Planning Commission, and studies on Tamil Nadu microfinance projects were done with Indian Bank, Usilampatti Branch, Madurai, Tamil Nadu.
- Madurai Symposium 2009 was facilitated with the support of DHAN collective. The Symposium included 37 seminars and 11 conventions and was attended by more than 7500 participants.



# ICT for Poverty Reduction



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

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

The Thagavalagam model of DHAN using ICT for poverty reduction has the right mixture of development focus, community management and ownership, revenue generation and integration with existing development programmes of DHAN thus providing synergy. The Thagavalagam theme now enters the new phase of scaling-up with fullest integration with other programmes and themes of DHAN.

### Village Information Centres

Thagavalagam is the brand name of the Village Information Centre (VICs), also called elsewhere as internet kiosks. The VICs act as a resource centre for the remote villages, where an operator and a multimedia computer system with internet connectivity are available. They could provide computer experience for the rural population in the villages. The VICs help impoverished villagers to improve their standard of living by expanding livelihood options and empowering them with information tools, goods, and services.

### Reach and use of VICs

There are 28 paid services ranging from data entry, e-governance, and computer education are offered from the VICs at nominal costs and 17 types of free services such camps, library, and content display are provided to the villagers. Thirteen services are online and the remaining 23 services are given offline. From the 20 village information centres 8,363 users have availed paid services and over 9,642 users have availed free serves. During the year alone nearly 3,540 users have used the multimedia content. There is a good response from the rural community to see and use the offline content available at the VICs. Health content attracts more number of users followed by the HIV/AIDS Content.

### ICT in agriculture development

This online interaction for agriculture is held once in a week either on Thursday or Friday. Agriculture department officers, scientists from Agricultural College participated regularly in the online sessions. On an average 15-20 farmers participate in each

session at the VICs. Farmers to Farmers sharing is also influenced the farmers more.

The agriculture content in the form of video or flash or power point presentations were obtained from Tamil Nadu Agriculture University, Tamil Nadu Veterinary and Animal Sciences University, Centre for Indigenous Knowledge Systems and other sources. These content were regularly played at the VICs and farmers discussed the same during video conference sessions.

Since most of these contents were not location specific, the VICs took up content development with the help of experts as well as resourceful and progressive farmers. Both the staff and VIC operators were technically trained in content development. A special project on Community based content development was initiated under which 100 plus topics were developed with the support of UNDP and CAPART. Contents on 36 topics are now available especially for agriculture.

The market information is obtained from [www.indg.in](http://www.indg.in), [www.oddanchatram.com](http://www.oddanchatram.com) and [www.agmark.nic.in](http://www.agmark.nic.in). This market information is provided to the villagers through the public address system and by displaying in the information on notice boards. For farmers having mobile phones, SMSs were sent using way2sms.com, indyarocks.com, and rediff mass amiling facility. Other information like availability of seeds, fertilizers, etc at Agriculture Office depot and local weather information are also given through SMS and Community Radio.

On seeing the usage and impact of the video sessions in Melur taluk, the soil testing unit of the Agriculture department came forward to help the farmers on soil health improvement through the VICs. Farmers were trained to collect soil samples from their lands, the samples were delivered to the soil testing laboratory through the VICs. The results of the samples are sent to the farmers as email to the respective VICs where the operator would print the result and give it to the respective farmers. The Soil testing officials also participated in the video conference sessions and gave technical inputs to the farmers regarding their soil health level and

correction needed. The soil health cards are updated regularly at the VICs after receiving feedback from the lab and experts advice during the video conference sessions. Multimedia content briefing the Soil Testing importance and Soil Health was also developed and being displayed at the VICs

### **ICT and women**

With the multimedia programme developed by the Tata Consultancy Services (TCS), the programme has established Adult Literacy Centers in the remote villages. These centres help the illiterate women to start read and write in Tamil. This service has 6 months reading and 6 months writing course. Following to this basic literacy programme, the students are also encouraged to participate in the functional literacy programme in different sectors like Insurance and health subsequently.

### **Legal and Awareness on Women Specific Issues**

The VICs also create awareness on legal and women specific issues through video conference and offline multimedia content. The lawyers are participating in the video conference sessions and provide answers for the women specific legal queries. The offline content on women specific schemes and issues are also shown at regular intervals

### **Health literacy**

The VICs offer a variety of health related ICT services for the rural poor, especially women including health content show, video conference and health camps in the villages. The women are organised at the village center or in a common place and the content is shown on a regular interval related to their health such as infectious diseases, kidney problems, HIV/AIDS, water related diseases, cancer, and other women specific health issues. Rural women from the Thagavalagam Village Information Centers can directly interact with the doctors and clarify their health related queries. The video conferences initiating a preliminary consultation with the experts, if required, for further treatment people would visit the doctors.

### **Educational services**

The Thagavalagams, conscious of the gap between the urban and rural school going students, offer a service called “e-School” for the rural students. The main focus of the e-School service is to improve the rural school education with the support of multimedia educational content. The e-school includes content display on the school curriculum and basics of computer operations. In some villages, where the schools are not having computer systems, the VIC operators would bring the primary school students to the VICs on a particular week days and offers the e-School services. Every year, more than 200 rural students get benefit out of the e-School service from each VIC. In addition to the school curriculum, the Thagavalagam VICs also offer general e-literacy to the students including general knowledge, moral stories, history and sports.

### **Computer education courses for youth**

Thagavalagam Village Information Centers also offer computer diploma and certificate courses for the villagers. These courses are offered by the Indira Gandhi National Open University (IGNOU) through the Village Information Centers and facilitated by the Thagavalagam community colleges. After the six-month diploma course with a nominal fee, they could earn from ₹2500–3000 per month. Every year more than 250 rural youths get employment opportunity out of these courses through the Village Information centers. The rural youths also use the Thagavalagam VICs to search for a suitable job.

### **VIC library**

In order to improve the reading habit among the rural youths, who wish to undertake competitive exams for employment, a small library has been established in all the VICs with a collection of nearly 500 books on various topics. The books related to computer and information technology, agriculture, animal husbandry, government examination preparation, health, literature, women and child care are available.

# Rainfed Farming Development

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

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



## Promotion of rainfed farmers' organisations

The rainfed farming development programme (RFDP) is implemented in nine locations. The programme works in collaboration with CALL Programme at Vedaraniyam and Kalanjiam programme in Koraput. The programme focused on promoting self-managed rainfed farmers' organisations, establishing and practicing programme standards, scaling-up of proven thematic activities and experimenting new interventions during this year.

During 2009-10, the programme has promoted 210 groups with 3000 members and six associations. The programme has so far reached over 10,679 members, organised into 651 groups, 31 associations. Federations of rainfed farmers' association have been registered in Tirumangalam and Nattarampalli locations. The Thirumangalam Uzhavar Mamandram was registered under the Trust Act and the federation had purchased land for constructing a building for the federation and for the Village Information Centre. Cost coverage concepts have been introduced in three new locations.

## Land development

In Thirumanagalam, one retaining wall and two surplus weirs were constructed under land development activity, *Morinda tinctoria* was cleared in 4.5 acres, *Cynodon dactylon* was cleared in 8.50 acres. In Peraiyur location, *prosopis* clearance was taken up by 16 members in 27.5 acres, silt application in five acres was taken up by the farmers on loan basis. Other NRM works such as land leveling and stone bunding in Pudur Nadu, farm pond construction in Vedaranyam were taken up. In Koraput, nine farmers with an area of 5.28 acres were supported for land leveling. Six ring wells with rope pumps were constructed in Koraput, Borigumma and Semiliguda locations. Two farm ponds were constructed in Borigumma location and loans were distributed to construct 30 farm ponds in Borigumma and B.Singhpur locations.

## Organic matters build-up

On loan basis, Farm Yard Manure was applied in 546 acres of land by 530 framers in Thirumanagalam location. In Nattarampalli, humic acid was distributed and the result of its application was good. 17 and 8 units of aerobic composting heaps were done in Nattarampalli and Thriumanagalm respectively. In Peraiyur, 25 farmers went for FYM application and sheep penning was done by 12 farmers through loan support.

## Crop production enhancement

### Seed supply

In Thirumangalam, 505 kilograms of maize seeds were supplied to 31 farmers covering 63 acres, another 210 kilograms of green gram seeds were supplied to 42 farmers for 70 acres, 250 kilograms of blackgram seeds were supplied to 54 farmers for 86 acres. In Nattarampalli, 600 kilograms of groundnut seeds, 40 kilograms of ragi seeds and 6 kilograms of castor seeds was issued to the famers. In Peraiyur, 30 kilograms of cottons seeds, 10 kilograms of green and black gram were supplied to the famers. In Koraput, groundnut, niger, ragi, and paddy seeds were distributed to the farmers in required quantities. In addition, ₹0.3 million given as loan to buy seed at bulk for 500 farmers.

### Dryland horticulture

Totally 97 mulch pit was formed in two farmers' lands at Sengapadi Village in Thirumanagalam. Large scale tree planting activity was promoted in Thirumangalam location, wherein saplings of curry leaf, teak casurina, pinarisangu, seedless Jamun, mango, coconut, sapota, amla and guava tree species were distributed to the farmers. In Nattarampalli, plantation of mango, sapota, tamarind and guava trees were taken up by the farmers. In Vedharanyam, coconut seedlings were distributed and in Koraput location, jackfruit and cashew seedlings were distributed.

### Other experiments

In Nattarampalli, 25 farmers have tried Zero Budget Natural Farming (ZBNF) for groundnut; five farmers

tried ZBNF for irrigated crops. Drum seeder in paddy was demonstrated in one field with support of Paiyur research station. Groundnut varietal selection experiment was done with varieties VRI 6, TVG 004 and TMV 73. In Koraput, SRI was demonstrated in 30 Farms, seven farmers did line sowing of ragi.

## Livestock development

A total of 1649 milch animals, 1180 goats and sheep were de-wormed through 28 animal health camps organised in all the rainfed locations. The members were supported through loans for purchasing milch animals, goats and sheep. Eight units of flooring in cattle sheds were taken up in Nattaramapalli. In Gudiyatham, 127 units of Azolla green fodder cultivation were taken up. CO-4 Cumbu Napier fodder slips were distributed to six farmers. In Pudur Nadu, cattle-shed was constructed by four members with loan support. Sixteen Azolla production units have been set up in Koraput.

## Risk management

### Life insurance

In Thirumangalam, 182 members were enrolled in the Birla Sun Life Insurance with the premium amount of Rs 18,200 for the sum assured of ₹1.82 million. There was three death claims for Rs 25,000 each. In Nattarampalli, 226 members have paid premium and they are yet to be enrolled under the for JBY insurance scheme. Four claim settlements were given under Birla Sun Life insurance. In Vedaraniyam, 38 members were covered under JBY insurance, In Pudur Nadu, 59 members have been enrolled. In Gudiyatham, 503 members have been enrolled under Birla Sun Life insurance and JBY of LIC of India.

### Livestock insurance

In Thirumangalam, 48 farmers have done the mutual livestock insurance, paid premium of ₹24,206 for the sum assured of Rs 691,000 and eight farmers have got a claim of Rs 10,800. In Peraiyur, 25 farmers have insured their 143 goats, 123 sheep and four

milch animals. They have paid premium of ₹20,959 for the sum assured of ₹0.6 million, there was a claim of ₹16,800.

## Piloting Crop insurance

In Tirumangalam, for green gram and black gram 53 acres of 80 farmers were covered under rainfall based crop insurance. For maize, three farmers were insured covering four acres. In general, this year, there was good South West Monsoon during the crop emergence period. After the crop emergence and development there was no rainfall. There was an early withdrawal of SWM and late onset of NEM rainfall, there was crop yield reduction both in black gram, green gram and in Maize. However, the maize which was late sown gave a reasonable return.

During September 2–23, K. Vellakulam rain gauge received 37mm rainfall and the Sengapadai raingauge received 125.5mm rainfall. Yield loss in black gram and, green gram was 100 percent in Sennampatty area and the loss was 50-75 percent in other locations. Hence, 16 farmers of this village, insured for eight acres of black gram and green gram under K. Vellakulam raingauge received the compensation for Rs 10,800.

During period of September 2 to October 2, both Vellakulam and Sengapadai raingauges received > 60mm (84mm) rainfall. Hence there was no compensation for maize farmers. However, there was a yield loss of more than 50 percent because of long dry spell.

In Nattarampalli, 135 Farmers have insured for groundnut crop on mutual basis; total premium received was ₹27,250 and pay out ₹67,350 was given.

## Supplementary activities

### Kitchen garden

In all the rainfed farming locations, 2618 pockets of kitchen garden seeds were distributed to the members. The pockets containing seeds of bhendi, cluster bean, radish, bitter gourd, ridge gourd, Pumpkin, snake gourd and beans were distributed.

### **Agricultural marketing**

The Vedharanyam location procured one ton of Gloriosa seeds and sold through the KTL. In Koraput, revolving fund was given for tamarind and Niger marketing. One dairy PPG has been promoted in Gudiyatham

### **Agricultural finance**

Land leasing loan products were offered to 88 farmers to take 90 acres of land on lease in Thirumangalam, for four farmers to take land on lease in Peraiyur, A total of ₹0.41 million and ₹0.19 million were issued as agricultural loans for the members in Nattarampalli as well as Pudur Nadu locations respectively. ₹1.2 million was given as revolving fund for various farm activities like community nursery and seed supply in Koraput location.

### **Capacity building**

The rainfed farming development programme has organised a number of capacity building programmes suiting to the needs of each location. A Workshop on Mutual crop insurance was held with farmers of Thirumangalam location. Trainings were organised for rearing of Japanese quail, paddy direct sowing, integrated pest Management in avarai, groundnut mutual crop income insurance, participatory varietal selection and Zero Budget Natural Farming were organised to the farmers of Nattarampalli location. Training on farm pond was organised to the members of Vedharanyam location. Exposure on SRI method and ZBNF were given to the farmers of Koraput location.



# Tourism for Development

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

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



DHAN Tourism for Development programme is advancing the theme and started working on promoting 'responsible tourism' in the pilot tourism projects initiated with the support of UNDP and Government of India. As recognition for the efforts taken by DHAN in promoting community centric and pro-poor tourism in the pilot location, the Tourism project implemented in Karaikudi received the CNBC Awaaz Travel Award 2009, as the Best Example for community managed Tourism. Similarly, the Tourism programme of DHAN bagged the National Tourism Award for the year 2008-2009 in the category of 'Best NGO promoting rural tourism in India'. This Award was instituted by the Ministry of Tourism, GoI, and the Vice-President of India presented this award to DHAN in a ceremony at New Delhi.

### **Tourism project in Karaikudi and Kazhugumalai**

During the year 2009-10, the programme focused on strengthening the people institutions promoted around tourism activity such as tourism based Kalanjiam federation (development focus), tourism based Producer Company (livelihood focus) and tourism village development committee (convergence focus). The Registration of tourism Producer Company has been completed. The other two institutions are in the process of promotion. Focus was on strengthening tourism based livelihood and mobilizing resources and promotion of responsible tourism is in progress.

### **Promotion of new tourism locations**

During 2009-10, in addition to advancing the Karaikudi and Kazhugumalai locations as a crosscutting theme with Kalanjiam programme in the context of microfinance, the tourism programme has been initiated in Devipattinam location of Ramnad District as a crosscutting theme with Coastal Conservation and Livelihoods (CALL) programme, Theerthamalai in Dharmapuri District with rainfed farming development theme, and in Thirupudaimarudur of Tirunelveli District with the Vayalagam programme.

### **Promotion of tourism-based livelihood opportunities**

DHAN Tourism for Development promotes tourism based livelihoods opportunities and community managed rural enterprises in various districts of India in collaboration with district administrations, tourism department and other stake holders. The tourism activity groups in Karaikudi got an order of making Kandangi bags for the Rabo bank, Netherlands. The KalanjiamThozhilagam Limited facilitated shipping. A workshop on preparation of a special marketing plan to promote the Chettinad as a tourism destination with the support of the Ministry of Tourism, GoI, was organized.

### **Cultural immersion programme**

A 'development tour' was organised for tourist from France at Kazhugumalai. The programme team also organised a heritage tour for a team of architect students and professors from International Field School on Asian Heritage (IFSAH) from South Asian countries like Japan, Taiwan, Malaysia, China and Thailand. A seven-member team from Friends of DHAN, The Netherlands and Friends of DHAN, Canada, along with tourists from Sweden visited heritage sites and got immersed in the local Chettinad culture at Karaikudi and Kazhugumalai.

### **Sharing knowledge from practice**

A seminar on Public Private Partnership in Promoting Rural Tourism was organised as part of Madurai Symposium, in which participants including officials from the tourism department, tourism development committee, and other tourism stakeholders attended and shared their perspectives. In association with the Tamil Nadu Tourism Department, the team has organised a tourism event at Madurai Symposium. A paper on 'Micro-level Public-Private Partnership model in Promoting Rural Tourism' was presented at the Asia-Africa Business forum meet on Tourism held in Uganda, Africa. The programme team has also organised a 'Workshop on Protection of Monuments in and around Madurai' with students of colleges in and around Madurai to create awareness on the importance of protecting heritage sites.

## Tourism promotion

**Heritage walk:** The programme has been regularly organising 'Heritage Walk' to promote tourism and showcase the little-known heritage sites in Madurai. Heritage walk in 10 locations namely Keelakuilkudi, Kongar puliankulam, Aanamalai, Puttuthoppu, Karadipatti, Perumalmalai, Thenpurankunram Gandhi Museum, Meenakshi amman temple were organized.

**Folklore festival:** To show case and promote folk arts, 'Folklore Festival' was organized at Madurai symposium for the visiting delegates, tourists, and the public. During this festival, folklore programmes such as *Paraiattam, Jinsha, Sattaikuchiattam, Karakam, Kuravan-kurathi attam, Sakkai, Kole, Panjha pootha nadanam, Drum and kalasa, Peran pachava, and Saraiattam* were performed by various cultural teams. In collaboration with the department of tourism, the programme has organised 'Theruvora

Thiruvizha' to promote folk-arts in the Madurai city every Saturday evening around Meenakshi Amman temple.

**Handicrafts exhibition:** A Handicraft exhibition was organised with the support of CAPART between as part of the Madurai Symposium 2009. SHGs from various locations across South India have showcased their handicrafts for sale. The exhibition could provide an excellent opportunity to showcase the local heritage, tourism and handicrafts to delegates from different states of India, abroad and the Madurai public.

**Awareness programme for tourism stakeholders:** The team also organised awareness programme for various tourism stakeholders like tourism officials, auto-drivers, official of Tamil Nadu Road Transport Corporation, staffs of Meenakshi Temple on the code of ethics in association with the tourism department.



# Working with Panchayats

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

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



## Panchayat Development Associations

The basic purpose of promoting Panchayat Development Association is to integrate people institutions to assist the Panchayats in implementing the development programmes and resist when they violate from their duties, ultimately to ensure the efficiency of the Panchayats. With this concept, all the SHGs and other people institutions in the locations where the Panchayat programme is being implemented have been integrated into PDA. During this year 19 out of 25 working Panchayats, PDAs have been promoted. In 12 Panchayats, separate bank accounts have been opened. Every month PDA meetings were conducted and the executive committee initiated its works with Panchayat governance.

## Panchayats achieving MDGs

Each Panchayat was guided to take up any one of the development goals in the line of Millennium Development Goals, such as education for all, electricity for all, employment for all and social security for all. Location teams have worked out to prepare base line information, action plan to achieve these goals for each Panchayat. Regular monthly monitoring of goal attainment was taken up. All the 25 Panchayats have taken up specific goals to attain, of which in four Panchayats, social security goal was achieved almost at cent per cent. The average achievement in other goals was around 60 percent.

## MGNREGS Demonstration

In all the working Panchayats, demonstration of Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) was given significant importance. In five Panchayats, activities like ensuring work site facilities, enrolling all BPL families, ensuring quality output, work selection and documentation were taken up in association with the local Panchayat. In all the working Panchayats, all the eligible BPL families were enrolled under this scheme. Location teams have extended support for opening of Bank account for MGNREGS workers. Work site facilities were provided in all the working Panchayats. Social security for the workers was

taken up and most of them were enrolled under Janashri Bhima Yojana of Life Insurance Corporation of India.

## Microfinance Groups

The Working with Panchayats programme is in the process of organising an exclusive microfinance groups (MFGs) in the working Panchayats to focus on financial inclusion through Panchayat institutions by organising the youth and left out poor families. The MFG of non-poor will have only savings and insurance services. In addition to regular microfinance activities, these groups will get intensive training and orientation on local governance. These groups will also perform for exploring potential leaders for Panchayat governance. Sixty MFGs have been promoted during this year with a membership of 930 families.

## Urban governance

Panchayat programme works with the Madurai Corporation to enable urban governance. In four select corporation wards, the experimentation was initiated on solid waste management. A signature campaigns was organised to reach all the households and commercial establishments insisting on pledging to keep the ward clean and green. Developed handbills and pamphlets with a message on Solid Wastes Management with the support of federation and distributed to the entire ward. Exclusive meetings were arranged with sweepers and corporation workers to motivate and get support from them. With the support of the ward councilors, officials and the local community, SWM committees were promoted in two wards with active volunteers. The SWM committee members and the general public, interested in putting dry waste into other uses were provided plastic bags and the collected dry waste sold in the local shops.

## Panchayat Movement

Considering the high demand and scope for the community to participate and work for Panchayat development, the Working with Panchayats programme has promoted "Panchayat Movement" in February 10<sup>th</sup> 2010. This movement would work on

networking of Panchayats, provide techno-managerial services and involve in policy advocacy initiatives. Enrollment for Panchayat movement has been initiated. As part of Panchayat movement activity, the Tamil newsletter on Panchayat development (*Panchayathu Thoodhu*) got regularised during this year.

### Social security

In all the working Panchayats, the programme provided social security coverage to all the poor and vulnerable families with the LIC's JBY group policy. Over 4000 families have been covered with the scheme and so far, 26 claims have been processed and settled for deceased families.

### Regular Panchayat affairs

Apart from above special initiatives, monthly Panchayat council meeting, meetings of working committees, Gramsabha meetings have been conducted regularly and the micro planning exercise has been continued without much effort and about 40 percent of the plan realisation was observed. The field teams focused on training and orientation of community and Panchayat leaders and as a result 86 training events were conducted in the locations covering around 3000 participants.

### Policy workshop

Preparation of community based micro plan documents was one of the key components of the Panchayat programme. The programme views micro planning as not just an annual event, it is a process in which local people get ownership and vision for their village development. The programme has also attempted micro planning on the thematic areas such as tourism based micro planning, micro planning for disaster risk reduction, and micro

planning for coastal resource development and so on. In association with Tamil Nadu State government, under the IFAD assisted Post Tsunami Sustainable Livelihoods Project, DHAN has served as resource institute for developing participatory micro plan documents for about 50 coastal village Panchayats during this year. The outcomes and experience from this exercise was quite enriching.

To advocate the importance of micro planning and mandate the Panchayat institutions to prepare micro plan every year, first policy workshop was conducted at Chennai. In this event, select Panchayat leaders took part and shared their experience relating to Micro planning. This initiative would be further taken-up to next levels to change the approaches of the government towards participatory processes.

Considering the present need and scope, the advisory committee was restructured with the addition of Dr.Sivaramakrishnan, Former Secretary to Gol (Urban Governance), Dr.Meenakshisundaram, Former Secretary to Gol (Rural Development), and Prof. Ramakandhan, Director, Kerala Institute of Local Administration.

As part of Madurai Symposium 2009, the Working with Panchayat programme has organised a sectoral workshop on Social Audit and Leader's convention on 'Role of Panchayat institutions in attaining MDGs'. These two workshops have paved way to build contacts with more number of leaders and also it has provided good insights on the content. The programme in association with the Rural Development Department of Tamil Nadu Government has organised training to 12 batches of Panchayat leaders. Also in partnership with Buddhist University, Japan, the programme has taken up a 'Leadership development' at Kovalam.



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

The Programme leaders, Regional Coordinators and anchors of the Centres met every month to review operational issues and plans and to workout mechanisms for integration across themes and institutions. Knowledge building workshops were organised on select themes with them. The Consultative Forum met twice during the year. It has reviewed all the programmes of DHAN collective. The Strategic Forum met several times during the year to review the growth and set the direction for the future growth. The Twelfth Annual Retreat was organised at Jawaharlal Institute of Postgraduate Medical Education and Research, Puducherry. DHANites stayed in the Coastal villages and understood the life of the fishers and reflected on their self, institutional growth and achievements.

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# Centres for Human Resource Development

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

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

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

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

The Centre has identified and inducted around 170 staff at various levels. The newly inducted staffs were oriented on institutional aspects such as vision, values and principles with a view to connect the institutional goals with the larger level community goals. A series of meetings were organised for the staff those who were on probation and apprenticeship in order to facilitate cross learning as well as co-learning for standardising the growth with quality. Appropriate resource materials were generated and circulated for enhancing their perspectives. The staffs were encouraged to undergo 'Knowledge building' to theorize the field practices for an effective learning. The first batch DHAN Development Professional Programme (DDPP) has successfully completed one year apprenticeship period and entered into the full-fledged membership with the institution.

Attention on building 3Cs (Culture, Commitment, Competency) within the individuals was given during the appraisals and graduation processes. The key performance indicators in relation to 3Cs were developed and the individuals were encouraged to map out their personal growth for an improved clarity on self. Leadership lab was organized for the Project Executives to analyze and organize the self

in relation to the community expectations. The lab process encouraged them to set up milestones for their self development. The accountants and administrative staff have undergone computer appreciation programme on hardware and software as part of building technical proficiency. Fresh entrants were encouraged to stay with the poor communities to understand and appreciate the field realities.

An exclusive workshop on 'Professionalizing NGOs for integrating MDGs' was organized as part of Madurai Symposium 2009. Delegates from various NGOs have participated wherein professionalizing NGOs was reinforced with a greater emphasis on integrating MDG framework in development action. A concrete action plan cum recommendation was evolved in integrating HRD with MDGs. Orientation on gender and HIV AIDS was included as a special session in the induction programmes which in turn helped the staff to relate the subject with their thematic context. They were exposed to the gender policies of the institution and also encouraged to contextualize the policies.

Development Management Programme (DMP) was organized for the staff at various levels for

perspective building. The DMP on 'Gender and development' was organized for Team Leaders aiming at facilitating them to understand and appreciate the gender focus at work front. Besides the reflection on institutional perspectives, exclusive modules on evolving context specific indicators on gender and development were incorporated in the DMP. The DMP on 'Team building' and 'Human Process Lab' was organized for senior accountants and technical staff to bring out necessary awareness and refinement in their ASK (Attitude, Knowledge, Skill). Various HR instruments were administered which has facilitated the individuals to have a self

retrospection. Action points for refining the ASK was developed with verifiable indicators.

The Centre has organised the Annual Performance Enabling Programme (PEP) for the entire staff through facilitating a full-fledged mentor-mentee partnership. The mentor and mentee worked together to refine the mentoring process. An assessment over the growth of the individuals was done in order to build confidence through graded challenges. The mentor and mentee were encouraged to revisit their mentoring mechanisms at regular intervals to understand the progress and advance them.



## Dhan People Academy

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

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

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

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

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

Organising training programmes, exposure programmes, research and pilot studies and support to programmes of DHAN were the focus areas of the year for the DHAN People Academy. The Academy has organised over 48 training programmes for various institutions and centres in DHAN Collective.

The Academy continued to offer the Diploma in Panchayat Management (DPM) course in association with the Working with Panchayats theme. Fourth and fifth batch of DPM were

completed with 72 participants and results were announced. The self learning materials of DPM have been revised.

Three Leadership Development Programmes for building the leadership capacity of the cluster and federation leaders of Kalanjiam federations were organised during the year. Annual retreat for one federation was facilitated by the Academy. Focus of the retreat was to evolve the strategic plan for the federations. One batch of Vayalagam Movement

workers Training programme was organised after revising the training modules in order to impart more practical skills to the field associates, and two batches of Kalanjiam Movement Associates training were organised.

Four programmes on Community Health Promotion through Safe water and sanitation in association with the Water Expertise and Training Centre of Tata Dhan Academy were conducted for the block integrators, community accountants and associates of select blocks. The main focus of the programme is to train the participants in order to train the community on the importance of safe drinking water, sanitation and hygiene. Similarly an orientation programme was offered for the block integrators implementing Water, Sanitation and Hygiene Programme in Kalanjiam programme. The focus was to educate the participants about designing, implementing, managing and monitoring a safe water and sanitation project.

As part of supporting other NGOs in training, the Academy has organised two training programmes on Accounting and Financial Management of SHGs for the project managers and field workers of Christian Medical Association India.

As per the MoU signed between DHAN and Tamil Nadu Voluntary Resource Centre to offer two modules of training for the Panchayat Level

Federations (PLF) promoted by the Mahalir thittam of Tamil Nadu Government, the People Academy has conducted accounting and financial management training for the 11 batches of bookkeepers and Board of directors of PLFs and 'Governance and leadership development' for 15 batches of PLF office bearers.

For *Tamil Nadu Vazhndhu Kattuvom* project, two batches of training were conducted on Accounting and Financial Management of PLFs. The district level project team members participated in the training programme. An exposure programme on Kalanjiam model of MF was conducted with the sponsorship of NABARD, Jharkhand in which representatives of NGOs from Jharkhand participated.

A feasibility study of some business initiatives to be taken up by the SHGs supported by the Christian Medical Association of India conducted in 52 villages in two of their project locations Tirunelveli and Nagercoil. The research project on risks and vulnerability mapping was consolidated and a resource book was prepared. The book focuses on the process of conducting risks and vulnerability mapping of disaster prone areas. Publication of Vayalagam Newsletter is coordinated by the Academy with the involvement of Vayalagam programme. Three issues were brought out during this year.

## Centre for Development Communication

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

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

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

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

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

In addition to providing audio visual documentation for the regular products of DAHN Collective of institutions, the Centre has made a number of documentaries on the projects and their impacts. A film 'Sustaining Livelihoods-Making Rainfed Farming Viable' was made on the Nattrampalli rainfed farming experience. Similarly, a film on Karaikudi endogenous tourism project piloted by DHAN with the support of the Government of India and United Nations Development Programme was made into a small visual presentation.

Visual reporting on the community participation projects implemented by the Thenmadurai Vattara Kalanjiam and Sellur Vattara Kalanjiam, supported by the JNNURM and Madurai Corporation were taken up. A film on the European Union sponsored project – increased water harvesting and diminished desertification was made and screened to the group of Ambassadors from European Union during their visit to the project locations.

The Centre made a film on the Jain caves in Keelakuyilkudi, Madurai titled 'Samanar Malai' with interviews from the historians and archeologists help the campaign for their preservation. The Centre also supported the students of Fatima College to make a film on the vanishing urban water bodies in Madurai titled 'Vanishing Wisdom' as part of the documentary making course offered to them by the Centre.

The Fifth edition of the Development Film Festival was organised on the theme of 'Fight Poverty: Connect and Commit to Millennium Development Goals'. The festival was envisioned to be a creative platform for film makers to showcase their films on various social and development issues, so as to raise awareness among the public and sensitize the filmmakers. A total of 90 films participated in this

event, from various countries like UK, Philippines, and Thailand; and also from different states of India. The first round of screening and selection was held in Madurai Symposium, 2009, with notable personalities including academicians, journalists, film makers and NGO workers as juries. The selected films, around 14 in number, were then screened in Chennai for the final round of selection. Eminent personalities from film industry, government, media and business houses participated as juries in the event. Three films were awarded in the Foundation Day of DHAN on October 2, 2009.

The Centre in association with the Department of English, Fatima College and US Consulate, Chennai, organized a 2-day National seminar on "Documentary Film Making". Understanding of DHAN on Films and filmmaking was presented through a paper titled 'Films for Development'. Ms. Sandra J. Ruch, Executive Director, International Documentary Association, Los Angeles, addressed the audience on building up of an audience and stressed the documentarians to use technology as their friend and create a strong story line. The seminar stressed the filmmakers to reach the unreached and encouraged them to explore new avenues in the field of documentaries.

LIFE Centre in Madurai has got a project from the slum clearance board for providing Videography Training for the Slum Children. A practice oriented skill training programme was designed and offered to 25 students.

The Centre manages the websites of the DHAN Collective institutions and efforts were made to enhance its visual appeal and content to promote visitors' activity. The in-house monthly magazine 'Development Matters' was published on various themes with wide range of articles contributed by the professionals working at the grassroots.

DHAN's principles and practices in deepening grassroots democracy were visualised as calendar and greetings. Media relation for various programmes organised by DHAN was facilitated with press meets, interviews and media tour.

The Kalanjiam Community Radio Station has obtained license in the end of March 2009. After test broadcasting for a few months, the station was inaugurated on 12th July 2009 and formally went on air. The listeners of the Kalanjiam Samuga Vanoli participated in the event in good numbers. The station broadcasts for three hours every day with the content made with / by the community. With the expertise gained from this experience, the Centre also provided support to community organisations in Kottampatty and Nagarcoil in Tamil Nadu, Punganur in Andhra Pradesh.

As a part of the Madurai Symposium 2009, a one day workshop was organized for the community radio practitioners and potential community radio aspirants in association with the Community Radio Forum, India. The event gave an opportunity for the

community radio practitioners to come together and discuss how to take forward the community radio movement in Tamil Nadu. The Centre also took part in the six-day workshop and the conference organised by the World Association of Community Radio Broadcasters made a presentation on our experiences.

As part of Behaviour Change Communication campaign launched by the Kalanjiam Foundation in association with the State Health Society, the Centre undertook a campaign to create anaemia awareness and behaviour change in 100 villages in Mudukulathur, Sanarpatti, Thiruvaidaimaruthur, Bodi, and Kottampatti blocks in Tamil Nadu. A package of folk programmes were developed on this theme and performed in common places, schools, and colleges. A structured feedback for assessing the level of understanding was administered at the end. Similarly the Centre undertook a folklore campaign on prevention of HIV-AIDS in 28 Kalanjiam federations in eight regions and nearly 300 street corner performances were organised.



## Centre for Finance

The Centre for Finance is an integral part of the central office, collating financial functions across programmes, centres and thematic organisations of the DHAN Collective. The Centre places greater emphasis on building a transparent and foolproof financial management system at all levels.

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

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

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

The Centre for Finance is an integral part of the central office, coordinating financial functions across programmes, centres and thematic organisations of the DHAN Collective and Peoples' Organisations by giving training and setting up financial management systems at all levels. The Centre places greater emphasis on building a transparent and foolproof financial management system. The Centre evolves financial policies for the Foundation and other Institutions in DHAN Collective and Peoples' Organisations.

The Centre for Finance has coordinated timely completion of annual financial audits of all the institutions in DHAN Collective. The Centre has established Quality Assurance Audit Team headed by a Chartered Accountant to undertake monthly concurrent audit so as to facilitate easy completion of external audit. The Centre acts as a secretariat for the Purchase committee and Finance Committee constituted at the Central office. Policies and guidelines have been evolved, discussed and shared across the entire spectrum of organisation and compliance thereof is ensured.

The Centre coordinates Employees Provident Fund scheme with the Government owned Employees Provident Fund Organisation. Also the Centre

manages the Staff Gratuity Funds with the LIC of India. In addition to managing staff group accident and medi-claim policies with insurance companies, the Centre also ensures legal compliances with the Government. It ensures systems for budget monitoring and corpus investments and approval through Financial Responsibility Centres.

The Centre interacts with the panel of Chartered Accountants in public practice regularly for improving the accounting system across the thematic programmes and People Institutions. Auditors workshop was organised during the year for brainstorming by empanelled auditors regarding macro level changes affecting the audit and accounts of the development sectors. In the Madurai Symposium 2009, the Centre organised conferences and seminars on accounting, audit, regulations and policies practiced in DHAN and changes mandated by the Central and State Government.

In order to strengthen transparency in the Peoples, Organisations, the Centre has evolved Standard Operating Procedures (SOP) in the thematic and People Institutions and monitor them periodically. It also undertook reviews on the SOP with the Peoples, Organisations periodically and communicated the feedback.



## Centre for Facilitating Philanthropy

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

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

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

The focus during the year for the Centre for Facilitating Philanthropy was on fundraising for the cause of water through various initiatives, sharing of final progress reports to donors related to the cause supported as well the financial report, strengthening the interface mechanisms with the programmes to match donor interests with the needs of the community, timely implementation and feedback to the donors and reconciliation of donor funds and projects, and preparing publicity materials for fundraising as well as revamping the website. The focus was also on exploring CSR opportunities for fund raising.

The Centre worked in close coordination with the Vayalagam Foundation to complete 20 Ooranis (drinking water ponds) work which has benefitted 20 villages in areas where there is scarcity of drinking water. This includes the eight water bodies done in partnership with the Pan IIT Alumni. The progress was shared with the donors and there were repeat support from some of the donors. The progress of individual Ooranis was also shared on the Ooranis webpage. A people convention on 'Sustainability of Drinking Water Ooranis' was organized as part of Madurai Symposium 2009 with the active participation of the community and water experts.

The team was able to facilitate the completion and reporting of a CSR project taken in partnership with HUL on livelihood enhancement for 75,000 women. The positive experience of HUL and DHAN has led to new partnership on water with a longer term perspective and higher outlay on the theme of water. A proposal for the Gundar Basin tanks (water bodies) renovation in partnership with HUL, Vayalagam Foundation and NABARD has been prepared and would be taken up in the coming year. Exploration for CSR partnerships with other corporate bodies based in Chennai, Bangalore, Hyderabad and Vishakapatnam and the Netherlands was taken up during the year.

The Friends of DHAN Foundation in the Netherlands continued their support for the health and health insurance initiative by forging new partnerships with HIVOS, DHAN and Eureko Achmea Foundation. Besides this they facilitated a

partnership with Westberg Foundation to set up a community college at Salem for vocational education.

The Centre acted as a bridge between the federations and local Rabobanks who have adopted them in the Netherlands sharing the progress and updating them. The Centre also coordinates the works at the DHAN Karunai Illam at Nilakottai which is supported by the Karunai Illam trust in New Zealand on the theme of education. The DHAN Karunai Illam runs a primary school and a community college for vocational education in Nilakottai besides a home for children from poor and destitute families.

The Madurai Marathon on the theme of Anemia was organised in January with over 30,000 people including school children, college students and women from SHGs participating in it. This event was organized in partnership with the Tamil Nadu State Health Society and the Madurai Corporation. This is the fourth year in row that the marathon is being organised. The Madurai Marathon 2011 will focus on climate change adaptation as the Cause being highlighted by the Marathon.

A Small Grants committee has been set up with the representatives of different programmes of DHAN. The function of the small grants committee is to review grants proposals and approvals of grant applications after scrutiny and recommendation from technical committee. Besides approval of the small grants applications it will also review the donor reporting, explore leads for fund raising, review new proposals, funds received, disbursed and balances.

The Centre has raised about 4.5 million during the year and it has facilitated and extended support to the programmes and centres in DHAN for raising funds from various sources to the tune of a few crores over the year and for the next three years especially for water and health. The Centre plans to set up a Humanitarian Cell within DHAN Foundation. With the existing man power DHAN wants to render humanitarian assistance to the needy, immediately after any kind of calamity, in areas where DHAN operates.

# Centre for Policy and Planning

DHAN Foundation as a member of many policy-making bodies on microfinance and water conservation strongly advocates pro-poor policies. As a resource centre, it organises many capacity building events and training programmes for bankers, government officials and representatives of NGOs within and outside the country.

The Centre for Policy and Planning has been set up to support the programmes and institutions of the DHAN Collective so that they evolve, develop and modify their policies and plans to fulfill their aims. It provides frameworks and tool kits to the programmes in planning, review and monitoring performance in line with the corporate plan.

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

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

The Centre for Policy and Planning focused on facilitating Strategic Planning of DHAN for the period 2011-2015 and mainstreaming Gender across DHAN Collective of institutions during this year. The Strategic planning exercise was facilitated through a series of discussions and meetings with strategic forum, consultative forum members. Also it assisted the programmes and institutions in DHAN Collective to prepare their perspective plan document. Strategic direction during the plan period, resource requirement and decentralised resource mobilisation were the key areas of discussion in the strategic forum meetings for plan operations.

A note on gender mainstreaming in DHAN Collective was prepared and presentation was made to the senior staff of DHAN to operationalise the programmes. A frame work on gender monitoring indicators was prepared and shared with all the programmes. The programmes have refined their gender policy for operations.

The Centre has studied the experiences of DHAN in implementing tank based watershed over the last one decade and a policy brief on the 'tank based watershed development for sustaining farmers'

livelihoods' was brought out and it was shared with the policy making bodies.

CPP has participated and shared the experiences of DHAN at the state level seminar organised by NABARD on the draft microfinance bill, recommendation such as inclusion of farm ponds on a scale in watershed programmes, and considering SHG account in financial inclusion . CPP provides strategic linkages by representing to State Planning Commission, Rural Development Department. It has also taken consultancy services for the International Fund for Agricultural Development (IFAD) sponsored Post Tsunami Sustainable Livelihoods Programme in Kancheepuram, Thiruvallur and Villupuram districts under implemented by the Tamil Nadu Development of Women Corporation Limited for providing programme design support, development of training materials, capacity building to field NGOs and District Implementing Offices in the areas of base line survey, structured survey, micro planning, and livelihood resource mapping. The Centre has provided handholding support to the NGOs. The Centre has also prepared the gender action plan for the districts and undertook an assessment of vocational institutes.



# Centre for Research

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

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

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

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

In response to Madurai Corporation's request, the Centre for Research undertook a survey, covering all the households in all the 72 wards of Madurai Corporation for identifying the beneficiaries for providing toilets in their house premises itself. The Centre facilitated the design for preparing the survey and Detailed Project Report. A total of 1,94,556 households have been surveyed in 72 wards of Madurai Corporation and 4366 households were identified as beneficiaries. The DPRs for all the three phases have been submitted. Also the information collected from the survey would be kept at the City Information Centre, anchored by the Centre for Research as part of promoting transparency and accountability in implementing the Jawaharlal Nehru National Urban Renewal Mission in the City.

Building on the earlier experience of conducting mortality study for the People Mutuals, this year, the Centre has covered 84,315 households from 45 Kalanjiam and four Vayalagam locations. The purpose of the study was to build the data base of mortality and life expectancy of poor in rural, coastal, urban and tribal areas across programmes, gender and age wise in different states to design the insurance products suiting the poor. Presentation was done to the advisory team and donor agencies for further process. The Centre also facilitated a baseline survey for evolving micro-pension scheme in 20 locations by the People Mutuals. A total of 38,990 households from these locations were covered under Micro pension baseline survey.

For the Kalanjiam Programme, the Centre undertook a baseline survey on knowledge, attitude and practice related to anaemia among the adolescent girls and pregnant women in Singampunari and Vishakapattnam locations. A similar survey on knowledge, attitude and practice related to HIV / AIDS was taken up in Sellur slum in Madurai city, Ponnammappettai and Kondalampatti blocks in Salem district.

The Centre continued to work on the JNNURM on behalf of DHAN. It has facilitated a regional workshop on community participation fund at Puducherry that led to the promotion of City Technical Advisor Group (CTAG) and City Volunteer Technical Corps (CVTC) under JNNURM in Puducherry. The Centre facilitated the publication of the newsletter 'City Communiqué' at Madurai on behalf of CTAG and CVTC in Madurai. This newsletter was well received by the other cities implementing JNNURM.

The Centre for Research supported the three Madurai Urban locations namely Sellur, Thenmadurai and Jaihindpuram Vattara Kalanjiams to send their people representatives to share their experiences in the National Workshop on Community Participation Fund (CPF) at New Delhi. Two documentary films on CPF in Thenmadurai and Sellur locations were released in that workshop. Also the Centre has facilitated the Kalanjiam locations in the Vishakapattnam Region to submit three CPF proposals as part of implementing JNNURM in Vishakapattnam city.



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# Impact

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# Kalanjiam Community Banking Programme

A Development Information System (DIS) has been initiated in Kalanjiam Community Programme with the objectives of understanding developmental needs of the members of SHGs, developing context-specific products and strategies for poverty reduction and assessing changes in the lives of the members due to the Programme interventions. As a part of the initiative, an impact survey was undertaken during 2009-10 with the primary objective of analysing the impact of the Programme intervention on the economic status of member households. Specifically, the study aimed to track changes in the following economic parameters:

- Household income and expenditure
- Asset possession
- Savings, credit, and insurance
- Quality of life

## Research Methodology

The survey household interview schedule was designed to collect quantitative variables on the aforesaid parameters and was pre-tested with 15 groups. Households of Kalanjiam SHG members were taken as the basic unit of the survey which was undertaken in 94 federations of the Kalanjiam Community Banking Programme functioning in different parts and contexts of India. As many as three groups from each location were randomly selected and all the members in each selected group were interviewed individually for data collection. The groups were stratified based on their years of existence namely less than one year, 1-3 years, 3-6 years and greater than six years. The stratification was done to analyse the impact of Kalanjiam on each of these strata and to see the changes over time on different age groups of SHGs. A total of 3,404 members were interviewed (Table 1).

**Table no.1: Sample number of SHGs selected and members interviewed in the study**

Group age	Number of SHGs selected	Number of members interviewed
Less than 1 year	10	175
From 1 to 3 years	55	809
From 3 to 6 years	117	1,462
6 years and above	84	958
<b>Total</b>	<b>266</b>	<b>3,404</b>

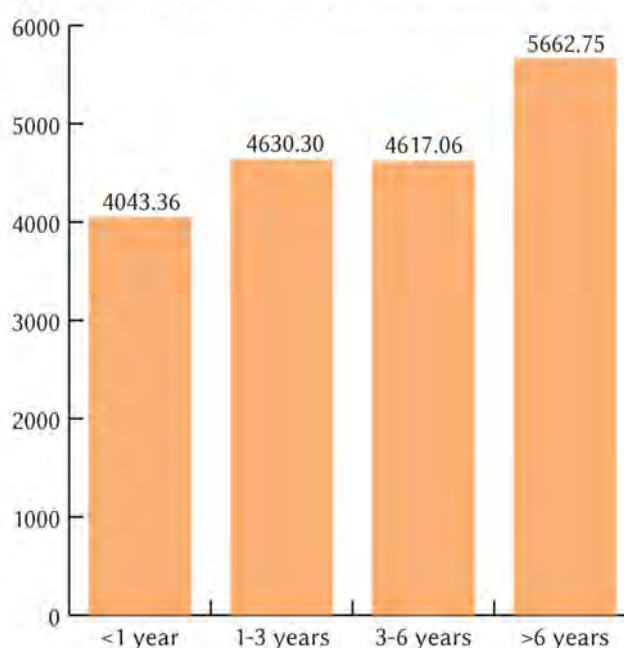
## Results

### 1. INCOME

#### 1.1. Average household income

The average monthly income of the members' households in greater than six years old groups is higher than the members' households of less than one year old groups. It can be inferred that the members households in the greater than six years old have expanded their income opportunities and productive assets base, which is evident in the subsequent analysis in this report. (Figure 1.1)

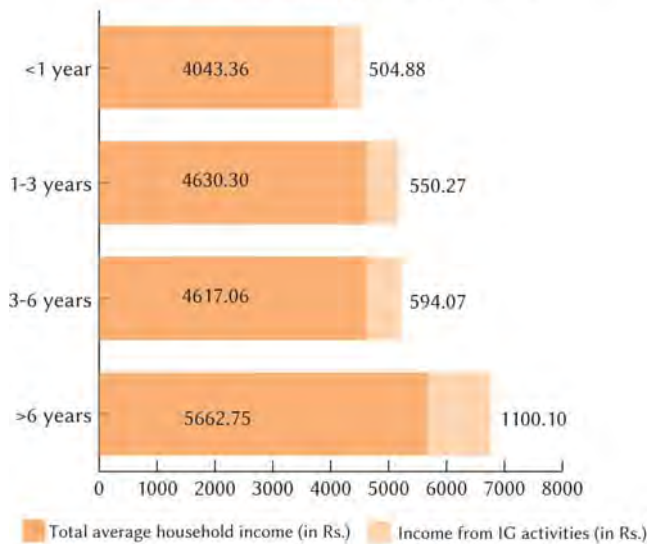
Figure 1.1: Average household income per month (in Rs.)



## 1.2. Income from Income generating activities

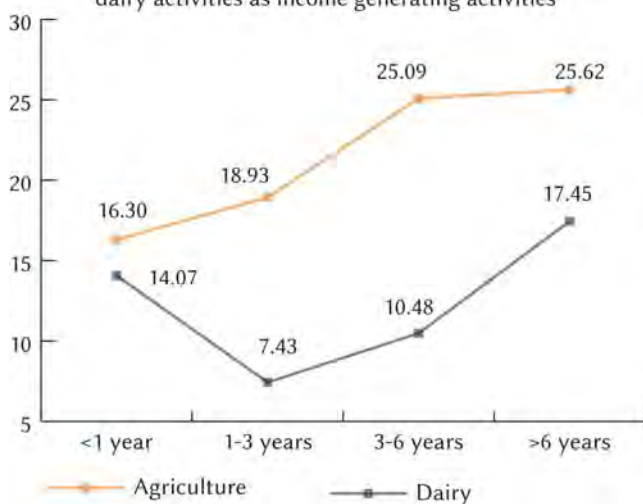
The Kalanjams have supported its members to take up income generating activities such as agriculture, dairy farming, fishing, petty-business and trading activities. The average household income from these income generating activities show an increasing trend. Furthermore, the proportion of income from these income generating activities to total income has also increased (Figure 1.2). This shows that members in the older groups were able to graduate and diversify from wage labour-dependent source of income to take up other entrepreneurial activities.

Figure 1.2: Proportion of total household income and income from income generating activities



Among the various income generating activities taken up by the members, agriculture and dairy form the major activities (Figure 1.3). This shows that the proportion of households involved in agricultural or dairy activities has increased with the increase in age of the groups, indicating increased flow of credit towards buying or leasing in farm lands and for working capital to buy farm inputs. Also it denotes that members could get credit support suiting to their needs and contexts with flexible loan products from their Kalanjams.

Figure 1.3: Percentage of households with agricultural and dairy activities as income generating activities

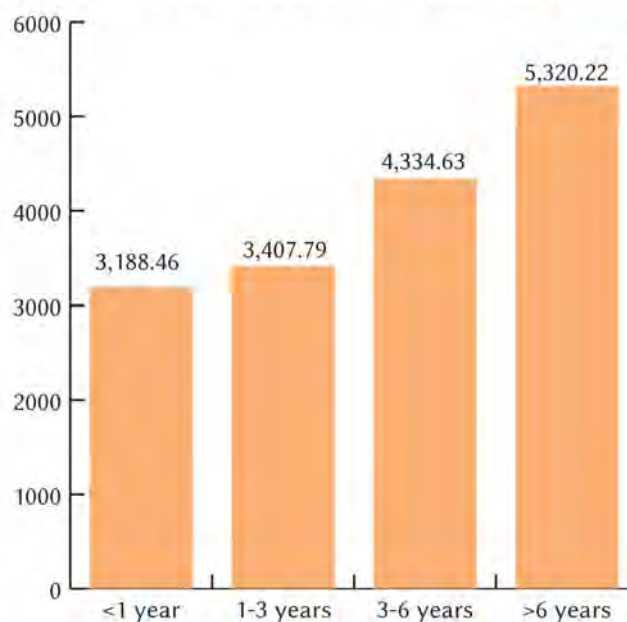


## 2. HOUSEHOLD EXPENSES

### 2.1. Total household expenditure

Household expenditure can be considered as a proxy indicator to assess economic well-being of a family. The study revealed that there was an increasing trend in expenditure pattern among the household of the members of various age groups (Figure 2.1). The members in older groups were able to meet the increased household expenses from their enhanced household income. This could be considered as a healthy sign as the households have enhanced opportunities to spend on some of their essential needs unmet earlier.

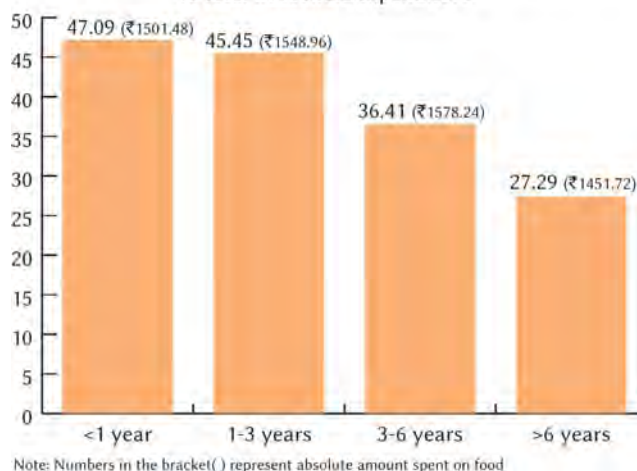
Figure 2.1: Total household expenditure per month (in Rs.)



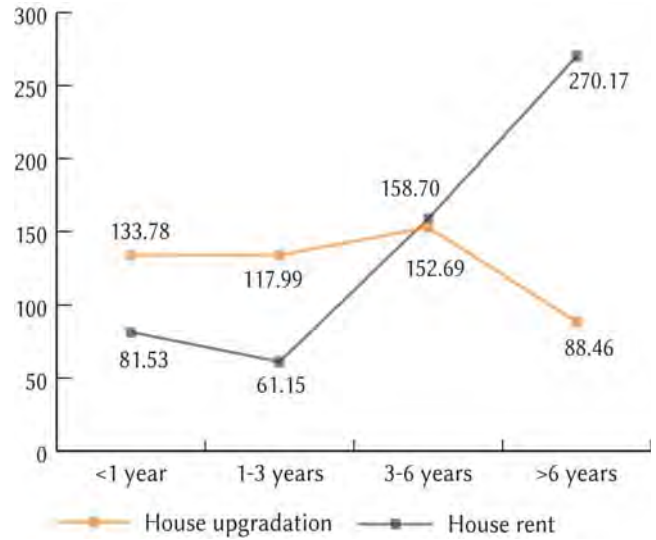
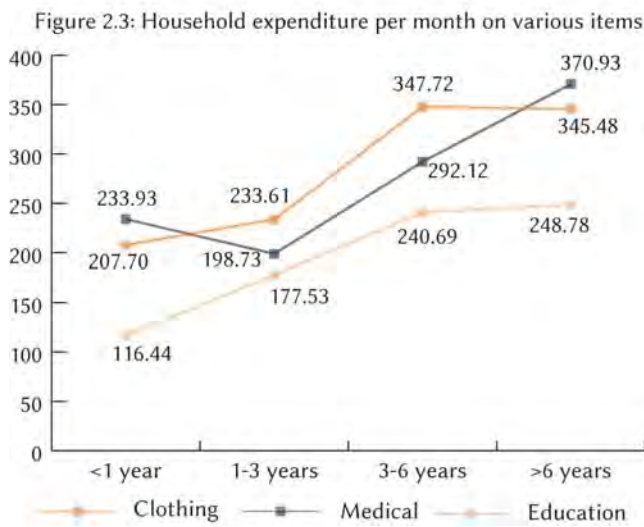
### 2.2. For what do they spend?

Food expenses form the major part of household expenditure. Around ₹1400 to 1600 is spent on food per household in a month across all households irrespective of the age of the Kalanjiam. However, interestingly, the proportion of money spent on food shows a consistent decline from 47.09 per cent among households of members in less than one year old groups to 27.29 per cent among those households of members in Kalanjams greater than 6 years (Figure 2.2). While there is no significant variation in amount spent on food across different age groups, there is a reduction in proportion of expenditure on food to the total expenditure. It shows that the Kalanjiam families diversified their spending towards nonfood items such as clothing, shelter, health and education, which is evident from the subsequent charts. At the same time, changes in the quality of food need to be studied further.

Figure 2.2: Percentage of household expenditure on food to total household expenditure



Looking at the household expenditure on clothing, education and for medical expenses show a consistent increase as we move from households with members of new groups to members of mature groups (Figure 2.3). While the expenses made on upgrading their house is increasing with the maturity of the Kalanjams, the expenses on house rent is decreasing, which leads to an inference that members have bought new houses or leased houses thus reducing the money spent on house rent. These trends show that the Kalanjams were able to make an impact on the quality of life of the members with enhanced savings and credit opportunities.

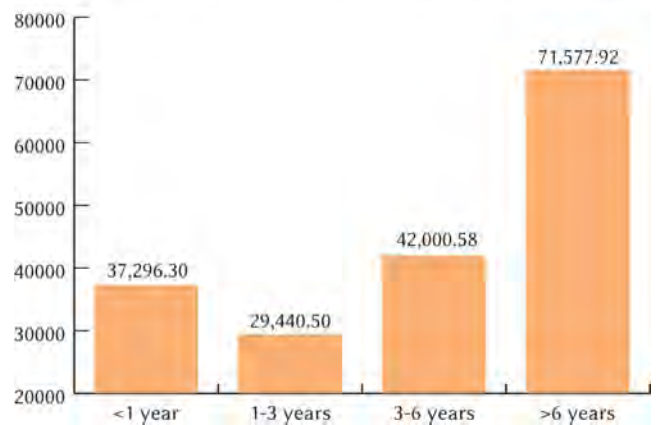


### 3. ASSETS

#### 3.1. Value of land

At the given point of time, the monetary value of land owned by members in different age groups of Kalanjams show an increase (Figure 3.1). This could be inferred that the increase may be due to enhanced performance of the land with an addition of irrigation facility and land treatment; secondly members may have increased the area of land owned by them. With the increased maturity of groups and enhanced credit absorption capacity of members, they tend to invest on their lands. This phenomenon needs to be studied further to evolve appropriate products to create performing assets to the members.

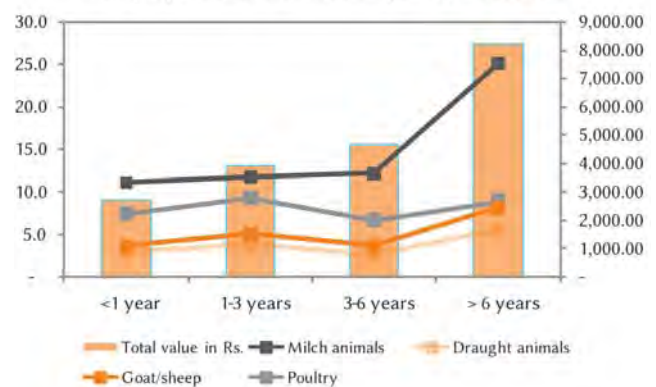
Figure 3.1: Average value of land owned per household (in Rs.)



#### 3.2. Value of income generating assets

The productive assets that can bring income to the families are known as income generating assets. The study elucidates that the value of income generating assets such as milch animals, cattle, goats/sheeps, rickshaws, autos, and the like, possessed by Kalanjiam families has grown over the years with the maturity of the groups. This increase is particularly significant among groups more than 6 years of age. It suggests that the members of the older groups show an increased credit absorption capability and have now started investing on productive assets (Figure 3.2).

Figure 3.2: Total value of income generating assets and their proportional distribution per 100 household



### 3.3. Value of household assets

Household assets mean household consumer goods like Radio, TV, two-wheelers, washing machines, etc. Generally, there is an increase in the value of household assets possessed by Kalanjiam families over the years – though not consistent. It suggests that as the group graduates, members' concentration of spending on household assets shifts to spending on income-generating assets in the initial six years and once the household income is assured and stabilised, they tend to invest on other household consumer goods, which helps them enhance their quality of life.

## 4. ACCESS TO FINANCIAL SERVICES

### 4.1. SAVINGS

#### 4.1.1. Total savings per household

The Kalanjams lay equal emphasis on savings, credit and insurance. With inbuilt financial literacy and exposure in the Kalanjams, the poor households start accumulating their savings in various sources including Kalanjams. While the following chart (Figure 4.1.1) shows consistent increase in savings in the members' households as the group matures, the subsequent chart (Figure 4.1.2) highlights the proportion of savings kept by the members in their Kalanjams.

#### 4.1.2. Savings at different sources

While savings by the Kalanjiam members in the formal and informal sources decrease, savings in Kalanjiam shows a consistent increase (Figure 4.1.2). Most of the members view the Kalanjams as their trusted source of savings. Also it is due to flexibility and accessibility to save in the Kalanjams. Further the 'security' of savings provided by the Kalanjiam and the 'liquidity and leverage' that the savings in Kalanjiam proves to be important reasons to save in Kalanjiam. The Kalanjams have inculcated the habit of savings among the poor, proving that poor has a need to save and can save. At the same time, it shows that informal system of savings exists even among members of mature group and indicates the untapped savings potential among the Kalanjiam members' households.



Figure 3.3: Total value of household assets per household in Rs.

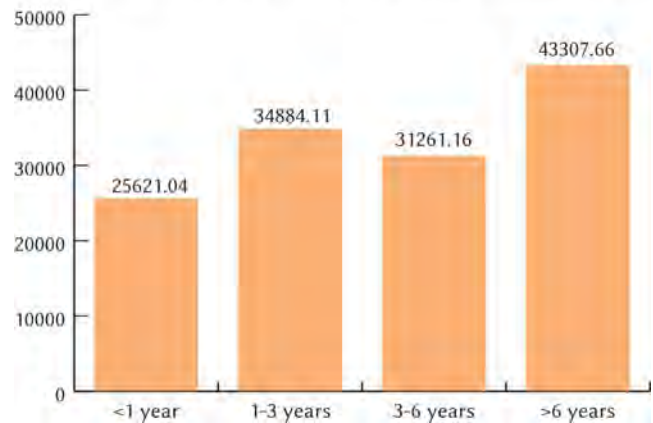


Figure 4.1.1: Total savings per household in Rs.

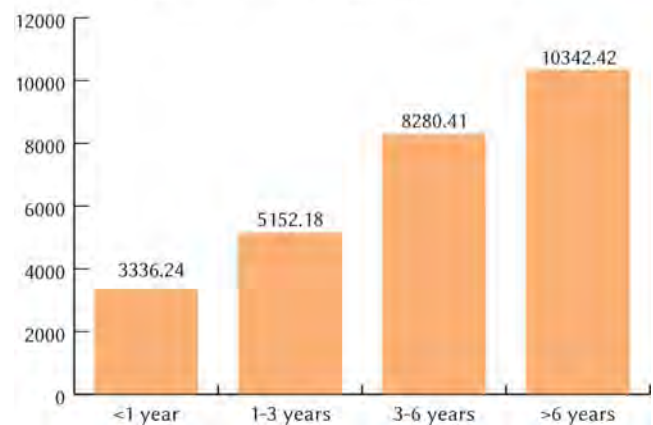
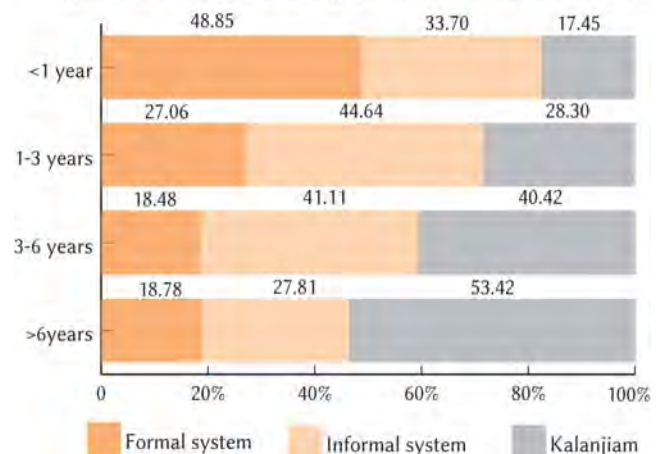


Figure 4.1.2: Percentage of savings per household in different sources



## 4.2. CREDIT

### 4.2.1. Access to credit

Enhancing accessibility and availability of credit is one of the major services offered by Kalanjiam. Members avail loan from the groups for various consumption and production needs. As it can be seen in the Figure 4.2.1, the average cumulative loan availed by the members from their Kalanjams increases from the new groups to mature groups.

### 4.2.2. Loan outstanding at different sources

The outstanding of loans borrowed by the Kalanjiam members individually from 'formal sources' such as banks and cooperatives has decreased considerably, while loan outstanding from Kalanjiam have increased gradually and consistently (Figure 4.2.2). Also the study reveals that still the members depend on informal sources of credit such as money lenders and social networks, but the outstanding declines with the maturity of the groups and these sources are replaced by the Kalanjams. While it proves the increased accessibility of the members to get loan from Kalanjiam, it also shows the increasing credit absorption of the members. This is an area to explore further and it will help Kalanjams to evolve suitable products to meet the credit needs of the poor. At the same time, it is to be noted that unlike the formal or informal credit systems, almost all the loans from Kalanjiam are collateral free.



### 4.2.3. Credit Affordability

The Kalanjiam members are now able to get loans at lower rates of interest (less than 25 percent per annum) – this indirectly shows the impact of Kalanjams on interest rates of lending among other sources like money lenders, traders (Figure 4.2.3). Given the presence of Kalanjams, the members have reduced their dependence on informal sources, who are charging more than 25 percent interest per annum. It also provides an evidence for increased credit worthiness of the members, where the members get a better deal in availing loans at lower rate of interest from the informal sources.

Figure 4.2.1: Average cumulative loan availed from Kalanjiam in Rs.

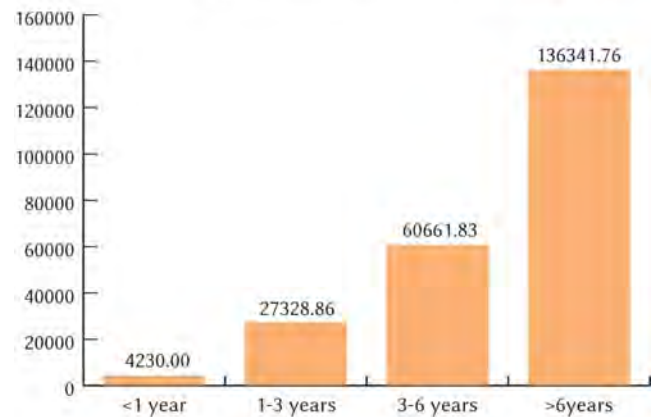


Figure 4.2.2: Percentage of loan outstanding from different sources

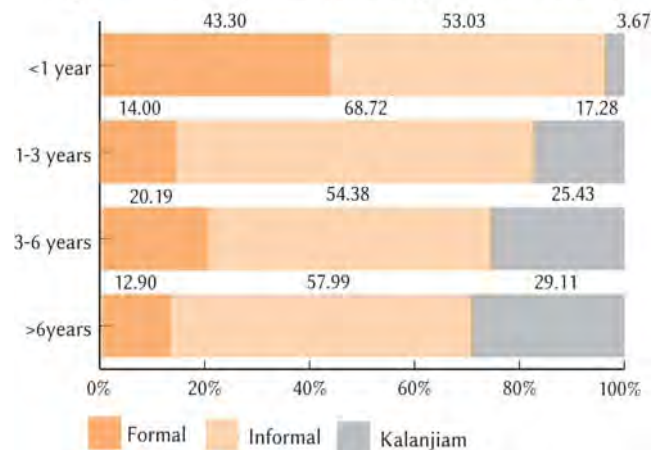
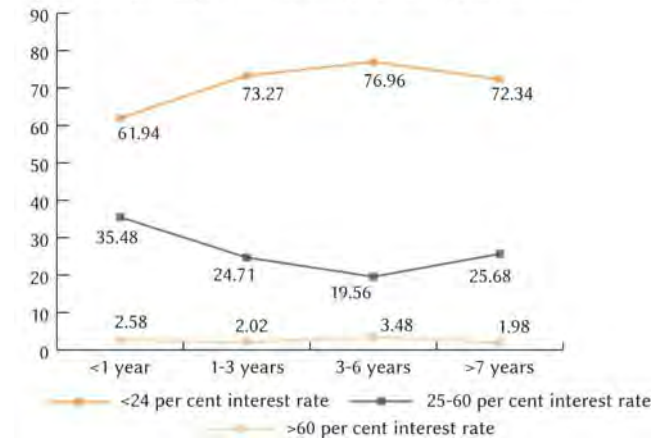


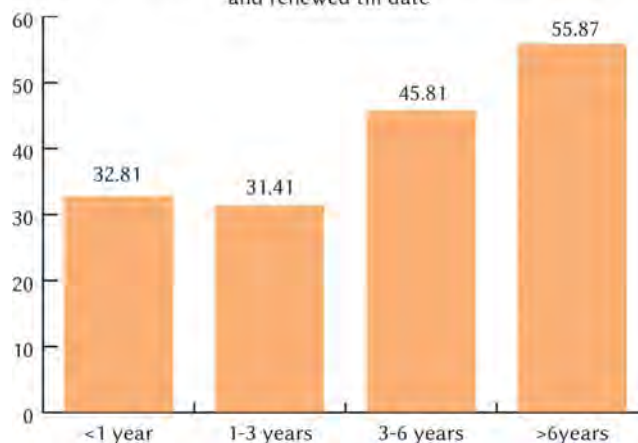
Figure 4.2.3: Percentage of loans availed at different rates of interests



### 4.3. INSURANCE

The Kalanjams insist on the approach of ‘savings first, credit next and insurance must’ among their members. Insurance coverage among members and their families show an increasing trend (Figure 4.3). Also the persons who have insured have renewed until the date of survey.

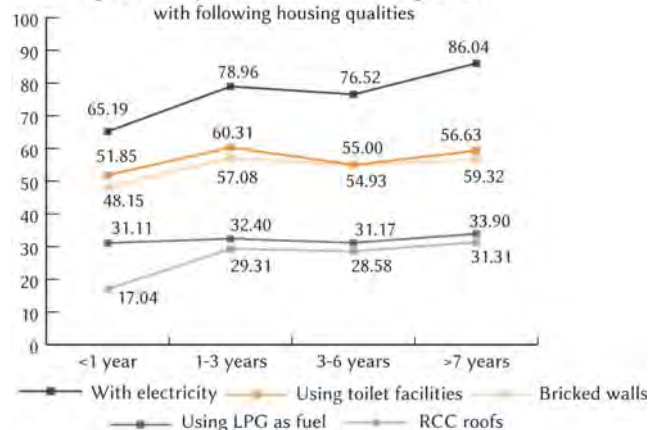
Figure 4.3: Percentage of persons of 18-60 years old insured and renewed till date



### 5. QUALITY OF LIFE

The study reveals that the quality of housing among the Kalanjiam members’ households has increased considerably (Figure 5.1). The proportion of household having houses with bricked walls and RCC roofs have increased. Also the accessibility to toilet facilities had increased. The proportion of households with electricity connections have also increased considerably, while the usage of LPG as fuel has also increased though not significantly.

Figure 5.1: Proportion of household having houses with following housing qualities



### Conclusion

Results of this study show that there is an evidence of impact of Kalanjams in the lives of poor. The intervention has made significant change in the behaviour of poor to save and on the other hand the Kalanjams have been able to mobilise a considerable quantum of credit with repeat support from formal financing institutions. The findings apparently reveal that the SHGs have demonstrated that ‘poor can save and they are bankable’. Financing through SHGs has resulted in improvement in asset status and increase in family income. There has been a substantial decline in the debt burden of the poor families with usurious moneylenders due to the services of SHGs. However, the debt with informal credit sources in increases in consonant with the investment on assets with financial support of Kalanjams. This finding reiterates the need for ensuring adequacy of credit for asset creation and developing appropriate products and services suiting to the needs and capacity of the members. There is a considerable increase in the asset possession of member households as the groups mature. At the same time, a decline in value of assets and household income was noticed among the members of SHGs from 1-3 years of age category while the same figures show a positive trend in the other two matured categories. This interesting dimension needs to be investigated further. In a nutshell, potential of SHGs in organising poor and addressing development issues is quite evident. But it should be understood that it is just an entry point and these women organisations have to go long way in achieving overall development taking up multiple development agenda and should evolve into civic institutions.

# Vayalagam Tankfed Agriculture Development Programme

DHAN Foundation entered Punganur Mandal, Chittoor district, Andhra Pradesh in December 1997, and undertook a detailed study to explore the potential of implementing its programs in that area, and submitted a proposal to District Rural Development Agency, Chittoor. Based on this, the District Collector invited DHAN Foundation to implement Drought Prone Area Programme (DPAP) at Punganur Mandal. From April 1998, the project was started with DHAN Foundation as Project Implementing Agency.

Initially, the district administration wanted DHAN to follow conventional watershed norms, which did not include tanks as part of the watershed program. After continuous persuasion, the team from DHAN convinced the authorities on the importance of including tank as a part of watershed development. This tank-centric watershed approach was aptly named Tank-based Watershed Development Program (TBWDP).

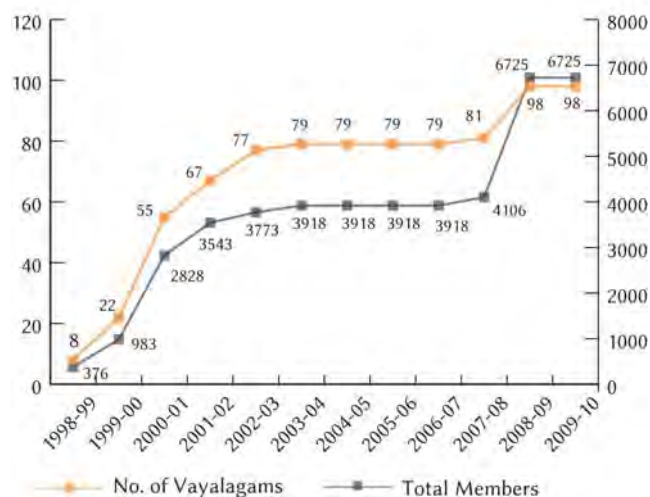
## Promotion of Vayalagam Federation

DHAN's intervention started with organising the village communities around tanks and watershed components as laid out in the watershed norms. Farmers' organisations were organised at tank level, village level and watershed level. Once the tanks were identified and selected, the tank associations were promoted at the village level. The members of these associations were involved in planning tank rehabilitation works through PRA and interacting with all the stake holders. The office bearers were selected / elected by the members and they were made responsible for mobilising local contributions, planning and implementing and operating and maintaining the systems. In order to have a wider impact across location, tank cascade association was formed from among the tank associations. The major roles of tank cascade associations were to regularly maintain the common feeder channel of tanks located in cascade, resolve the conflicts, if any, arising out of water distribution from feeder channels among the chain of tanks and provide an

opportunity for cross learning and sharing experiences on work implementation across tank associations.

In Punganur, there are 98 Vayalagams promoted in 76 villages in and around Punganur Mandal. A total of 6,725 farmers have been organised at different levels and

federated into Punganur Mandal Vayalaga Rythyula Samakhya (PMVRS). Ten watershed associations were promoted at the designated micro-watershed level and registered under Trust Act, with an independent savings bank account. The District Water Management Agency (DWMA), which acts as the nodal agency for the project, was linked directly with these associations. The Watershed Associations planned and allocated funds to activities as per the Watershed Guidelines. A Professional team from DHAN made the technical estimates of the work and assisted the Associations to implement them. There were regular monthly meeting to review the progress of the associations and plans.



## Tank Based Watershed Development

The PMVRS executed development works in ten micro-watersheds sanctioned by DPAP in two batches since 1999. The watershed development works have benefitted a total area of 5491 hectare with a budget outlay of ₹2.2 crores in all ten watersheds. The Project area in Punganur Mandal covered 76 villages of 24 panchayats in Punganur and Ramasamudram Mandals.

### Watershed activities

The Watershed Activities were taken up under four broader components, viz., soil and moisture conservation, construction and renovation of water harvesting structures, biomass enhancement, and other activities.

**People's Contribution:** Out of the total cost of ₹17,678,150 invested in various watershed activities, around ₹1,639,379 (around 10 percent) has been contributed by the people for Watershed Development Fund (WDF), as per the watershed guidelines. Apart from this, ₹26,51,677 (around 15 percent) has been mobilized as User Group's Contribution. In total, the farmers ₹42,91,056 (over 25 percent) has been mobilized from the community alone for the various watershed activities.

S.No.	Components	No. of works	Total cost of work (₹)
A	Waterharvesting structures	1,238	1,25,11,803
B	Soil moisture conservation	1,264	41,26,214
C	Biomass enhancement	330	9,79,110
D	Others	12	61,023
<b>Total</b>		<b>2,850</b>	<b>1,76,78,150</b>

#### A. Water harvesting structures

Under renovation and/or construction of water harvesting structures, a total of ₹12,511,803 has been invested with the WDF contribution of ₹1,150,704 for renovation and construction of water structures. The table below shows the various activities done under this component, in terms of cost of work done and the number of works done.

S.No.	Activities	Value ₹	Nos.	WDF Contribution ₹
1	Tank rehabilitation	2,659,694	67	247,527
	Water links renovation	931,323	235	98,005
	Silt application	1,312,803	282	125,740
2	Farm pond construction (new)	1,660,899	235	152,998
	Farm pond renovation	137,794	29	8,567
3	Mini Percolation Tanks (MPT) new	3,283,616	221	286,627
	MPT renovation	686,894	49	61,547
4	Check dam construction (new)	680,129	10	58,943
	Check dam renovation	238,834	24	20,859
	Check wall construction (new)	715,087	25	70,783
	Check wall renovation	49,471	3	3,372
	Mini check wall	52,499	7	6,179
5	Village pond construction (new)	40,013	3	4,001
	Village pond renovation	7,025	4	731
6	Well renovation	55,722	44	4,825
<b>Total</b>		<b>12,511,803</b>	<b>1,238</b>	<b>1,150,704</b>

## Case: Impact of Vayalagam in Nagulakunta tank

‘Tank is the one and only source of livelihood for a small farmer like me,’ says C.Anjeppa, one of the three farmers in the ayacut area of Nagulakunta tank in Gudisebanda village of Kummaranatham micro-watershed. Gudisebanda is a small hamlet in Punganur mandal of Chittoor district. Nagulakunta is one of the three tanks in this village.

Anjeppa owns around 5 acres of the ayacut land in this small tank, and another 5 acres of dryland downstream. Previously, Anjeppa had no land and this land belonged to upper caste villagers, ‘For generations, we were landless labourers. I was very much interested to buy land to cultivate. When opportunities favoured, I bought this land that belongs to Agragarathars or Brahmins.’

The tank was completely ignored by the previous owners, and left uncared for more than 25 years. ‘When I bought this land in 2000, it was full of shrubs and weeds and I started converting this land into cultivable land. When we cleared the forests, we found a bund in the middle of the land, which was also severely breached. Later, we found out that it was an age-old tank that irrigated the ayacut area downstream. At that time, I had no money to repair this tank. But we grew rainfed paddy (Byrodalu) in the first year in kharif season; there was no second season rabi crops. The yield was just enough to satisfy our home consumption. We didn’t get any surplus to



sell or to get an income.’ This was the situation till 2002.

‘It was during that time, DHAN Foundation came to our village,’ he recalls. Workers from DHAN told us that through watershed project the ayacutdhars could renovate the tank by repairing and strengthening the bund, building a cement corewall, and also construct a sluice. They asked us to form an association, and the three members, Mahesh, Vijayakumar and myself formed the Nagalakunta Tank Farmers Association (TFA), and opened a bank account in the name of the association. We approached Kummaranatham Watershed Committee (WSC) and gave a requisition in the committee meeting to renovate the tank. The Watershed Development Team (WDT) visited the tank and we prepared an estimate for the rehabilitation work by consulting the ayacutdars”



The cost of the works done was around ₹1,02,905 and the members’ contributed ₹30,000. The members contributed both in cash and in labour for the work. The renovation works included core wall construction and breach closing, construction of sluice and surplus weir, and laying rough stone revetment, strengthening of bunds and provision of plug and rod shutter. The member’s contribution was put into fixed deposit (F.D.) in the association’s bank account.

## Impact of the work

1. The entire 8 acre of ayacut area has been restored and stability in crop production has been achieved. Now the ayacutdhars take an assured crop yield. The details of the crops grown in the field of C. Anjeppa, before the rehabilitation and now, are given in the table below.

Season/Year	Before (in 2002)	2008-09	2009-10
First season	Area: 5 acres of land Crops: Rainfed paddy (Byrodlu) Yield: enough for home consumption	Area: 4.5 acres, 0.5 ac to lease Crops & Yield <ul style="list-style-type: none"> <li>● 3 ac Paddy (own) + 0.5 ac (leased to) paddy – 40 bags per acre (70 kgs) = 140 bags</li> <li>● 0.5 ac Ragi – 3 bags (70 kg)</li> <li>● 1 ac Groundnut – 10 bags (40 kg) with Red gram, beans as intercrops (for home consumption)</li> </ul>	<ul style="list-style-type: none"> <li>● 3 ac Paddy</li> <li>● 1 ac groundnut</li> <li>● 1 ac lease</li> <li>● 5.0 acres of Mango plantation downstream</li> </ul>
Second season	None	0.25 ac Paddy (own) + 0.25 ac Paddy (leased to) – 10-15 bags	

2. Cultivation of paddy was made possible, which could ensure the food security of Anjeppa's family, in addition to providing enough fodder for his cattle.
3. It is evident from the table that Anjeppa has been able to cultivate in both the season, which was not possible before.
4. There has been continuous source of employment throughout the year.
5. The tank also serves as a source of drinking water for cattle and other livestock.
6. Importantly, the farmer has gained enough confidence in farming that he has now planted five acres of his drylands with horticulture crops which was fallow before.

## Case: Village pond renovation in Marimakulapalli Village



Marimakulapalli is a small village in Kummaranatham micro-watershed of Punganur Mandal. In 1999, DHAN Foundation initiated the tank-based watershed development programme in this village. Initially, the villagers were organised and formed as farmers' association. The association took up a lot of development activities for the village, with the help of DHAN namely: cleaning of village, tank bund development, tank desilting, silt application, and also health activities. Renovation of a village pond was the work that still remains in the hearts of people. Prior to the work, there was a

small natural depression in the area that captured runoff water, and got collected. Being smaller in size, it had limited usage, and the villagers used it as drinking water source for their cattle. And to deepen and widen the pond had been in the minds of the villagers for long.

### The renovation and its impact

It was only in 2002, that the villagers with the help of DHAN de-silted and widened the pond. The pond renovation was done at a total cost of ₹36,853 with contribution of ₹3685 as WDF contribution, with 25 percent contribution coming from the villagers both in cash and in labour. The pond was widened and deepened by de-silting and the excavated silt was applied in drylands to enhance the soil fertility. The pond bund was strengthened and a bund revetment

was provided. Steps were constructed, thus making it easy to take water from the pond.

Now, the bigger and wider pond is used for drinking water by cattle from nearby villages also. During summer time, all the villagers come together and de-silt the pond and the silt is applied in the fields to enrich the soil.

Even in the summer there is some water present in the pond. The villagers rear fish, and get an income of ₹6000-7000 per year from this fish rearing activity. This income from the pond goes to the village common fund. The villagers have effectively used this money, by installing a drinking water bore in their village. The money is also contributed to village festivals every year. The common fund is also used to maintain the pond.

## B. Soil moisture conservation

**Field bunding:** One of the major activities taken up under Soil and Moisture Conservation component was the construction of field bunds. Around 817.5 acres of field bunds were constructed to check soil erosion and conserve moisture with the total investment of ₹3,784,570. Farmers have contributed ₹3,83,259 (around 10 percent) towards the Watershed Development Fund, and another 15 percent towards User Groups' Contribution.

**Other soil moisture conservation measures:** Other than Field Bunding, SMC works were also done. Five major activities were done viz., Sunken pits, Stone Bunding, Rock fill dams (RFDs), Rock fill dams in conjunction with revetment for Supply channel (SCR), and Continuous Contour Trenches (CCT). A total amount of ₹341,644 was invested in the above activities, with WDF contribution of ₹24,602.

## C. Biomass enhancement

**Horticulture plantation:** One of the four components of Watershed Activities is promotion of horticulture plantation. Under this component, a total of 757.24 acres of land had been brought under horticulture plantation. Around ₹9,79,110 was invested for the promotion of horticulture crops.



**V1 mulberry promotion:** Sericulture was the prominent activity in Punganur Mandal. DHAN has promoted cultivation of an improved V1 Mulberry variety. Around 122 farmers availed this support at the cost of ₹1,47,500 from the watershed fund with their WDF contribution of ₹12,950.

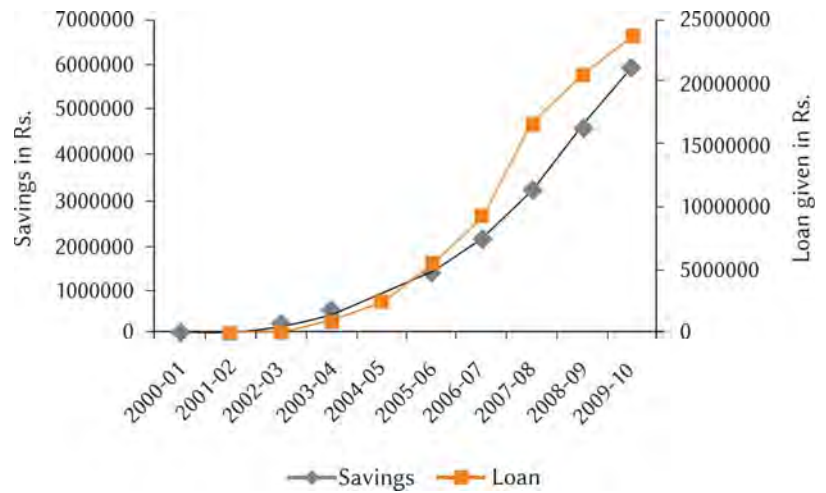
**Community nursery:** Around ₹70,000 was invested to initiate a community nursery in Punganur. The nursery managed by the farmers' organisation works on supplying good quality seedlings at a competitive price, lower than commercial nurseries.

#### D. Others

Also other activities were done as people's need and demand under the project. A total of 12 activities were done at the cost of ₹61,023 with WDF contribution of ₹2744. Three cattle ponds were constructed at the cost of ₹15,856, and two gobar gas plants were established. A culvert was constructed in one village at the cost of ₹13,636.

#### E. Microfinance activities

The intensity of the farmers' collective action in Punganur has gone beyond watershed works. Given the gap between the farmers and mainstream financial institutions, and usurious money lending practices exist in this area, DHAN has promoted *Vayalaga Pothupu Sangams*, i.e., microfinance



groups (MFGs) among the farmers. Through MFGs, the farmers were able to avail financial services like savings and easy access to credit services and credit linkage with the local Banks.

As of March 2010, around 174 MFGs have been promoted by DHAN Foundation in Punganur Mandal with a total of 2329 members. The farmers have saved a total of ₹59,49,122 in their MFGs and availed credit to the tune of ₹2,36,36,626 is the amount of loan mobilised from the local commercial banks.

Around 1668 members have been insured and a total premium of ₹1,66,800 has been mobilised. As of March, 2010, a total of three death claims have been made and an amount of ₹90,000 was settled as death claims. Around 250 students have so far availed this scholarship and a total amount of ₹1,50,000 have been distributed.

#### A Decade of Impact

In 2009-10, an impact study was taken up for assessing the impact of the tank based watershed development programme implemented in Punganur Mandal for the past one decade. A field survey was designed and conducted with 81 farmers selected on random sampling. The physical achievements of the programme were consolidated with the measurement books compiled from the beginning of the project. Case study of few of the farmers from the sample was taken and impact created at the Tank level was documented as case studies.



## Conclusions of the Impact Study

The field survey in the project area revealed insights into the impacts realised by the farmers at household level as a result of watershed project.

### 1. Increased Area under irrigation

Among the surveyed households, around 121.85 acres were newly brought under irrigation with the help of newly created water-harvesting structures, namely: mini-percolation tank (MPT), farm pond, check wall and check dam. Out of the 81 farmers surveyed, a total of 69 such new structures were created, for 69 farmers.

### 2. Increase in area under paddy cultivation

There has also been significant increase in the paddy cultivation – both in terms of number of farmers cultivating paddy, and area under paddy cultivation. It was found that out of the 81 farmers surveyed, around 71 farmers now cultivate paddy (84.15 acres) as against just 32 farmers who previously cultivated paddy (24.90 acres). There has been 3.4 times increase in area under paddy cultivation, as a result of watershed project. The area under paddy cultivation has gone up from 24.9 acres to 84.15 acres after the watershed works. The increase in paddy cultivation was due to renovation and creation of water

harvesting structures which contributed to increase in area under paddy cultivation. Most of the respondents use the paddy thus harvested, for their own household consumption. This has significantly improved the food availability in the household, ensuring food security. The following table depicts the augmentation of irrigation sources that resulted in increased area under paddy cultivation due to watershed development works undertaken among the respondents' farm holdings.

Water Harvesting Structure	No. of farmers	Area irrigated (ac)
Mini Percolation Tank	35	52.25
Farm pond	30	57.65
Check wall	2	3.45
Check dam	2	8.5
<b>Total</b>	<b>69</b>	<b>121.9</b>



SI No	Irrigation Water source	Area under paddy cultivation(acres)	
		Before project	Now
1	Tank	9.50	19.40
2	Water Harvesting Structures	0.00	59.55
3	Wells	9.30	5.20
4	Rainfed	6.10	0.00
<b>Total</b>		<b>24.90</b>	<b>84.15</b>

### Case: MPT impacts life of Gangireddy

'Before forming our Vayalagam in our village, I have had no confidence of getting surplus income from my farmland' says Gangireddy, a small farmer who owns around 3.7 acres of land in Alajaneru village of Vanamaladinne Micro-watershed. Earlier, he used to grow rainfed paddy in half-an-acre of land and the remaining he sowed groundnut. 'I got a yield of just 2-3 bags of paddy then, even that was uncertain due to unpredictable rainfall and frequent failure of monsoons,' he says. 'Now I cultivate irrigated paddy in 2.7 acres and get an assured yield of 50-60 bags of paddy - thanks to the MPT,' he gladly spells the changes that happened in his life. And change was due to the Mini-Percolation Pond that he constructed in his field with the support of Vayalagam.

It was in 2002-03 that Gangireddy constructed an MPT with the support of watershed project executed through the Vayalagam, in which he became a member. With the financial assistance from WDF and his contribution of ₹6542, he constructed a mini percolation tank in his land with an investment of ₹65,424. 'We purchased iron rods, spades and the like to dig the tank and all five of us from my family contributed our labour. In return, we have got ₹3500 and 1100 kg of rice as coolie, thanks to the Food for Work Program (FFWP),' he says. He also cultivated cucurbits and other vegetable crops on the bunds of MPT; this satisfies his household needs.

After seeing the impact that the MPT in his land, he took up field bunding as a soil and moisture conservation measure at the cost of ₹3,877, with his contribution of ₹387. When the MFG was introduced in his village, he readily accepted it



and joined the group. He availed a loan ₹2,500 for silt application, and later ₹10,000 to meet the cost of cultivation and for seed purchase.

#### Impact

Because of the construction of the MPT, Gangireddy is able to take an assured yield of 50-60 bags of paddy in two seasons, in 2.7 acres of paddy field. The silt that was removed during the excavation of MPT was applied to his fields. He availed a loan of ₹2,500 from his MFG to apply silt in the field. This has significantly increased the soil fertility and thereby the crop yield.

Through MFG, Gangireddy is able to avail credit facilities when and as required. He is also able to save an amount of ₹1820.

With the income from the farm, he has also upgraded his house. He had spent around ₹13,000 for cement flooring, plastering and brick wall construction. Also, he got electricity connection for his house. Now, Gangireddy hopes to de-silt and deepen his MPT further, so as to store more water. He is also planning to level the remaining land, and bring that land under cultivation.

### 3. Increase in area under horticulture crops

Among the 81 sample farmers surveyed, 36 farmers have reported that 95.48 acres of land were brought under horticulture plantation. These farmers have planted different types of horticulture crops as shown in the table. The trees were in different stages yield and many of the famers have started reaping the benefits of the plantation.

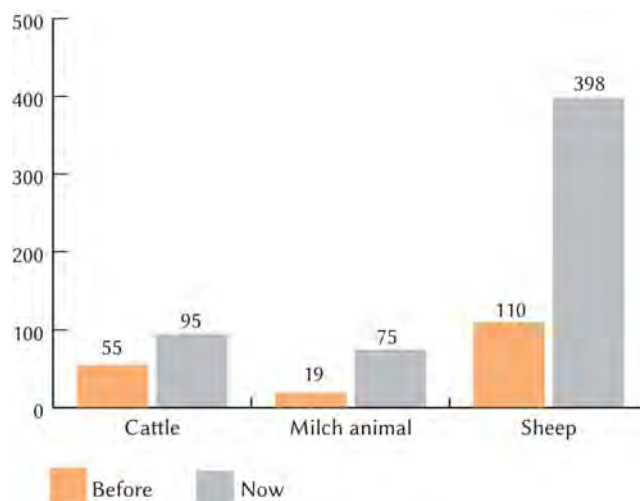
S.No	Horticulture Crops	No. of farmers	Area (in acres)
1	Mango	24	83.8
2	Coconut	6	3.68
3	Sappota	2	3
4	Tamarind	1	2
5	Jamoon	1	0.5
6	Eucalyptus	2	2.5
<b>Total</b>		<b>36</b>	<b>95.48</b>

#### 4. Additional investment in creation of farm assets

After constructing mini percolation tanks and farm ponds, the farmers have invested on their own in farm assets like oil engine/motor and installed pipelines for irrigation purposes and so on. For this alone, 43 farmers have invested around ₹2,49,400. Out of this, 29 farmers have purchased oil engines to lift water from ponds with an investment of ₹2,01,200, and 14 farmers have installed pipelines at the cost of ₹48,200 to irrigate the distant plots.

#### 5. Increase in livestock population

Livestock like milch animals, and small ruminants like sheeps and goats are integral part of farming system for the small and marginal farmers. There has also been considerable increase in the number of livestock owned by the farmers during the project period. Among the respondent households, there has been 72.7 percent increase in the cattle population, 294.7 percent increase in milch animal population, and around 261.8 percent increase in sheep population.



Increase in livestock population shows a positive trend of farmers moving towards a livestock-agriculture integrated farming system. This will greatly enable the farmers to get a regular source of income, either by selling sheep, or by selling milk. More importantly the livestock would bring organic manure to the land, which has a greater role in enhancing the productivity of crops.

**Credit support for livestock purchase:** All the 81 respondents availed loans from their MFGs, and cumulatively they have taken ₹13,78,752 as loan for various purposes. Out of this, nearly 50 percent of the loan amounting to ₹6,68,500 was used for livestock related activities viz., for purchase of milch animals or cattle or sheep or to carry out fish rearing activities. More than 88 percent of the loan amount was used for purchasing milch animals.

Sl No	Livestock	Loan Amount (Rs.)
1	Milch animals	5,93,300
2	Plough animals	5,000
3	Sheeps and goats	43,500
4	Fish rearing	26,700
<b>Total</b>		<b>6,68,500</b>

#### 6. Dairy activities

There has been considerable increase in milch animal population. Among the 81 farmers surveyed, they have added 56 cows with the support from the MFGs with the loan assistance from their MFGs to the tune of ₹5,93,300. In order to enhance the availability of green fodder for the additional milch animals, Co3 Cumbu Napier grass was promoted among the farmers who purchased milch animals. Dry fodder was also supplied during the years of drought. The new dairy processing and marketing units emerged in the Punganur Mandal in the past three years help them easy marketing of milk.

## Case: Financing agricultural activities - V.Venkataramana of Nekkondi

'Before, several organisations came to our village telling us to form sanghams and told that they will create ponds, bunds, etc. They asked us to deposit money. After sometimes they took away our money and never came back,' says V.Venkataramana, briefing the disbelief prevailed among the villagers like him in the beginning of the watershed program.

Similar voices echoed when DHAN Foundation initiated the watershed program in Pedda Alsapuram village of Nekkondi Micro-Watershed in 1999. Many of the villagers doubted the words of the field staff went from DHAN, they were very apprehensive, 'We were reminded of other NGOs who promised us of doing such works, but did nothing whatsoever,' Venkataramana continues.

Only when the villagers heard of the work being done in the nearby village, Nekkondi that they started trusting DHAN and invited the DHAN staffs to come to their village to do similar kind of works in their village also.

Initially, the field staff from DHAN asked the villagers to come together as groups and start saving of ₹50 per month, and again, the anxious villagers found themselves in disbelief, as other NGOs formed groups with women only. After continued discussions and clarifications, they formed a group, much reluctantly, and told that they will not be able to pay ₹50, and will pay ₹30 as savings. DHAN staffs anyway agreed to do that, and asked them to continue for three months. 'Now our Sri Balaji Vayalaga Pothuppu Sangam (VPS) has been running for the past 7-8 years and has 13 members,' he says. They now save ₹100 per month and have done a lot of activities and availed loans for various needs through this sangam. 'And I am the President of the sangam,' Venkataramana said about their sangam.



### Watershed works in his land

Thus, convincing the villagers, and organising them as groups and associations, DHAN Foundation implemented its watershed program in this village also. As per the norm, the villagers were asked to contribute 25 percent of the total cost of the work. 'But we told them (DHAN Foundation) we will not be able to contribute in money, but we will contribute as labour,' says Venkataramana. In this way the members of the group constructed two farm ponds, one check dam and cleared jungle for the members of our group with the support of DHAN Foundation. V.Venkataramana, also a member of the group did the following activities in his land with the support from the group.

He owns around 15 acres of land awarded by the Government under DKT patta (given free by the government to landless SC/ST with conditions on future sale and land use). He has done a lot of development activities in his land with the help of watershed project, and from the loan he got from the MFG.

- **Jungle clearance:** His entire land was previously full of trees and shrubs and was unsuitable for cultivation. He grew only rainfed paddy in between the trees and got some 1-2 bags of paddy. Then with the support of Vayalagam, he cleared the jungle

and slowly and steadily brought around six acres of land under cultivation.

- **Check dam and well recharge:** At the same time, two members in the group constructed farm ponds with the help of Vayalagam. Looking at this, he also asked them to construct a check dam that will restrict the flow of water, recharge the well and help him cultivate the land downstream. Now with the recharge well, he cultivates 3.5 acres of paddy and gets an additional yield of 10-15 bags of paddy whereas has got just 1-2 bags earlier.
- **Land leveling:** But the remaining dryland was undulated and uncultivable. So, he got a loan of ₹10000 and leveled those dryland. Now he grows sugarcane in the 1.5 acres of land and gets an income of ₹60,000 to 70,000.
- **Silt Application:** DHAN staffs have advised him to apply silt on his land and for this he took ₹2500 as loan from his MFG. After this, he got an yield of 15-20 tonnes (an increase of 3-5 tonnes) with income of ₹60,000-70,000 from sugarcane (at the rate of ₹2500-3000 per tonnes). 'When I applied silt in the paddy field, I was able to get a yield of 30-40 bags per acre (100 bags in 3.5 acres of paddy), whereas I have harvested only 20-30 bags per acre earlier,' he says.
- **Milch animal purchase:** He also purchased a milch animal with the help of the loan he got from the group. The family earns around

₹10-12 per litre by selling milk, around ₹3000-4000 per month.

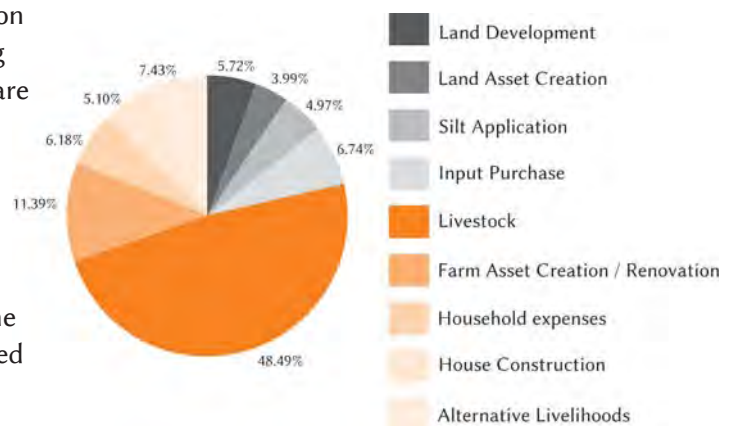
- **Horticulture plantation:** Out of the total 15 acres of land, he cultivates paddy in 3.5 acres, sugarcane in 1.5 acres, and rest 10 acres he has planted mango. It has now started yielding, and he has got an income of ₹42,000 last year.

### Impact of the work

The greatest impact that the Venkataramana and his family members are proudly sharing is that they are now working on their own land, as he says, 'Before we were coolies, now after developing our land we have become farmers and now we ourselves employ labour to do farm work.' He further adds, 'Now my wife is taking care of the milch animals and she has stopped going for labour works.' With the support from his Vayalagam and MFG, he could increase the area under cultivation, and area under paddy cultivation. He has also been able to grow cash crops and has increased his income from the farm. With this income, he had purchased five more acres of land at the cost of ₹56,000 with the loan he availed from the group. Already owning a tractor, he recently purchased a new tractor at the cost of ₹4 lakhs, with ₹1 lakh coming from the income earned from his farm and the remaining he got as loan from bank. Also he has spent ₹20,000 to improve his house.

## 5. Improved access to savings and credit services

Adding to the watershed project, DHAN Foundation also promoted microfinance groups (MFGs) among the farmers. Among the 81 members surveyed, 55 are members of various MFGs. These MFG members have a total savings of ₹1,63,551 and borrowed an amount of ₹13,78,752 as loan from the groups. The MFGs were able to mobilize loans from various sources like Banks, KDFS, Watershed Fund, and Federation Fund and used for various purposes. The percentage distribution of purpose-wise loan availed shows that maximum proportion of loans, i.e., 49 percent has been used for livestock development



## 6. Access to insurance

Out of the 81 members surveyed, 55 members were insured under LIC-JBY scheme and 31 members were insured in HDFC insurance scheme. One among the members, Mr.Ramaiah surveyed recently died and a death claim of ₹30,000 was given to his wife Ms.Thimmakka. Also, under the LIC-JBY scheme around 45 children of the members availed the scholarship amount of ₹22,500.

## 7. Quality of life improvements

**Purchase of land:** Given the increase in income, a significant number of farmers purchased agricultural land. Among the 81 farmers surveyed, 22 farmers purchased 25.45 acres of land investing an amount of ₹22,33,000. The farmers have purchased lands ranging from three cents to 3.3 acres, at the cost ranging from ₹10000 to ₹8 lakhs per acre. Most of

these farmers have purchased land from the big farmers, who had started diversifying into other activities. Thus, as a consequence of the Watershed project, many of these farmers have started purchasing land, increasing their land holding. This shows a positive trend in moving towards a farming-based livelihood options, which was once a not-so-dependable source of income.

### ***House up-gradation and new house construction:***

The farmers have also made significant investment for new house construction and house up-gradation. Out of the 81 famers surveyed, a total of 36 farmers have constructed a new house of ₹21,41,500, and 32 farmers on house up-gradation worth ₹15,23,300 and eight farmers purchased new housing plot worth ₹2,49,000. Also, 20 farmers have got new electricity connections for their house, in the post-project period.



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# Financial Statements

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# Financial Statements

*Sunanda & Sheshadri*  
Chartered Accountants

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

## FORM NO. 10B

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

We have examined the consolidated Balance Sheet of **DHAN (Development of Humane Action) Foundation**, 18, Pillayar Koil Street, S.S.Colony, Madurai – 625 010, Tamilnadu, India (Permanent Account Number : **AAA TD 2591 B**) as at 31 March 2010 and the Consolidated Income and Expenditure Account for the year ended on that date which are in agreement with the books of account maintained by the said Trust.

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

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

We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of the audit subject to non confirmation of balances of certain advances deposits and loan recoverable, bank balances and 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 2010 and
- ii) in the case of the consolidated income and expenditure account of the excess of income over expenditure of its accounting year ending on 31 March 2010.

for **SUNANDA & SHESHADRI**  
Chartered Accountants

Sd/-

**K.SHESHADRI**

Partner, Membership No. 20956.  
Firm Registration Number : 004191S

Place : Madurai

Date : 21 August 2010

## DHAN (Development of Humane Action) Foundation

### CONSOLIDATED BALANCE SHEET

		(in Rupees)	
		March 31, 2010	March 31, 2009
		Schedule	
<b>ASSETS</b>			
FIXED ASSETS			
Written off as per contra	1	110,999,981	108,723,651
INVESTMENTS			
	2	120,619,678	99,478,037
CURRENT ASSETS, LOANS AND ADVANCES			
Bank Balances	3	44,326,300	28,143,882
Inventory		-	14,200
Loans and Advances	4	9,748,169	11,191,961
SPECIFIED FUNDS			
	6	14,544,339	12,271,997
<b>Total</b>		<b>300,238,467</b>	<b>259,823,728</b>
<b>LIABILITIES</b>			
CORPUS AND CAPITAL FUND			
	5	124,173,125	102,291,822
SPECIFIED FUNDS			
	6	63,208,618	47,099,159
CURRENT LIABILITIES			
	7	1,856,743	1,709,096
FIXED ASSETS WRITTEN OFF AS PER CONTRA			
	1	110,999,981	108,723,651
<b>Total</b>		<b>300,238,467</b>	<b>259,823,728</b>
Notes on Accounts		12	

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

Sd/-  
Chairman

Sd/-  
Treasurer

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

Sd/-  
Executive Director

Sd/-  
**K. SHESHADRI**  
Partner

Madurai  
August 21, 2010

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

**CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED**

		(in Rupees)	
		March 31, 2010	March 31, 2009
	Schedule		
<b>INCOME :</b>			
Grants Received	8	172,691,836	174,979,839
Techno Managerial Services Receipts		491,017	1,149,497
Other Receipts	9	27,431,758	13,790,238
<b>Total</b>		<b>200,614,611</b>	<b>189,919,574</b>
<b>EXPENDITURE:</b>			
<b>Community Banking Programme</b>			
Programme Implementation and Administration	10	56,237,558	43,032,674
Capital Expenditure	1	1,438,722	5,873,476
<b>Tank fed Agriculture Programme</b>			
Programme Implementation and Administration	10	33,889,759	30,301,895
Capital Expenditure	1	915,404	1,625,782
<b>Coastal Agriculture and Livelihood programme</b>			
Programme Implementation and Administration	10	8,502,852	51,716,570
Capital Expenditure	1	3,393,950	20,568,327
<b>New Themes and Other Programmes</b>			
Programme Implementation and Administration	10	42,164,267	38,538,638
Capital Expenditure	1	7,217,679	9,983,581
<b>Central support system</b>			
Programme Implementation and Administration	10	11,409,243	12,429,737
Capital Expenditure	1	832,903	1,320,948
"Excess of income over expenditure / "(Expenditure over income)"		34,612,274	(25,472,054)
<b>Total</b>		<b>200,614,611</b>	<b>189,919,574</b>
Appropriation of Excess of Income over Expenditure / (Expenditure over income)		34,612,274	(25,472,054)
Notes on Accounts		12	

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

Sd/-  
Chairman

Sd/-  
Treasurer

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

Sd/-  
Executive Director

Sd/-  
**K. SHESHADRI**  
Partner

Madurai  
August 21, 2010

DHAN (Development of Humane Action) Foundation

**SCHEDULES TO CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2010**

(in Rupees)

Particulars	GROSS BLOCK AT COST			DEPRECIATION			NET BLOCK	
	As on 01.04.2009	Addition (Transfer)	Deletion (Transfer)	As on 31.03.2010	As on 01.04.2009	Withdrawn on deletion	As on 31.03.2010	As on 31.03.2009
<b>Schedule 1 : Fixed Assets</b>								
<b>Community Banking Programme</b>								
Freehold Land	2,037,316	-	20,880	2,016,436	-	-	-	2,016,436
Building	5,469,614	-	-	5,469,614	1,144,630	432,498	1,577,128	3,892,486
Furniture and Fixtures	1,215,098	103,921	321,862	997,157	651,658	52,453	525,079	472,078
Office Equipments	424,258	63,894	116,540	371,612	311,302	22,574	243,694	127,918
Professional Equipments	6,358,342	943,799	2,793,751	4,508,390	5,825,227	797,718	3,976,578	531,812
Electrical Fittings	356,675	53,000	60,198	349,477	266,536	12,643	235,689	113,788
Vehicles	6,208,951	-	722,726	5,486,225	3,227,192	411,669	3,153,435	2,332,790
Staff Vehicles	508,028	274,108	315,746	466,390	-	-	-	466,390
Plant & Machinery	1,304,686	-	-	1,304,686	354,715	142,495	497,210	807,476
<b>Total I</b>	<b>23,882,968</b>	<b>1,438,722</b>	<b>4,351,703</b>	<b>20,969,987</b>	<b>11,781,260</b>	<b>1,872,050</b>	<b>10,208,813</b>	<b>10,761,174</b>
<b>Tank Fed Agriculture Programme</b>								
Freehold Land	176,689	-	-	176,689	-	-	-	176,689
Furniture and Fixtures	612,591	92,387	63,837	641,141	271,882	38,827	291,701	349,440
Office Equipments	333,212	32,105	57,951	307,366	202,356	21,219	187,122	130,856
Professional Equipments	2,921,411	649,122	423,980	3,146,553	2,608,651	576,146	2,762,457	384,096
Electrical Fittings	160,337	17,775	6,571	171,541	106,706	6,829	110,076	61,465
Vehicles	1,773,575	-	-	1,773,575	855,640	137,690	993,330	780,245
Staff Vehicles	130,510	124,015	130,510	124,015	-	-	-	124,015
Plant & Machinery	1,324,800	-	1,500	1,323,300	1,105,795	32,785	1,137,520	185,780
<b>Total II</b>	<b>7,433,125</b>	<b>915,404</b>	<b>684,349</b>	<b>7,664,180</b>	<b>5,151,030</b>	<b>813,496</b>	<b>5,482,206</b>	<b>2,181,974</b>
<b>Coastal Agriculture and Livelihood programme</b>								
Freehold Land	6,977,521	-	-	6,977,521	-	-	-	6,977,521
Building work-in-progress	1,295,333	2,188,888	-	3,484,221	-	-	-	3,484,221
Building	22,007,184	-	-	22,007,184	3,866,729	1,814,046	5,680,775	16,326,409
Furniture and Fixtures	1,286,514	-	398,079	888,435	423,643	60,012	348,333	540,103
Office Equipments	877,597	170,951	211,379	837,169	394,205	80,031	383,663	453,506
Professional Equipments	6,660,688	974,984	1,148,215	6,487,457	6,136,648	871,716	5,906,313	581,144
Electrical Fittings	494,466	59,127	157,905	395,688	215,901	25,296	168,028	227,659
Vehicles	6,478,851	-	770,347	5,708,504	3,064,682	428,876	3,278,211	2,430,293
Plant and Machinery	11,291,517	-	-	11,291,517	1,693,738	1,439,667	3,133,405	8,158,112
Staff Vehicles	295,898	-	-	295,898	-	-	-	295,898
<b>Total III</b>	<b>57,665,569</b>	<b>3,393,950</b>	<b>2,685,925</b>	<b>58,373,594</b>	<b>15,795,546</b>	<b>4,719,644</b>	<b>18,898,728</b>	<b>39,474,866</b>
<b>Total</b>								<b>41,870,023</b>

**DHAN (Development of Humane Action) Foundation**
**SCHEDULES TO CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2010**

(in Rupees)

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

Particulars	GROSS BLOCK AT COST			DEPRECIATION			NET BLOCK		
	As on 01.04.2009	Addition (Transfer)	Deletion (Transfer)	As on 31.03.2010	As on 01.04.2009	for the year	Withdrawn on deletion	As on 31.03.2010	As on 31.03.2009
<b>New Themes and Other Programmes</b>									
Freehold Land	1,727,004	(743,670)	-	2,470,674	-	-	-	-	2,470,674
Building work in Progress	34,207,196	5,874,052	-	40,081,248	-	-	-	-	40,081,248
Building	3,422,644	-	-	3,422,644	650,303	277,234	927,537	2,495,108	2,772,342
Furniture and Fixtures	1,589,948	93,367	13,775	1,669,540	610,615	106,433	5,400	711,648	957,891
Office Equipments	765,756	5,500	81,050	690,206	381,094	52,178	38,741	394,531	295,673
Professional Equipments	8,950,361	434,135	2,319,097	7,065,399	8,054,018	790,650	2,306,370	6,538,298	527,101
Electrical Fittings	504,551	7,714	3,230	509,035	258,445	25,184	1,246	282,383	226,652
Vehicles	1,432,683	684,000	-	2,116,683	865,639	187,656	-	1,053,295	1,063,388
Staff Vehicles	43,464	73,390	83,350	33,504	-	-	-	-	33,504
Plant & Machinery	722,200	45,521	-	767,721	193,518	86,130	-	279,648	488,075
<b>Total IV</b>	<b>53,365,807</b>	<b>7,217,679</b> <b>(743,670)</b>	<b>2,500,502</b>	<b>58,826,654</b>	<b>11,013,635</b>	<b>1,525,465</b>	<b>2,351,757</b>	<b>10,187,340</b>	<b>48,639,314</b>
<b>Central Support System*</b>									
Freehold Land	8,796,170	25,000	(743,670)	8,077,500	-	-	-	-	8,077,500
Building work in Progress	270,000	594,562	-	864,562	-	-	-	-	864,562
Furniture and Fixtures	355,292	-	136,945	218,347	187,109	11,765	86,407	112,467	105,880
Office Equipments	95,068	-	3,438	91,630	68,716	3,801	2,429	70,088	21,542
Professional Equipments	1,554,752	29,024	965,250	618,526	1,489,042	55,714	963,373	581,383	37,143
Electrical Fittings	95,074	-	10,150	84,924	67,119	2,611	8,300	61,430	23,494
Vehicles	869,501	-	-	869,501	130,424	110,862	-	241,286	628,215
Staff Vehicles	24,206	184,317	24,206	184,317	-	-	-	-	184,317
<b>Total V</b>	<b>12,060,063</b>	<b>832,903</b>	<b>1,139,989</b> <b>(743,670)</b>	<b>11,009,307</b>	<b>1,942,410</b>	<b>184,753</b>	<b>1,060,509</b>	<b>1,066,654</b>	<b>9,942,653</b>
<b>Total (I+II+III+IV+V)</b>	<b>154,407,532</b>	<b>13,798,658</b> <b>(743,670)</b>	<b>11,362,468</b> <b>(743,670)</b>	<b>156,843,722</b>	<b>45,683,881</b>	<b>9,115,408</b>	<b>8,955,545</b>	<b>45,843,741</b>	<b>110,999,981</b>
Madurai August 21, 2010		Sd/- Chairman			Sd/- Executive Director			Sd/- Treasurer	

## DHAN (Development of Humane Action) Foundation

### SCHEDULES TO CONSOLIDATED BALANCE SHEET

		(in Rupees)	
		March 31, 2010	March 31, 2009
<b>Schedule 2 : Investments</b>			
Ford Foundation Corpus Deposits with :			
Post Office - KVP Scheme	-		14,300,000
Housing & Urban Development Corporation Ltd	-		5,000,000
Housing Development Financial Corporation	7,500,000		7,500,000
Govt. of India - RBI bonds	2,430,000		2,430,000
Fixed Deposits with Repco Bank	17,500,000		-
Fixed Deposits with City Union Bank	5,000,000		-
Fixed Deposits with Pandiyan Grama Bank	6,640,066		-
Fixed Deposits with Canara Bank	<u>6,950,640</u>	46,020,706	4,281,979
Sir Dorabji Tata Trust Corpus Fund Deposits :			
Govt. of India RBI bonds	16,373,500		16,373,500
Post office - Kisan Vikas Patra Scheme	7,500,000		7,500,000
Fixed Deposit with REPCO Bank	8,696,667		-
Fixed Deposit with Pandian Gramma Bank	<u>411,000</u>	32,981,167	7,411,000
DHAN own /Tata-Dhan Acadmey /Other Corpus Fund Deposits :			
Govt. of India RBI bonds	1,122,500		1,122,500
Post office - Kisan Vikas Patra Scheme	1,500,000		1,500,000
Fixed Deposit with REPCO Bank	6,791,412		11,584,309
Fixed Deposit with Pandian Gramma Bank	14,880,610		7,207,470
Fixed Deposit with HDFC Bank	1,550,000		3,050,000
Fixed Deposits with ICICI HFC Ltd	450,000		450,000
Fixed Deposits with City Union Bank	2,500,000		2,500,000
Fixed Deposits with Others	<u>-</u>	28,794,522	500,000
Community Risk Reserve & Other Funds with:			
Fixed Deposits with Pandiyan Grama Bank	5,463,283		5,107,279
Fixed Deposits with HDFC	5,260,000		1,660,000
Fixed Deposits with State Bank of India	<u>2,100,000</u>	12,823,283	-
<b>Total</b>		<u><u>120,619,678</u></u>	<u><u>99,478,037</u></u>
<b>Schedule 3 : Bank Balances</b>			
In Savings accounts		18,161,853	16,551,038
In Fixed Deposits		26,164,447	11,492,844
Cheques in Transit		-	100,000
<b>Total</b>		<u><u>44,326,300</u></u>	<u><u>28,143,882</u></u>
<b>Schedule 4 : Loans and Advances</b>			
Advances Recoverable:			
Project Advances to staff		250,121	239,926
Deposits		2,411,948	2,660,057
Other Advances Recoverable		7,086,100	8,291,978
<b>Total</b>		<u><u>9,748,169</u></u>	<u><u>11,191,961</u></u>

Madurai  
AugJuly 21, 2010

Sd/-  
Chairman

Sd/-  
Executive Director

Sd/-  
Treasurer

## DHAN (Development of Humane Action) Foundation

### SCHEDULES TO CONSOLIDATED BALANCE SHEET

Particulars	Opening balances as on Apr 1, 2009	Amounts not included in Income and Expenditure account/Receipt / (Advance)	Appropriation from Income and expenditure a/c		Closing Balance as on Mar 31, 2010
			Income	Surplus / (Expenses)	
<b>Schedule 5 : Corpus and Capital Fund</b>					
Corpus Fund					
Ford Foundation	33,114,769	-	15,824,334	(2,922,621)	46,016,482
Sir Dorabji Tata Trust	31,159,723	-	3,032,757	(1,481,984)	32,710,496
DHAN Foundation Own	17,752,420	21,146	3,986,621	(594,562)	21,165,625
Other Corpus Fund	4,350,800	1,000,000	-	-	5,350,800
Tata DHAN Academy	1,708,849	-	291,151	-	2,000,000
<b>Total</b>	<u>88,086,561</u>	<u>1,021,146</u>	<u>23,134,863</u>	<u>(4,999,167)</u>	<u>107,243,403</u>
Capital Fund	14,205,261	-	-	2,724,461	16,929,722
<b>TOTAL</b>	<u>102,291,822</u>	<u>1,021,146</u>	<u>23,134,863</u>	<u>(2,274,706)</u>	<u>124,173,125</u>
<b>Schedule 6 : Specified Fund</b>					
Donors' Account - Net					
Sir Ratan Tata Trust (SRTT) Revolving Fund	25,453,987	-	145,103	8,545,335	34,144,425
Other Revolving fund returns	376,000	-	-	-	376,000
Community Risk Reserve Fund	4,556,544	85,000	165,000	-	4,806,544
Book Fund	3,940,212	-	3,888,379	-	7,828,591
Vehicle Fund	412,419	-	-	-	412,419
	88,000	-	1,008,300	-	1,096,300
<b>TOTAL</b>	<u>34,827,162</u>	<u>85,000</u>	<u>5,206,782</u>	<u>8,545,335</u>	<u>48,664,279</u>
Less: Donors' account net balance included above	25,453,987	-	-	-	34,144,425
	9,373,175	-	-	-	14,519,854
Add: Donors' account Surplus balances	37,725,984	-	-	-	48,688,764
Donors' account Deficit balances	12,271,997	-	-	48,688,764	14,544,339
<b>TOTAL</b>	<u>47,099,159</u>	<u>-</u>	<u>5,206,782</u>	<u>8,545,335</u>	<u>63,208,618</u>

Madurai  
August 21, 2010

Sd/-  
Chairman

Sd/-  
Executive Director

Sd/-  
Treasurer

**SCHEDULES TO CONSOLIDATED BALANCE SHEET**

	<i>(in Rupees)</i>	
	March 31, 2010	March 31, 2009
<b>Schedule 7 : Current Liabilities</b>		
Payables	1,856,743	1,709,096
<b>Total</b>	<b>1,856,743</b>	<b>1,709,096</b>

**SCHEDULES TO CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT**

	<i>(in Rupees)</i>	
	March 31, 2010	March 31, 2009
<b>Schedule 8 : Grants Received</b>		
<b>From Foreign Agencies</b>		
Oxfam Novib - The Netherlands	85,298,457	108,127,646
Rabobank Foundation, The Netherlands	22,444,671	7,500,560
Donations for Tank renovation works	430,250	2,991,922
Karunai Illam Trust, Newzealand	2,343,559	1,454,728
CAWST (CIDA) Water Expertise Centre, Canada	388,015	1,307,676
Oxfam (America) Trust	1,510,737	5,333,003
New Zealand High Commission, New Delhi	400,000	499,000
HIVOS - The Netherlands	12,222,171	-
International Labour Office - Switzerland	3,747,033	-
Consortium of DEWATS dissemination Society	515,472	-
HOPE international	438,088	-
International Water Management Institute	496,055	-
Canadian Water Works	43,000	-
World Granny	1,719,593	-
Population Service International - USA	3,909,000	-
Health Net TPO, Combodia	1,293,139	-
IBEKU, Japan	258,000	-
Others	956,478	7,968,952
<b>From Indian Agencies</b>		
ITC Rural Development Trust	2,437,000	3,200,000
Department of Agriculture NWDPR - Watershed	200,000	287,932
District Rural Development Agency -Tamil Nadu	339,200	308,680
National Bank for Agriculture and Rural Development (NABARD)	1,866,300	983,317
Ministry of Water Resources, Govt. of India	86,831	1,260,000

**SCHEDULES TO CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT**

	(in Rupees)	
	March 31, 2010	March 31, 2009
Donations for Tank renovation works	750,000	550,700
COIR Board, Govt. of India	351,487	465,000
Department of Health, Tamilnadu	2,524,500	1,450,000
APCBTMP , Govt. of AP	1,354,159	1,373,879
Hindustan Unilever Limited	6,650,000	8,650,000
Sir Ratan Tata Trust	1,375,000	1,375,000
Care Today Fund	2,590,846	1,454,300
National Agricultural Innovation Project	703,622	931,096
Jala Samvardhane Yojana Sangha - GoK	397,875	1,414,481
Tamil Nadu Vaazhndu Kaatuvom Project - GoTN	1,755,988	-
State Planning Commission - GoTN	600,000	-
Directorate of Tourism - GoTN	3,346,916	-
Centre for Environment Education (GEF)	871,127	-
State Bank of India	911,000	-
National Institute of Rural Development	360,000	-
Madurai Symposium - Grants	828,904	-
Madurai Marathon 2009 - Grants	300,000	-
Sir Dorabji Tata Trust	-	7,506,000
Others	4,367,968	8,585,967
<b>Total</b>	<b>173,382,441</b>	
Less: Unspent grant returned-UNDP , New Delhi	690,605	
<b>Total</b>	<b>172,691,836</b>	<b>174,979,839</b>
<b>Schedule 9 : Other Receipts</b>		
Interest from Banks, etc.,	1,926,358	3,309,371
Income from corpus Investment	22,008,712	6,096,230
Interest from Investment of other funds	453,379	595,668
Other Income	2,854,950	2,838,966
Donations	188,359	950,003
<b>Total</b>	<b>27,431,758</b>	<b>13,790,238</b>

Madurai  
August 21, 2010

Sd/-  
Chairman

Sd/-  
Executive Director

Sd/-  
Treasurer

## DHAN (Development of Humane Action) Foundation

### SCHEDULES TO CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT

Activity / Expenditure / Items	(in Rupees)					(in Rupees)	
	Community Banking Programme	Tank fed Agriculture Programme	Coastal Agriculture Livelihood programme	New Themes and Other Programmes	Central support system	March 31, 2010 Total	March 31, 2009 Total
<b>Schedule 10 : Programme Implementation and Administration</b>							
Post Tsunami- Restoring livelihoods & others							11,468,936
Endowment and other Grants to Tank Farmers Associations, NGOs, Panchayats etc.,	5,516,000	-	-	-	-	5,516,000	4,573,190
Orphanage Centre	8,457,476	3,452,490	110,940	3,959,533	127,801	1,055,807	1,438,060
Volunteer Allowances and Travel						16,108,240	17,440,939
Training / Expenses on Volunteers, Groups, Members & Federations	9,514,725	246,800	668,579	2,887,474	-	13,317,578	8,877,989
Civic Programmes - Health, Education	9,703,273	-	-	2,389,769	-	12,093,042	7,459,299
Support for Income generation by members	1,332,873	1,289,538	49,900	433,960	-	3,106,271	18,152,470
Crop Production & Water Management Training	-	349,210	-	1,937,458	-	2,286,668	477,811
Drinking Water Ponds Programme	-	7,039,746	2,048,907	-	-	9,088,653	5,959,158
Convention, Workshop, Events and meetings	1,315,755	1,229,951	275,514	5,390,932	1,141,306	9,353,458	8,268,258
Employees remuneration and benefits	15,097,038	15,088,710	3,795,502	18,116,454	7,087,922	59,185,626	65,976,905
Professional / Consultancy Charges	403,026	490,559	181,357	444,774	963,967	2,483,683	2,873,189
Travel / Conveyance	1,808,813	2,190,925	287,333	1,261,881	424,989	5,973,941	7,421,750
Vehicle maintenance	551,675	544,882	395,736	824,370	188,864	2,505,527	2,936,815
Books and Audio Visual Expenses	66,279	42,972	20,694	23,404	85,729	239,078	375,958
Printing and Stationery	392,527	343,569	240,853	340,488	245,794	1,563,231	1,954,184
Communication	339,455	403,026	91,590	496,534	419,347	1,749,952	2,168,021
Rent, Water, Electricity and Maintenance	1,699,763	1,154,544	333,988	2,567,638	714,549	6,470,482	7,896,329
Miscellaneous Expenses	38,880	22,837	1,959	33,791	8,975	106,442	300,253
<b>Total</b>	<b>56,237,558</b>	<b>33,889,759</b>	<b>8,502,852</b>	<b>42,164,267</b>	<b>11,409,243</b>	<b>152,203,679</b>	<b>176,019,514</b>
<i>Previous year</i>	<i>43,032,674</i>	<i>30,301,895</i>	<i>51,716,570</i>	<i>38,538,638</i>	<i>12,429,737</i>	<i>176,019,514</i>	

Madurai  
August 21, 2010

Sd/-  
Chairman

Sd/-  
Executive Director

Sd/-  
Treasurer

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

**SCHEDULES TO CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT**

		<i>(in Rupees)</i>	
		March 31, 2010	March 31, 2009
<b>Schedule 11 : Appropriation of Excess of Income over Expenditure / (Expenditure over income)</b>			
Excess of Income over expenditure / (Expenditure over income)		<u>34,612,274</u>	<u>(25,472,054)</u>
<b>Transfer :</b>			
<b>From Investment income</b>			
Ford Foundation Corpus fund	15,824,334		1,640,055
Sir Dorabji Tata Trust corpus fund	3,032,757		1,320,173
DHAN Foundation own Corpus fund	2,986,621		2,971,002
Tata Dhan Academy Corpus fund	165,000		165,000
Revolving fund	165,000		330,364
Community Risk Reserve Fund	288,379		265,304
<b>Community Risk Reserve Fund from Grant Income</b>	<b>3,600,000</b>		
<b>Vehicle Fund</b>	<b>1,008,300</b>		<b>76,000</b>
<b>SRTT from Interest on Building fund</b>	<b>145,103</b>		<b>399,897</b>
<b>DHAN Corpus from TMS Receipts and other income</b>	<b>1,000,000</b>		<b>1,000,000</b>
<b>Tata Dhan Academy Corpus fund from other income</b>	<b>126,151</b>		<b>-</b>
<b>Book Fund</b>	<b>-</b>		<b>51,996</b>
<b>Of Expenses to Corpus funds</b>			
DHAN Foundation Own	(594,562)		(247,937)
Sir Dorabji Tata Trust	(1,481,984)		(1,447,055)
Ford Foundation	(2,922,621)		(1,867,886)
SRTT Expendable Field Campus	-		(87,117)
Vehicle Fund	-		(561,890)
<b>Of Surplus / (Deficit)</b>			
Capital Fund Surplus / (Deficit)	2,724,461		(96,940)
Other Donors' - Net Surplus / (Deficit)	8,545,335		(29,383,020)
<b>Total</b>		<u><u>34,612,274</u></u>	<u><u>(25,472,054)</u></u>

Madurai  
August 21, 2010

Sd/-  
Chairman

Sd/-  
Executive Director

Sd/-  
Treasurer

**Schedules to Balance sheet & Income and Expenditure account - Consolidated - for the year ended March 31, 2010**

**Schedule 12 : Notes on accounts**

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

However to present a more realistic picture of the value of assets appearing in the balance sheet, depreciation at the rates provided in the Income Tax Act, 1961 is being reduced from the cost of the fixed

assets on the written down value method. Written down value of assets so arrived at is shown as contra on both the assets & liabilities side of the Balance sheet.

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

7. Fixed Assets include ₹30,46,703/- consisting of Motor vehicle ₹1,78,008/-, Furniture and Fixtures ₹1,31,888/- Office equipments ₹96,751/- Electrical fittings ₹11,538/- Professional equipments ₹80,218/- Plant and Machinery ₹13,23,300 and Land & Building ₹12,25,000/- being assets acquired out of grants received from the United Nations Development Programme (UNDP), for a programme titled 'Promotion of alternative livelihoods for the poor in the biosphere of Gulf of Mannar' through the Ministry of Rural Development, Government of India (executing agency) and the M.S. Swaminathan Research Foundation, Chennai (implementing agency). These assets remain the property of UNDP and disposal /transfer was to take place at the end of the project. The project has ended and in the absence of any specific instructions from UNDP the assets are still held by DHAN Foundation. Depreciation has been provided as explained in paragraph 6 above on these assets also.
8. Fixed deposits of ₹1,36,830/- (Previous year ₹1,36,830) are under lien with Banks as 100% margin for the bank guarantees issued by them in favour of CAPART and Government of India.
9. Previous year's figures have been regrouped / reclassified wherever necessary.

Madurai  
August 21, 2010

Sd/-  
Chairman

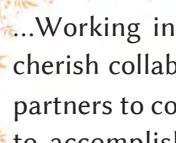
Sd/-  
Executive Director

Sd/-  
Treasurer

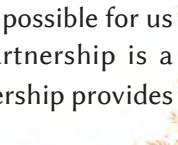
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# Acknowledgement

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



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



## Our Institutional Partners

Oxfam Novib, the Netherlands (Oxfam India)  
Sir Ratan Tata Trust, Mumbai  
Sir Dorabji Tata Trust, Mumbai  
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  
Eureka Achmea Foundation, The Netherlands  
European Union  
Fonds Familie van Beek, The Netherlands  
Huguenin Ralapalli Foundation, USA  
Karunai Illam Trust, New Zealand  
Klein Hofwijck Foundation, The Netherlands  
Micro Insurance Association Network, The Netherlands  
New Zealand High Commission  
Oxfam America  
Rabobank Centraal Twente, The Netherlands  
Rabobank Hage-Beek, The Netherlands  
Rabobank Maas en Waal, The Netherlands  
Rabobank West-Zeeuws-Vlaanderen, The Netherlands  
Rabobank Zuidwest-Drenthe, The Netherlands  
Stichting Vrienden van DHAN , The Netherlands  
Westberg Foundation, The Netherlands  
ZLM Verzekeringen, The Netherlands



## **Our Water Partners**

Centre for Affordable Water and Sanitation Technology (CAWST), Canada  
International Water Management Institute – RUAF Foundation  
National Bank for Agriculture and Rural Development  
National Agricultural Innovation Project–ICAR  
PanIIT Alumni India  
Water4life Foundation, The Netherlands

## **Our CSR Partners**

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

## **State Government**

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

## **Government of India**

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

### **United Nations Agencies/Projects**

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

### **Commercial Banks**

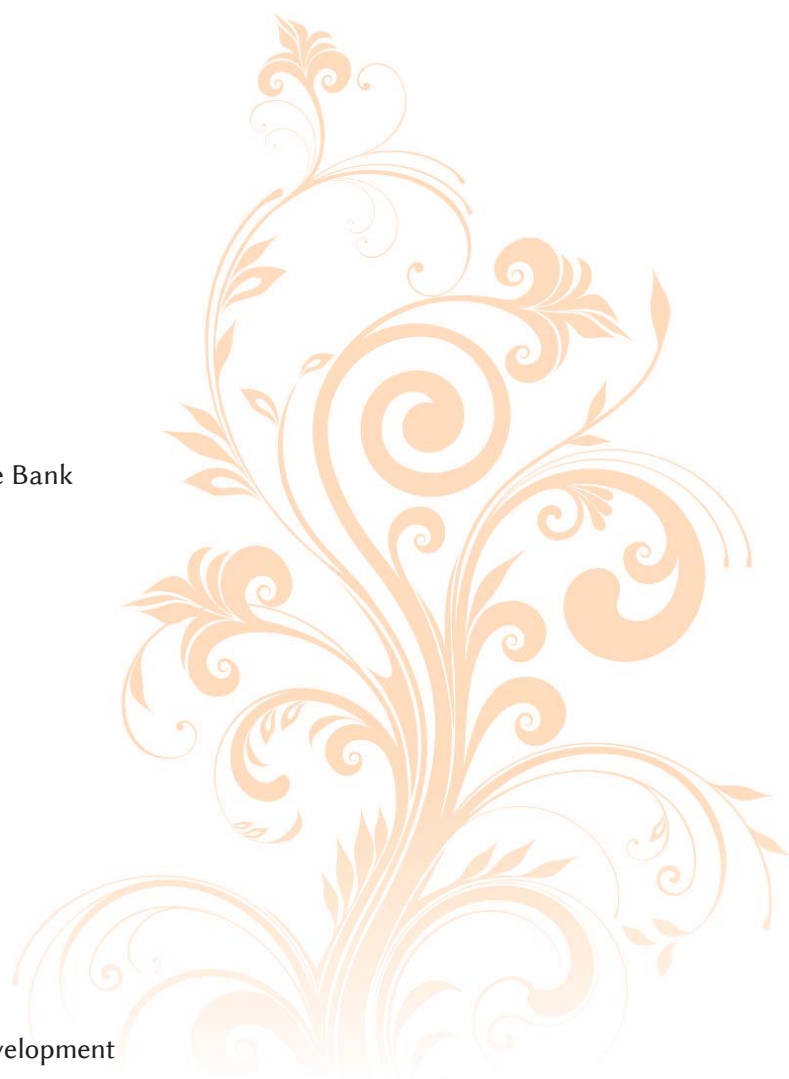
Andhra Bank  
Bank of Baroda  
Bank of India  
Canara Bank  
Central Bank of India  
Corporation Bank  
ICICI Bank  
Indian Bank  
Indian Overseas Bank  
Karnataka Bank  
Punjab National Bank  
State Bank of Hyderabad  
State Bank of India  
State Bank of Mysore  
UCO Bank  
Union Bank of India  
United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

### **Regional Rural Banks**

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

### **Apex Banks**

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



## Insurance Companies

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

## Academic and Research Institutes

Anna University  
Central Marine Fisheries Research Institute (CMFRI)  
Indian Space Research Organisation (ISRO)  
Indira Gandhi National Open University  
Irrigation Management Training Institute (IMTI), Trichy  
Kerala Institute of Local Administration  
National Institute of Rural Development  
National Remote Sensing Agency (NRSA)  
Rajiv Gandhi National Institute of Youth Development  
Tamil Nadu Agricultural University

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



# Board of Trustees

**Mr. B.T. Bangera**



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

**Ms. K. Noorjehan, Vice Chairperson, DHAN Foundation** is currently an Administrative member of Central Administrative Tribunal, Ernakulam Bench. She was the Chief Post Master General, Haryana Postal Circle and later became Chief Principal Post Master General of Maharashtra circle. She was subsequently promoted to the grade of Member, Postal Services Board. She has over 30 years of experience in different parts of the country. She was instrumental in computerising postal operations in the southern region, and in creating own infrastructure for several post offices. She is interested in women development, especially the poor and the disadvantaged.

**Ms. K. Noorjehan**



**Mr. R.D. Thulsiraj**



**Mr. R.D. Thulsiraj, Treasurer, DHAN Foundation** is an MBA from Indian Institute of Management, Calcutta, is the Executive Director of LAICO-Aravind Eye Care System. For almost 20 years he had been the Administrator of Aravind Eye Hospitals. He was also the South-East Asia Regional Chair for the International Agency for the Prevention of Blindness (IAPB). He worked with the board of Seva Foundation (an US-based NGO) for more than 15 years. He has a number of published papers to his credit, and has presented papers at international conferences on eye care.

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

**Dr. Nirmala Murthy**



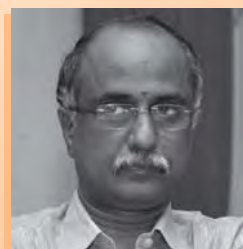
**Dr. Priscilla Daniel**



**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 ECLOF, India. Now she is in the Board of Management of Friends of India at Geneva, Switzerland. She was awarded the Ashoka Fellowship for Public Innovators in 1991 for her contribution in the field of development.

**Dr. V. Abhai Kumar** holds Engineering Master's degree in Communication Systems. He received his Ph.D Degree from Indian Institute of Technology, Madras. Currently, he is Principal of Thiagarajar College of Engineering, Madurai. He is a senior member of IEEE. He has authored and co-authored a number of technical papers in reputed journals and presented papers at international and national conferences. He has more than two decades of research and teaching experience in microwaves, remote sensing, digital signal processing and image processing. His research interests include array signal processing and smart antennas.

**Dr. V. Abhai Kumar**



**Mr. M. Balachandran**



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

**Ms. N. Shanthi Maduresan** is a post graduate in Rural Economics and Extension Education. She has more than 20 years of experience in Microfinance. She was instrumental in promoting Federations of Kalanjiam women SHGs in Ramnad 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) courses. She is also serving as Chief Executive of Indian Network of Federations of Microfinance Self Help Groups (INFOS). Her areas of interest are building community-based institutions and capacity building for development.

**Ms. N. Shanthi Maduresan**



**Mr. C. Sudhakar**



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

**Mr. M.P. Vasimalai, Executive Director of DHAN Foundation** is a post graduate in Agriculture and a management graduate from the IIM, 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 specialises in community organisation, designing development interventions in the fields of natural resource management, livelihood promotion and institutional development. He holds various positions in national and international forums, working groups, task forces and missions of Central and State governments. His areas of interest are institution building, leadership development and promoting various development themes for poverty reduction.

**Mr. M.P. Vasimalai**



# DHAN Foundation - Addressess

## Programme Offices

### Central Office

#### DHAN Foundation

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

Tel: +91-452-2610794, 2610805

Fax: +91-452-2602247

Email: dhanfoundation@dhan.org

Website: <http://www.dhan.org>

### Kalanjiam Foundation

N0-7, Valmigi Street,

S.S.Colony, Madurai-625016

Tel: +91-452-2604256, 2608949

Email: kfpomdu@dhan.org

### DHAN Vayalagam (Tank) Foundation

No-17, Vellai Pillaiyar Koil Street,  
Madurai-625016

Tel: +91-452-2601673/2601683

Email: dhantank@dhan.org

### Tata-Dhan Academy

New Campus

T.Malaipatti, Thenkarai

Mullipallam Post,

Vadipatti Taluk, Madurai-627 207

Tel: +91-4543-293405

Email: tatadhanacademy@dhan.org

### Center for Development Communication

DHAN Foundation

7E, Valmigi Street,

S.S.Colony,

Madurai-625 016

Tel: +91-452-4353983

Email: dhancdc@dhan.org

### ICT for poor Programme

No: 34/22,

Pillaiyar Koil Street,

Madurai-625 016

Email: ictpo@dhan.org

### People Academy & INFOS

Pulloothu.

Ellis Nagar Via,

Madurai-625 016

Tel: +91-452-2475416/2475305

Email: dpa@dhan.org

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

No: - 55, Kennett Road,

Ellis Nagar

Madurai-625016

Tel: +91-452-2300084

Email: life\_mdu@dhan.org

### DHAN People Mutuals & ASKMI

No-22, Pillaiyar Koil Street,

S.S Colony

Madurai-625 016

Tel: +91-452-2301510

Email: pm@dhan.org

### Kalanjium Thozhilagam Limited (KTL)

52, La selle Towers,

II Floor, T.B.Road,

Opp. ESI Hospital,

Mahaboopalayam

Madurai-625 016

Tel: +91-452-2301112/4358001

Email: ktl@dhan.org

### Kalanjiam Development Fiancial Services

21, Pillayar Kovil Street,

S.S. Colony, Madurai-625 016,

Tel: +91-452-2301102/

6505978

Email: kdfs@dhan.org

### INAFI - INDIA

New No 65, Ist Floor,

Harvey Nagar III St

Madurai-16.(Near Raj Scans)

Tel: +91-452-2300490/4358490

Email: indiainafi@airtelmail.in

### Center for Policy and Planning

DHAN Foundation

23, West Park Road, I Floor,

Shenoy Nagar, Chennai-600 030.

Tel: +91-452-26280236/26265189

Email: cpp@dhan.org

## REGIONAL OFFICES

### Tamil Nadu

#### Madurai Urban/Rural Region

52, Kathanampillai Street

Jawahar Main Road

S.S.Colony, Madurai-625016

Tel: +91-452-2300569

Email: kfmurban@dhan.org

#### Madurai Vayalagam Region

DHAN Foundation

667/B7, Mohan earth mover

complex

II Floor,Opp to PKN boys School,

Thirumangalam

Madurai District

Tel: +91-452-281053

**Dindigul Region**

DHAN Foundtion,  
No.1, Vakkil Thottam, Near  
Doctors Colony, Sanarpatti.  
Dindigul-624 001  
Tel: +95-451-3296667

**Theni Region**

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

**Ramanathapuram Coastal  
Region**

DHAN Foundation  
(Regional Office)  
1/372 I street, Nehru Nagar,  
Collectrate Post, Ramnad-623 501  
Tel: +91-4567-231676

**Kamudhi Kalanjia Mahalir  
Vattara sangam**

Mudhukulathur Raod,  
Kalanjia Nagar,  
Kottaimedu, Kamudhi  
Ramnad District

**Ramanathapuram Vayalaga  
Region**

DHAN Foundation  
Santhananivas illam,  
Kamudhi Road,  
Muthukulathur  
Ramnad District  
Tel: +91-4576-320052

**Thanjavur Region**

DHAN Foundation  
43 / 3045, SK Illam,  
VOC Nagar II Street,  
Near senthil Kalyana Mandapam,  
Thanjavur-613 007  
Tel: +91-4362-270353

**Salem Region**

DHAN Foundation  
40/423 Chinnappa Chetty Colony,  
Mullai Nagar,  
Suramangalam  
Salem-636 005  
Tel: +91-427-2442740

**Kancheepuram Region****Thiruvallangadu Vattara  
Kalanjiam**

Old No-B18, New No-8,  
Alagesan Nagar,  
Chengalpat-603001  
Tel: +91-44-27429480

**Cuddalore Region**

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

**Karaikal Region**

DHAN Foundation  
4,1st Street, Balaji Nagar,  
Near CRC Bus Shed  
Karaikal-609 602  
Tel: +91-4368-320215

**Nagapattinam Region**

DHAN Foundation  
No 6, Anthoniar kovil melsanthu  
Nagapattinam  
Tel: +91-4365 – 240045

**Vellore Region**

DHAN Foundation  
No 73, I floor, Broad Bazaar,  
Ambur-635802  
Vellore District  
Tel: +91-4365-240045

**Tuticorin Coastal Region**

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

**Thiruvallangadu Vattara****Kalanjiam**

3/442, Bazar Street,  
Kanakammachatram Post-631204  
Thiruvallur District  
Tel: +91-44-27874368

**Tuticorin Coastal Region**

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

**Kanchipuram Vayalagam Region**

DHAN Foundation  
New No 377/1,  
Old No 188/1 3rd Street,  
New Colony  
Vallam Post  
Chengalpattu-630 002  
Kanchipuram District  
Tel: +91-44-27429480/37403952

**Puducherry Magalir Vattaram**

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

## ANDHRA PRADESH

**Sri Indrayee Mahila Kalanjia Samakya (Regional Office)**  
Beside Andhra Bank,  
Main road,  
Indervelly-504 346,  
Adilabad District  
Tel: +91-8731-277501

### 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: dhan\_hyd@rediffmail.com  
vfhyderabadro@dhan.org

### Chittoor Region

DHAN Foundation  
4-422, CB Road,  
Opp., to SBI,  
Greampet,  
Chittoor-517002  
Tel: +91-8572-651767

### Vizag Region

DHAN Foundation  
D.No.9-36-10, Besides ICDS  
Project II, Pithapuram Colony,  
Maffilapalem,  
Vishakapatnam-530 003  
Tel: +91- 891-6578990

## KARNATAKA

DHAN Foundation  
17, Sri Lakshmi Venkateshwara  
Nilaya, Sri Renganath Badavane  
Harohalli, Bengaluru Rural Dt  
Karnataka  
Tel: +91-98805 34410

## MADHYA PRADESH

### SAILANA

DHAN Foundation  
H.N - 198  
Beside Joshi Medical Store  
Infront of Jain Temple  
Sadar Bajar  
Main Road, Sailana.  
Ratlam District-457 550  
Tel: +91-7413-279025

## ORISSA

DHAN Foundation  
Sri Sita Rama Niwas, I Floor,  
Opp To Pragadi English School,  
Hospital Road, Pujariput,  
Koraput, Orissa  
Tel: +91-6852-252916

## RAJASTHAN & MAHARASHTRA

DHAN Foundation  
Block No 9, 3rd Floor  
Near Kothadiya Hospital,  
Siddheshwer Peth,  
Solapur-413004, Maharashtra.  
Tel: +91-217-6450203

## ASSAM

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

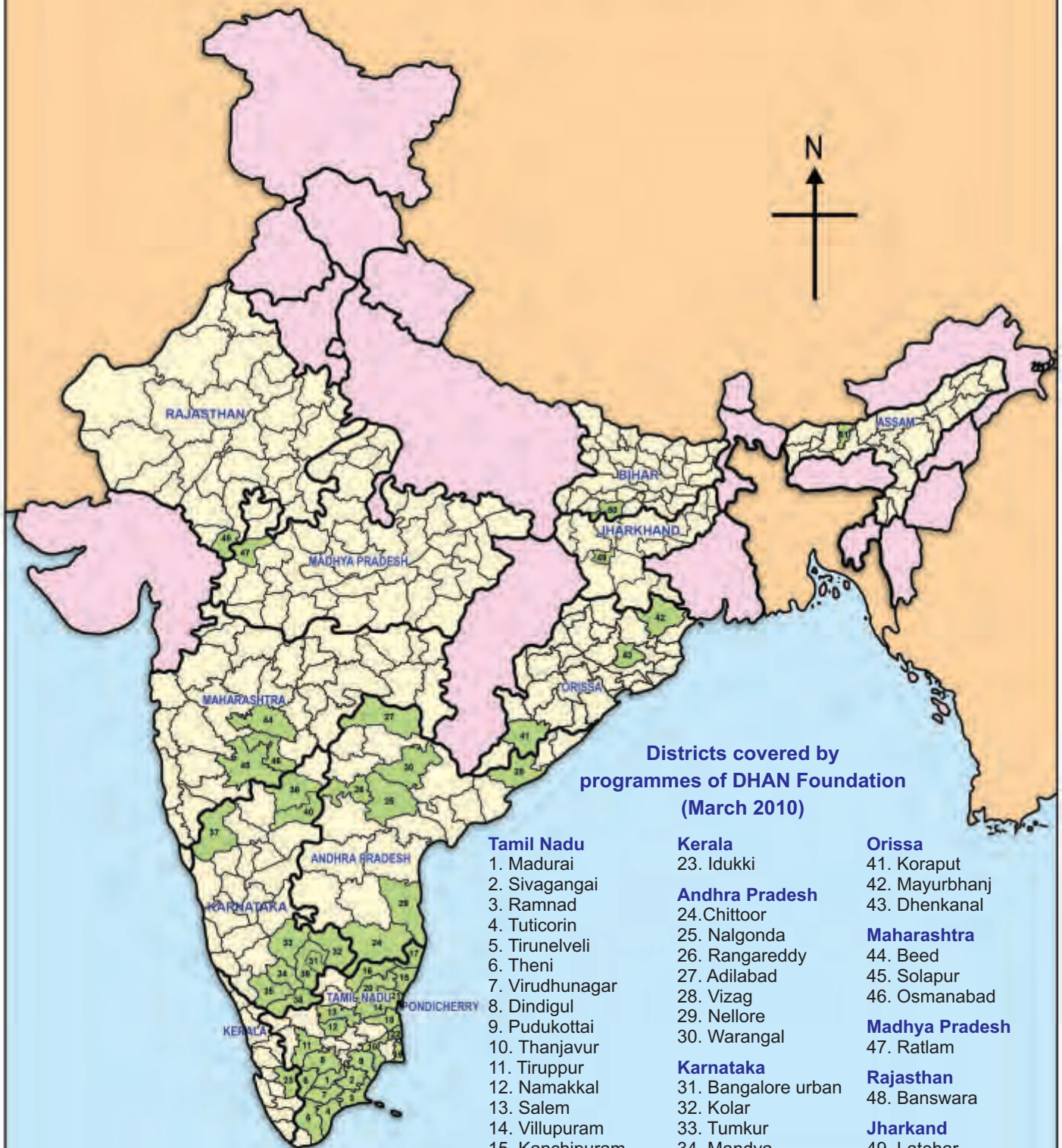
## JHARKHAND

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

## BIHAR

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C/O Anand Prasad Singh  
West Church Road  
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# DHAN Foundation - Area of Operation - 2010



Districts covered by programmes of DHAN Foundation (March 2010)

**Tamil Nadu**

1. Madurai
2. Sivagangai
3. Ramnad
4. Tuticorin
5. Tirunelveli
6. Theni
7. Virudhunagar
8. Dindigul
9. Pudukottai
10. Thanjavur
11. Tiruppur
12. Namakkal
13. Salem
14. Villupuram
15. Kanchipuram
16. Vellore
17. Thiruvallur
18. Cuddalore
19. Nagapattinam
20. Thiruvannamalai

**Pondicherry**

21. Puducherry
22. Karaikal

**Kerala**

23. Idukki

**Andhra Pradesh**

24. Chittoor
25. Nalgonda
26. Rangareddy
27. Adilabad
28. Vizag
29. Nellore
30. Warangal

**Karnataka**

31. Bangalore urban
32. Kolar
33. Tumkur
34. Mandya
35. Mysore
36. Gulbarga
37. Belgaum
38. Chamarajanagar
39. Ramanagara / Bangalore Rural
40. Yadgir

**Orissa**

41. Koraput
42. Mayurbhanj
43. Dhenkanal

**Maharashtra**

44. Beed
45. Solapur
46. Osmanabad

**Madhya Pradesh**

47. Ratlam

**Rajasthan**

48. Banswara

**Jharkhand**

49. Latehar

**Bihar**

50. Gaya

**Assam**

51. Nalbari

# Illuminating lives...

The Millennium Development Goals (MDGs) that every nation has committed to achieve by 2015 call for partnership and sharing responsibility among all the stakeholders including governments, donors, NGOs, civil societies and corporate to share knowledge, resources, expertise, explore joint ventures and develop solutions. To join this global commitment, DHAN Foundation and the localised institutions of poor communities built by it, rededicate to localize the MDGs and achieve them in partnership with like minded institutions.

The main goal of the MDGs is the Eradication of extreme poverty and hunger. The revelations of Thirukkural on poverty and suffering of poor are relevant even today. The following couplets depict the plight of poor.

What is more painful than poverty?  
The pain of poverty itself! (Kural: 1041)

The demon of poverty takes away  
The joys of this life and the next. (Kural: 1042)

A poor man's words carry no weight,  
However meaningful and profound. (Kural: 1046)

One may sleep even in the midst of fire,  
But by no means in the midst of poverty. (Kural: 1049)

That misery called poverty brings with it  
A diversity of sufferings. (Kural: 1045)

Thiruvalluvar does not stop with portraying only the issues of poverty, he calls for humane response from the fellow human beings. The following couplets enlighten us on what is to be done to alleviate poverty and hunger.

To give the poor is charity  
The rest is loan and vanity. (Kural: 221)

All the wealth that toils give  
Is meant to serve those who deserve. (Kural: 212)

Duty demands nothing in turn;  
How can the world recompense rain? (Kural: 211)

The wealth of a wise philanthropist  
Is a village pool ever full. (Kural: 215)

Those known for their duty will not slacken to help  
Even during times of poverty. (Kural: 218)

Strong is the strength of enduring hunger,  
But stronger still is the strength of relieving it. (Kural: 225)

Brevity is the soul of wit. Thirukkural is brief and to the point. Though written 2000 years ago, the views expressed in the couplets by Thiruvalluvar, a Tamil sage poet are still relevant today. There is hardly any subject, be it Virtue, Wealth or Love, which Thiruvalluvar has left untouched. He has condensed a world of thoughts in each of the 1330 couplets. The wisdom of the Thirukkural's is universal and it has been translated in over 60 languages of the world.

The picture on the opposite page signifies the role of every person, either rich or poor in relieving the hunger and poverty of fellow human beings.

