

Professional Assistance for Development Action (PRADAN)

Annual Report 2007-08

Overview and highlights of the year

PRADAN worked with over 1,42,000 families during the year, up from 1,13,000 of year 2006-07 achieving 26% annual growth in outreach. We have worked in 3,408 villages, 364 more villages compared to the year before. This was the first year of the five-year perspective plan prepared following the “Vision 2015” exercise and we have achieved the outreach target of the first year. The increased confidence has allowed us to plan for an outreach of more than two lakh families by the end of the next financial year, which if achieved, will surpass our second year plan target of 184,000 families. In line with our emphasis to reach areas which are even poorer, we have set up new activity locations in Gaya, Nalanda of Bihar and Balaghat, Mandla of Madhya Pradesh. The team at Dhamtari has initiated activities in adjoining Kanker district (a part of the erstwhile undivided Bastar of Chhattisgarh). From Kandhamal we have also approached Kalahandi of Orissa. In Rajasthan there has been consolidation of work and re-organisation, aligning with the Rajasthan Perspective Plan 2012. Our Work in Alwar has been handed over to an independent organization formed and led by an experienced PRADAN Professional. In Dausa we have phased out our work after fulfilling commitments. Explorations have started in the tribal populated poorer areas of South Rajasthan to initiate action in the coming year.

We have involved ourselves in implementation of NREGA¹ in several locations across states. The pilot project sponsored by the Ministry of Rural Development, Government of India to demonstrate PRADAN’s INRM² approach with NREGA investments was implemented in Mayurbhanj, Kandhamal districts of Orissa, Khunti and Dumka of Jharkhand, Raigarh in Chhattisgarh. The pilot helped open up new space for our engagement with Panchayats and gave insights on NREGA functioning on the ground. A significant initiation has been made in Madhya Pradesh towards partnering with NGOs for joint action at the grassroots. In the “Vision 2015” process we considered actions through partnership with other actors as an important strategy for growth.

We worked with more than 10,000 families demonstrating paddy cultivation through SRI³ method. In Bihar the pilot with Bihar Rural Livelihoods Project (BRLP/Jeevika) to demonstrate SRI has given excellent results with 78% participating families getting paddy yield of 7 tons per hectare or more, the highest being 16.5 tons. A significant breakthrough has been achieved in Lac cultivation at Khunti. *Kusmi* variety of Lac (the more remunerative among the two varieties) could be cultivated by raising plantations of *Semialata*, a shrub. This will bring more predictable yield, greatly shorten the gestation period, accelerate fallow upland utilization through lac cultivation and enhance cash income of the small-holder cultivator.

MASUTA Ltd., the tasar yarn producers’ company fostered by PRADAN has promoted two joint venture companies - one with an entrepreneur for marketing of tasar yarn based fabric and other, with the Jharkhand Government owned “*Jharcraft*” for procuring and year-round supply of cocoon to tasar reelers and spinners. MASUTA has become the largest player in the Tasar yarn market of India. A vastly improved motorized tasar reeling machine, developed by Anna Marie Mink of the Delft University of Technology has reached the stage of replication. This has the

¹ National Rural Employment Guarantee Act

² Integrated Natural Resource Management

³ System of Rice Intensification

potential of enhancing yarn production efficiency up to 400% and will significantly increase the income of reelers.

We conducted a four-phase programme for Case Writing and Case Teaching for 42 participants this year. Through this programme we have developed 49 cases which could be used by the people in the sector, management institutions apart from being internally used by PRADAN. This programme has also produced 32 teachers in the case teaching methodology. We have initiated an exchange programme in collaboration with “SHARE People” of Netherlands where mid career executives (Team Leaders) of PRADAN will visit Netherlands to expose them to different work culture and models of business. There has been a three year contract with SHARE People for this exchange programme.

While the producer company legislation opened up a new opportunity for collectives of small producers, it is going through various trials and tribulations. We organised a Workshop on Producer Companies under the aegis of the National Resource Centre on Livelihoods which is hosted by PRADAN. Various livelihood practitioners and other interested stakeholders came together to understand the state of the art of producer companies and also to listen from them about issues, opportunities and challenges. Subsequent to the workshop, a working group on Producer Companies has been formed with Mr. Nitin Desai, ex-Chief Economic Advisor to the GOI as the Chairperson. The working group will look at the producer company legislation closely and suggest ways to strengthen the Act.

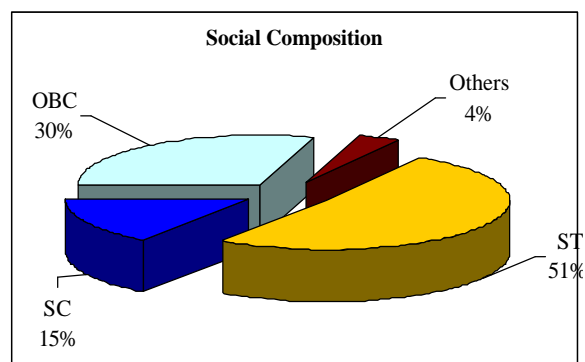
Outreach

PRADAN now works with 1, 42,620 households in over 3,408 villages. We have presence in 97 Community Development Blocks of 38 districts across the States of Bihar, Chhattisgarh, Jharkhand, Madhya Pradesh, Orissa, Rajasthan and West Bengal. A majority of these districts are among the 150 poorest districts in the country. Nearly all outreach is through women’s Self Help Groups (SHGs). More than half of the families we work with belong to Scheduled Tribes and all are from socio-economically disadvantaged sections of the society.

We set up new teams in Gaya district of Bihar and Balaghat district of Madhya Pradesh during of this year. Gaya team has worked with small-holder farmers in Gaya and Nalanda districts demonstrating and extending the SRI technology of paddy production. Support for this was available from Bihar Rural Livelihoods Project (Jeevika). In Balaghat, we have started working both directly as well as in partnership with other NGOs to promote SHGs and livelihoods of their family members. Support for this work will be available from Tejaswini Project sponsored by the IFAD. We have also reached Kalahandi (Orissa), Mandla (Madhya Pradesh) and Kanker (Chhattisgarh) districts by extending from teams working in the adjoining districts. In Rajasthan there has been consolidation of work and re-organisation, aligning with the Rajasthan Perspective Plan 2012. The team in Alwar has transformed into an independent organization led by an experienced PRADAN Professional and we have phased out from Dausa after fulfilling commitments. Explorations have started in the tribal populated poorer areas of South Rajasthan to initiate action in the coming year.

Table 1: Outreach

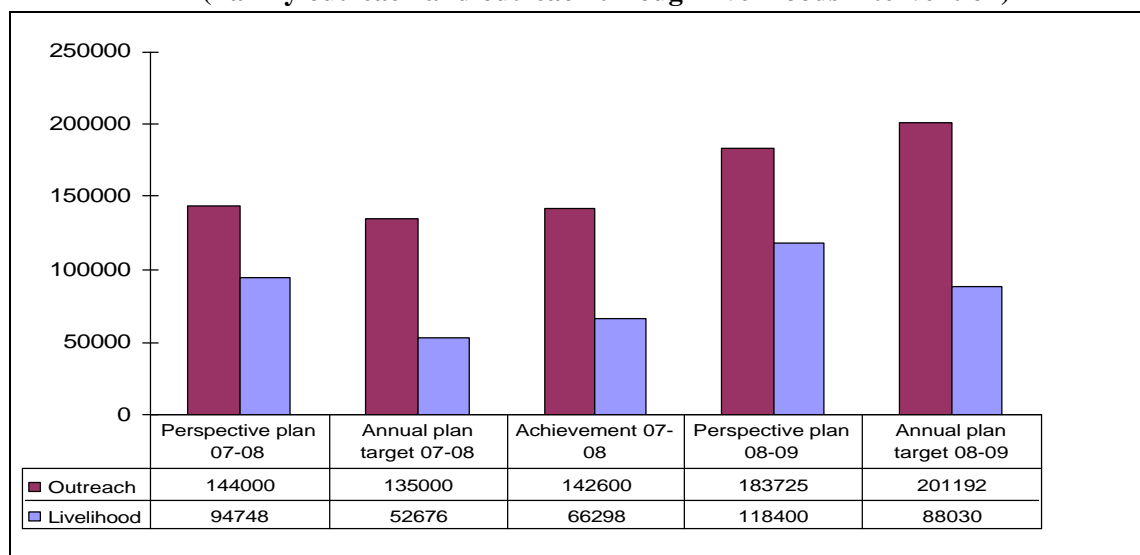
	March 2007	March 2008
Number of Project Villages	3,044	3408
Number of Blocks	89	97
Number of Districts	27	38
Number of Households	112,900	142,620



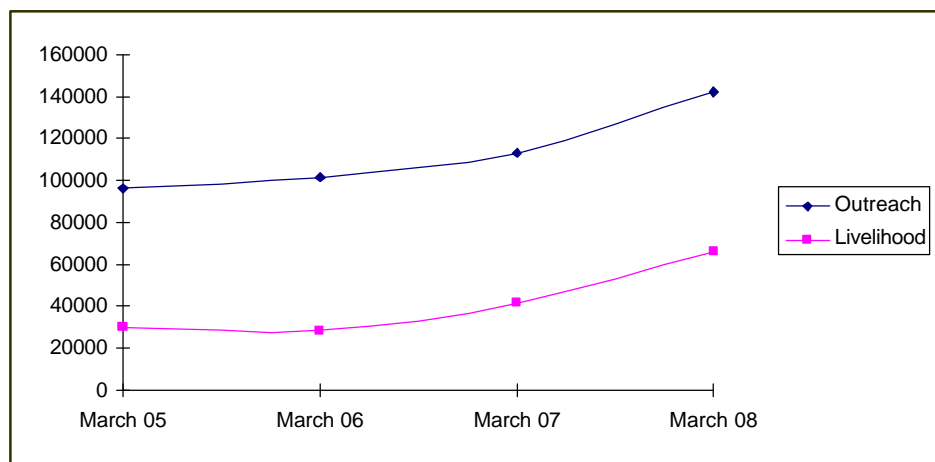
In the annual plan of 2007-08 we had targeted an outreach of 135,000 families by year-end. The plan of operations under the five-year perspective plan (2007-2012) which was finalised soon thereafter stretched the target to 144,000 families. We have achieved an outreach of 142,600 families by March 2008, achieving the perspective plan target of the first year and an annual growth of 26% in outreach. The increased confidence has allowed us to plan for an outreach of 201,192 families by the end of the next financial year, which if achieved, will surpass our second year plan target of 183,700 families. However, for livelihoods intervention, even though we exceeded the annual plan targets for families we could not realize our ambition as planned for the first year of the perspective plan. Mobilization of additional families to increase outreach and spreading out to new areas did take away time from livelihoods intervention.

Plans versus Achievement

(Family outreach and outreach through livelihoods intervention)



Growth in outreach and livelihoods intervention over the last three years (In terms of number of families reached)



The SHG Programme

PRADAN organizes women from poor households into self-help groups around savings and credit. Mature groups are enabled to get access to bank credit and may also be linked to suitable poverty alleviation programmes of the government for financial assistance. The SHG is the base for promoting sectoral livelihood activities, beginning with exposure to such programmes nearby and livelihood planning exercises conducted with groups.

The number of SHGs increased to 8,983 this year. There was a net addition of 1,471 SHGs and 16,755 families over the previous year. More and more teams promoted informal tertiary organizations or federations of SHGs. These federations are performing various non-financial roles like taking up rights and entitlement issues, engagement and supervision of service providers including computer *munshis*, peer-learning exercises and networking with the external stake-holders.

In many teams SHG leaders are being trained to open new groups. The results of effort will be visible in the next year. In most teams a cadre of community resource persons (CRPs) is being promoted to support, nurture and groom the SHGs. In addition they are taking up roles in wider issues of gender inequity, rights and entitlements, etc. For example, in West Singhbhum district a pool of 22 CRPs was created through a series of training. These persons are essentially responsible SHG members, displayed concern for women and society and have acceptance in the community. Also they are articulate and have natural leadership qualities. Out of these 22 members, 18 are actively involved with around 210 groups. The team also conducted systematic trainings of cluster representatives and elected group members on gender orientation and legal awareness. This has led to many groups taking initiatives for handling social issues.

Various initiatives to address broader well-being issues of the SHG members, as mentioned in last year's annual report, continued and expanded during the year.

Table 2: The SHG Programme

Particulars	2007-08	2006-07
Outreach: (31st March 08)		
Number of SHGs	8,983	7,512
Number of members (all women)	122,845	106,090
Cluster associations	526	494
Financials:		
Net owned funds (Rs lakh) (Cumulative)	3,025.6	2,454.0
Net own funds (Additional during the period)	571.6	727.0
Internal credit disbursed (Rs lakh,)	1,306	1,131.0
Number of bank linkages	3,060	2,276
Bank credit mobilised (Rs lakh)	532.3	794.0

Livelihood Interventions:

In most cases PRADAN's engagement with rural communities at the grassroots starts with organization women into SHGs. Over the years supporting SHG members make a medium term livelihood plan has emerged as an important intervention. The livelihood planning is dove tailed into the current activities of the SHGs. The planning event helps in integration of the individual family needs with the potential of existing resources and leveraging the sectoral possibilities. Further, the need for convergence of various sectoral activities at the household level for maximum sustainable impact highlighted by on-going reviews and critique of our work has further reinforced the importance of livelihood planning. Most teams now carry out livelihood planning exercises with SHG members before initiating sectoral livelihood interventions.

Table 3: Status of Livelihood Planning with SHG Members, 2007-08

No. of SHG where livelihood planning was done during 07-08	2,023
No. of SHG where livelihood planning was done up to March 08	3,687
SHG Members participating in PRADAN promoted Livelihood programme During 07-08	34,764
SHG Members participating in PRADAN promoted Livelihood programme up to March 08	57,674

We continued with the two broad livelihood streams, namely, enhancing productivity of natural resources and promoting home-based micro-enterprises. Income enhancement (rather than expenditure reduction) remains the main focus of our programmes. The natural resource programme comprises of agriculture, horticulture and other tree-based activities, livestock rearing, small-scale irrigation and watershed development. Micro-enterprises are promoted in poultry, tasar silk processing, rearing and processing of mulberry silk and cultivation of mushrooms. Enhancing productivity, mobilizing investments to create productive assets, building people's capabilities, setting up services and building people's organisations are the key components of our livelihood programmes.

Livelihoods of the poor in the geographical area of our work predominantly revolve around natural resources. Farming is the primary occupation of a large majority of families we presently work with as well as those who we would work with in our future expansion plans. Most of such

areas are also ecologically fragile. Integrated natural resource management (INRM) to promote livelihoods therefore assumes great significance. While some of the PRADAN teams have already been practicing the INRM approach for the past few years, we decided to spread it across the organisation. In each location families will be facilitated to harness the natural resources emphasizing on land husbandry and using a farming system approach to enhance their livelihoods. Natural resources will be utilized in a way that it meets with family's needs, aspirations on one hand and considerations of the economic sub-sector on the other. During the last year, we have strengthened our internal systems and structures to adopt INRM approach across locations. A number of teams have made local level demonstrations and created pilots for expansion.

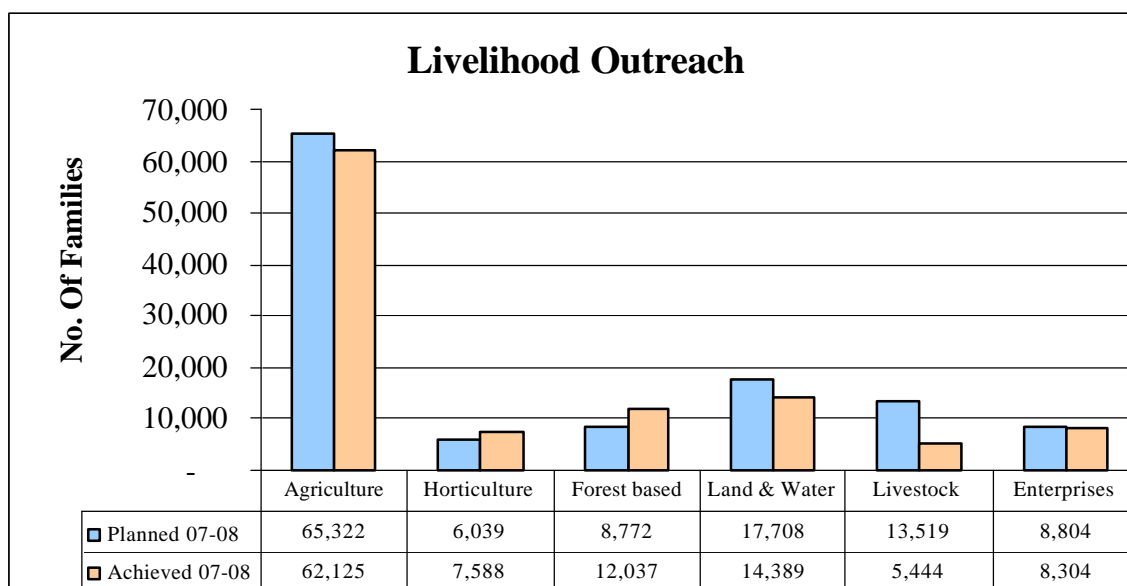


Table 4: Outreach of Livelihood Programmes

Programme	Participating Families*	
	2006-07	2005-06
Agriculture	36,522	31,376
Horticulture	5,442	2,615
Tree and Forest Based activities	7,792	8,698
Land and water development	10,155	7,813
Livestock	6,554	6,385
Micro-enterprises	7,692	7,174

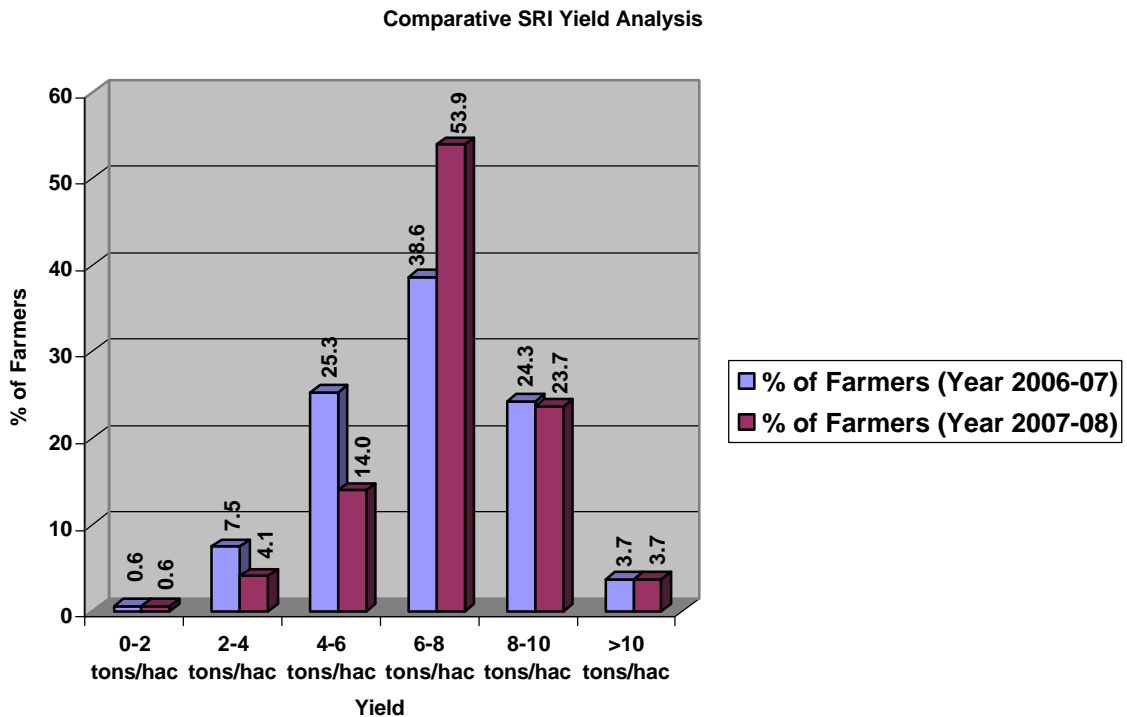
* Families overlap across activities, hence not totalled.

Agriculture-based Livelihoods:

The agriculture based livelihood programme has the widest coverage as it is the principal source of rural livelihoods. The programme comprises of increasing productivity of main crops, especially paddy and diversification into other crops and vegetables. Overall, outreach was increased across all programme segments.

Sixteen teams extended paddy cultivation through SRI method. 10,577 families were helped to cultivate paddy through SRI method in 1,098 hectares. The performance has been highly encouraging in all locations.

We collected SRI and conventional paddy yield data of 786 farmers in Purulia (20% random sample from the participant families).



On doing a comparative Year-to-Year yield analysis the data shows that approximately 54% of the farmers have attained yields in the range of 6-8tons/hectare. This is a major achievement as the movement vis-à-vis last year is an increase of 15.3%. This speaks that the technology of SRI under rain fed conditions has been fairly standardized. Also though we have increased the number of farmers by 142% and the area coverage by 123%, the technology has been sufficiently simplified for adaptation to local conditions and also the extension and technology delivery mechanism made very robust that we could give such high yields to even the new farmers. Thus such yields are attainable by most of our resource poor farmers. The percentage of farmers achieving yields beyond 8 tons/hectare is more or less constant at around 28%.

An emerging concern was that yields dropped for the old farmers – an apprehension as reported by them in village meetings. On tracking the yields for old farmers practicing SRI and comparing that with new farmers, we found that the movement is within the band of 6.5 tons/hectare to 8.5 tons/hectare. So though immediately there is no concern for a sharp drop in yields, we have to

work on introducing green manuring. This year though we grew *Dhaincha* (*Sesbania*), most of it was for seed multiplication. Even that did not succeed well because the crop was destroyed by heavy showers.

In Jharkhand, the yield data shows:

- 21% participants got productivity enhancement between 25%-50%;
- 74% participants got productivity enhancement between 50% and 75% and
- 27% participants got productivity enhancement of over 100%.

Table 5 below summarize the progress made in the agriculture programme.

Table 5: Progress of Agriculture Programme

	2006-07		2007-08	
	Families Worked with	Area (Ha)	Families Worked with	Area (Ha)
<i>Kharif</i> Field Crops (Paddy, Soybean, etc.)	21,293	5,989	32,451	6,821
<i>Rabi</i> Field Crops (Wheat, Gram, etc.)	1,979	516	3,459	779
<i>Kharif</i> Vegetables	8,262	367	12,817	743
<i>Rabi</i> Vegetables	4,988	201	13,398	762
Total	36,522	7,073	62,125	9,105

Horticulture Development:

Horticulture, farm forestry and plantations are now being promoted by a large number of teams. This is providing the best scope for farm diversification and now is an essential component of sustainable strategies for managing natural resources and enhancing rural livelihoods in this undulating and hilly region with limited irrigation potential. We have taken up fruit tree plantation programmes in Keonjhar, Godda, Gumla, Lohardaga, Khunti, West Singhbhum, Purulia, Bankura, Kesla, Dindori, Sidhi and Alwar. In Madhya Pradesh the activity has given good results though the numbers are small. In Kesla and Dindori mulberry sericulture as a livelihood option is gaining community acceptance. Mulberry host plants have been planted on about 93 Hectares of land. PRADAN is raising finance from the department of sericulture of the Government of M.P. for this programme.

Table 6: Progress of Horticulture Programme

Particulars	2006-07		2007-08	
	Families	Area (Ha)	Families	Area (Ha)
Fruit Trees	3,659	789	5,513	1,266
Tasar host plantation	1,614	662	1,789	1,265
Mulberry plantation	169	52	286	93
	5,442	1503	7,588	2,624

Irrigation and Watershed Development:

During the reporting period, several teams took up a variety of land and water development activities under available programmes. A majority of the activities were around installation of small-scale irrigation facilities, creation of water harvesting structures and land development through bunding, leveling and terracing. In Jharkhand, most of this was financed through various government programmes, mainly funds raised from the Jharkhand Government under the Special Central Assistance (SCA) and the IFAD-aided Integrated Tribal Development Programme. NABARD is also funding watershed development in Petarbar, Bokaro, West Singhbhum and Banka districts. In West Bengal apart from the Special SGSY Project; investments have mobilized from other Centrally Sponsored Schemes like RSVY, NREGA. In Madhya Pradesh MPRLP and NREGA have provided investments. In Rajasthan the activities are being done within a watershed project financed under a collaborative project with SRF Ltd, and ITC's *Sunhera Kal*.

Forest-based Activities:

Tasar sericulture and Lac cultivation were the main forest based interventions taken up. In tasar sericulture we worked with over 3,700 seed crop rearers and promoted 230 grainages for supply of DFLs⁴ for the commercial crop. Over 10.4 Lakh DFLs were produced exceeding the total requirement of the project. About 80,000 DFLs were sold to various states sericulture boards and other NGOs. In the last 2-3 years the project was suffering due to unavailability of commercial DFLs because of short supply of Basic Seed from Central Silk Board (CSB). This year we trained our grainage entrepreneurs in the production of basic seed. They successfully produced over 1.82 Lakh basic seed DFLs. This was the first time in the country that this was produced outside the labs of the CSB. The results were very good as will be evident from the text box along side.

Particulars

- Preservation loss < 3%
- Fecundity 230-260
- Pebrine % in Basic seed 3.8 - 5
- Hatching Percentage 80 – 95
- Cocoon : DFL 3.8 – 4.7
- Pebrine % in Commercial Grainage 5 - 20

Table 7: Performance of Tasar Silk Rearing

	2007-08	2006-07
Arjuna Plantation Maintained (Ha)	1,265	662
No. Of Grainages	247	193
Seed Cocoons Produced ('000)	4,364	3,484
DFLs Produced ('000)	979	582
Commercial Cocoons Produced (million)	45.1	26.8

The lac programme supported by the Planning Commission's innovative project developed by us, is being taken on a larger scale. A total of 2,946 families participated in the intervention. 32 Tons of Brood lac were inoculated. Last year's experience was quite good and this year the Khunti team has diversified the lac intervention to various production cycles – *Kusmi* variety on *Kusum* trees and *Ber* trees, *Kusmi* variety of *Semialata* (experiment on previous year's plant), two cycles of *Rangeeni* variety on *Ber* trees, and production of brood by the farmers for their self use.

⁴ Disease Free Layings of Tasar moth

Further, the team is providing only training to the families who were practicing for the last 3-4 years. Improved cultivation is now done by farmers themselves without any on-field guidance or input subsidy. Experienced executives from Khunti team also invested considerable energy to introduce lac activity in many places within PRADAN like Bankura & Purulia in W. Bengal, East Singhbhum, Dumka, Godda, West Singhbhum as well as some locations outside PRADAN e.g. though LAMPS at Latehar district and other pockets of Khunti district (Jharkhand). A significant breakthrough has been achieved in Lac cultivation at Khunti. *Kusmi* variety of Lac (the more remunerative among the two varieties) could be cultivated by raising plantations of *Semialata*, a shrub. This will bring more predictable yield, greatly shorten the gestation period, accelerate fallow upland utilization through lac cultivation and enhance cash income of the small-holder cultivator. From 15-20 decimals of land a family can earn Rs. 12,000 to Rs. 15,000 in one crop cycle. This year Siundar Pahan from Chitramu village in Khunti sadar block earned Rs. 16,500 from 12 cents of land. The conversion ration is 1: 4. Further, production of *Kusmi* variety on Ber trees (which is a traditional host for the *Rangeeni* variety) has also become quite predictable and conversion ratio is 1: 6 which is much higher than the 1:4 for *Rangeeni*.

Table 8 below summarizes the progress made around forest based livelihoods.

Table 8: Outreach through Forest-based Livelihoods

	2006-07	2007-08
Particulars	Families	
Tasar sericulture	4,436	6,270
Lac cultivation	2,107	3,004
Farm Forestry	1,249	2,763
Total	7,792	12,037

Livestock-based Programme:

Our intervention in livestock based livelihoods has focused on dairy and goat rearing mainly. Family coverage has been less than the planned target of the year. The lower achievement has been due to phasing out from Dausa which accounts for 978 families in dairy and goat. In Dholpur, team decided to withdraw from direct engagement with milk procurement. The procurement centres were handed over to Mother Dairy. This was done due to the general increase of the local milk procurement rates of all players from Rs. 8-9 per litre to about Rs. 13-15 per litre after Mother Dairy started procuring milk following and MOU with us. Marketing of milk no longer being a key problem area the team is now focusing on training & capacity building of families around productivity enhancement issues and creating a local cadre for veterinary care, animal management and input distribution services Both dairy and goat rearing have been integrated with SHG work and the hosting of community based service providers, animal insurance services are managed by *Saheli Sangathan*.

In Jharkhand four PRADAN teams are now implementing dairy development programmes.

The key interventions include:

- quality cattle induction,
- training and capacity building of the woman in the participating family,
- veterinary care, both preventive and curative,
- supply of balanced feed and
- marketing support

During the period energy was spent in expanding dairy to Godda and Deoghar teams. This is being supported by funds from the tribal welfare department. The Lohardaga team spent a lot of time reorganizing the activity after the disruption created by a local politician in this activity in a few villages last year. The participating women were organised into small peer groups which discuss productivity issues, best practices and run and monitor the input supply and milk marketing systems. Staff members visited Valsad dairy in Gujarat to have an understanding of the systems and processes for running a large dairy enterprise. Community resource persons were also sent for training to Valsad. Some senior staff from Valsad dairy will come to the project locations to help set up systems. During the year negotiations with the state government to make dairying sufficiently remunerative for the community yielded results. The milk prices were increased and most families are getting more than Rs. 12 per litre. The animal husbandry department has revised the prototypes for supporting poor families in taking up dairy as a source of livelihood. Now the total outlay in the schemes including the grant component has been enhanced. However, towards the end of the year change in the animal husbandry department head has led to a slow-down of the pace of work in this front.

In Banspal of Keonjhar, a very poor area, medicine, vaccines and paravet services for goat rearing are provided through Banspal Krushi Samiti. The services include veterinary services – weekly health check-up and awareness building at hamlet level, provision of medicines at door step, routine vaccination of PPR and enterotoxaemia and de-worming. In Kandhamal too, a similar approach is followed for promoting improved goat rearing. In Sironj, an informal group *Sanjeevani* provides the services.

Consolidated progress summary of livestock activities is tabulated below.

Table 9: Consolidated Progress Summary of Livestock Activities

Particulars	2007-08		2006-07	
	Families Served	Output	Families Served	Output
Dairy	2,397	4,940 Kilo Litres of Milk	3,858	1,358 Kilo Litres of Milk
Goat rearing	1,952	102 Tons of Live meat	2,331	77.7 Tons of Live weight
Small scale fish rearing	1,095	22 Tons of fish	365	7 Tons of Fish
Total	5,444		6,554	

Micro-enterprises:

Small-holder Broiler Poultry Rearing:

In the last year poultry expanded to one new location viz. Keonjhar, and in other locations new producers were added. The funds for expansion now entirely come from local sources. The outreach and performance was affected by outbreak of bird flu in January 2008. In spite of that, poultry production doubled this year compared to year 2006-07. In all the cooperatives focus during the year was on building membership and governance. Many training programs and exposure visits were organised. Work has been initiated on a detailed operating systems manual for the poultry cooperatives and will be available for use in the coming year. A major issue faced by the co-operatives was access to working capital. The key constraint is the small equity base. Added to that was the fear of the financial sector to finance poultry in view of repeated bird flu

outbreaks. Efforts were made to increase the equity base by peoples' own contribution and support from donors. In many places members have subscribed more share capital. The MoRD, GOI has also contributed about Rs. 14 lakh as grants to poultry producers in Jharkhand for increasing the share capital. Additional support of about Rs. 40 lakh is expected in 2008-09.

The Tasar Yarn Production based livelihood programme

The tasar yarn production activity was organised into a two tier institutional arrangement in 2006. The spinning and reeling groups have been registered as Mutual Benefit Trust (MBTs) and the marketing and fabric manufacture have been organised under Producer Company (MASUTA Limited). The company took over the business part of the post cocoon activity from 1st April 2006. A senior PRADAN staff person has been deputed to the Company to handle the management roles. On the production front there has been a significant jump in the yarn production. MASUTA has become the largest player in the Tasar yarn market of India. A vastly improved motorized tasar reeling machine, developed by Anna Marie Mink of the Delft University of Technology has reached the stage of replication. This has the potential of enhancing yarn production efficiency up to 400% and will significantly increase the income of reelers. MASUTA Ltd. has promoted two joint venture companies - one with an entrepreneur for marketing of tasar yarn based fabric and other with the Jharkhand Government owned “*Jharcraft*” for procuring and supply cocoons to spinners and reelers for yarn making. This will cater both to government supported and PRADAN promoted spinning & reeling groups.

In Kandhamal, the Siali leaf-plate co-operative got registered and increased its membership to 410. Total turnover was Rs 28.2 lakh.

Progress in Micro-enterprise Development is in the following table:

Table 10: Micro-enterprises

	2006-07		2007-08	
	Families Worked with	Output	Families Worked with	Output
Poultry	2,809	1,789 Tons of Live Birds	4,131	3521 Tons of Live Birds
Tasar Yarn	1,894	10 Tons of Yarn	2,557	13.5 tons of Yarn
Leaf-plate making	250	8 Tons of Plates	400	25 tons of Plates
Vermi composting	1,362	292 Tons of Compost	1,056	955 Tons of Compost
Mushroom production	117	2.5 Ton of Dry Mushroom	160	2 tons of Dry Mushroom
Total	6,432⁵		8,304	

⁵ Eri cultivation and petty-trading have been taken off the list of micro-enterprises promoted by PRADAN. While petty-trading is still an important and growing endeavour by members with credit from their SHGs, there is no additional intervention by PRADAN to support this activity. Eri cultivation was experimented during the last year without positive results. Hence, we did not pursue this activity this year.

PRADAN's Involvement with National Rural Employment Guarantee Programme (NREGP)

We have involved ourselves in implementation of NREGP in several locations across states. We also implemented a pilot project for the Ministry of Rural Development, Government of India. MoRD through United Nations Development Programme (UNDP). The pilot project aimed at capacity building of Gram Panchayats (GPs) in planning and implementing INRM activities under NREGA. This project was for six months from October 2007 to March 2008 to be implemented in 10 selected GPs of each of the following five districts: Khunti and Dumka of Jharkhand, Mayurbhanj and Kandhamal of Orissa and Raigarh of Chhattisgarh. Poverty, prior social mobilization by PRADAN, and opportunities for natural resource base livelihood promotion for poor were the criteria for the selection of GPs.

Outcomes of the project:

There are significant outcomes at the level of households, community and panchayat levels as far as awareness on NREGA is concerned. But it needs some more time to ensure NREGA workers' full employment and livelihood asset creation. Some of the outcomes, which show that the movement has begun, are outlined below.

- Many personnel at district, block and GP level have been able to appreciate the INRM approach for livelihood asset creation for poor under NREGA.
- Awareness of Gramsabha members on their privileges under NREGA and INRM based livelihood generation activities have remarkably gone up which is quite evident from the kind of actions they are taking to claim what they deserve.
- Attendance in gramsabha meeting has considerably increased to ensure participatory planning and transparent practices.
- People at the hamlet level are now more organised to make them heard by the administration.
- All the villages have at least two LRPs to support the villagers in understanding rules and regulations and claiming rights accordingly. The LRPs are helping them in the paper work too.
- Ward members now know their roles and responsibilities and are taking interest in gramsabha planning. The villagers are willing to include them in the decision making process as well.
- Now people are not only planning for tanks and roads, but also plantation, land leveling, soil-moisture conservation works, diversion channels, small farm ponds and so on to ensure better return from their lands.
- Job applications are not encouraged now due to a fear for payment of unemployment allowance. Now people are pressurizing the Panchayats to receive their job applications as well as pay unemployment allowance on failure of providing jobs in the specific time. People are also demanding for proper wages, proper record keeping and the explicit worksite facilities.
- People are keeping their job-cards with themselves and demanding proper entry in them.
- Overall employment under NREGA has increased but it is yet to reach the level of 100 days employment for all households. However, if the gramsabha plans, developed during this project, are executed, the job demand of all households would be fulfilled.

Lessons for NREGA processes

1. It is difficult to ensure everybody's participation while carrying out the Gram Sabha planning at the larger village level. Participatory planning exercises are best carried out at the hamlet level. Under NREGA too this may be considered and the hamlet level plans may be consolidated at the Panchayat level by the Sarpanch with due participation of VLW, ward members and representatives from each hamlet.
2. For every work sanctioned under the Scheme, there is supposed to be a local Vigilance and Monitoring Committee, to monitor the progress and quality of work while it is in progress and ensure attendance in Gram Sabha meetings. However, in reality villagers do not get to know about the Gram Sabha meetings and hence such meetings are conducted with very low participation. So the vigilance committees get selected by the Panchayat officials rather than the Gram Sabha and have become ineffective. The vigilance committee members must be chosen by the Gram Sabha and must report to the Gram Sabha.
3. Payment through bank account seems to be the only way out for ensuring full payment. However, it is done only in some places in Orissa. Again all the villagers do not have access to banks and they find it cumbersome to deal with post offices. So the banks may be taken on board to address the matter by having periodic extension counters in the interior areas.
4. To ensure people their rights under NREGA the Panchayat offices need to open regularly and they should have all the forms available there. Presently these offices open intermittently and villagers are made to run around a lot even to claim what is due to them.
5. Social audit needs to be strengthened on a priority basis to bring transparency in the practices. It is not yet done in the area of this pilot project. Grievances of the community are inadequately heard and attended to.
6. Sarpanch and ward members complain against their low wages in relation to their workload. They cite this as a major concern for not being able to help people.
7. By looking at the experience with training local community resource persons (LRP), we strongly feel that building such cadre of people in every Panchayat is mandatory to help people on a routine basis. Orissa has recently come up with a concept of having *Gaonsathi*, but their capacity is yet to be built for playing the expected role.
8. The major learning from the pilot project is that investments need to be made in an effective manner to raise community's awareness about the Act and their entitlements. Then they are able to demand their rights and entitlements.
9. At every level we experienced that the officials needed more clarity on the kind of activities to be executed, on whose land they might be executed, what could be the limit of investment per person and the like. For smooth execution of works demanded by the community this needs urgent attention by the state. Learning about INRM activities raised people's expectation for productive assets but they remained uncertain about their execution.
10. Sufficient fund availability at *panchayat* level to provide 100 days employment to all interested job-card holders is a problem everywhere. Receiving job demands and issuing receipts to workers was also a problem. Lack of funds, administrative delay in releasing execution order and fear of payment of unemployment allowance were mostly cited as the reasons for this.

District Planning Exercises:

Planning commission and the Ministry of Panchayati Raj initiated a process this year to make the eleventh five year plan reflect the expectations and aspirations of people through participatory district plans. They selected a few professional institutions and asked the states to engage them for providing professional support in preparing of these district plans. On invitation from the Planning Commission, we agreed to support for district plan preparation in Purulia and Bankura

districts of West Bengal, West Singhbhum and Khunti districts of Jharkhand, Kanker and Raigarh of Chhattisgarh and Kandhamal, Mayurbhanj districts of Orissa. However, because of delays in initiating the process by the district administrations work could be completed only in Kanker and Bankura districts. In other districts, the process is about to begin.

In both Kanker and Bankura, we started with the district level workshops, where the district and block level officials participated. A common understanding was developed on the vision for the district, strategies to realize the vision, planning process and the timetable. Block level consultations were also organised to orient the block and panchayat level officials who carried out the participatory planning exercises in different Panchayats. We demonstrated the approach in a few Panchayats and then the teams of officials pursued it in rest of the Panchayats. Panchayat wise plans were collated at block and district levels and matched with the resources available under different government programmes. We then prepared the draft district plans by accessing different information on the district and presented them to the district planning committees for feedback. We worked on the feedback and submitted the final plans with the districts for approval. The whole exercise took three to four months' time.

Resource Mobilization:

As in previous years, we mobilized significant financial resources to enable poor people create or acquire livelihood assets and sustain production. Various government programmes continued to be the single largest source of livelihood finance, followed by people's resources (including credit from SHGs) and credit from banks. Credit from own savings in SHGs contributes significantly, especially towards on-going subsistence activities and to meet contingencies. SHGs are able to leverage significant sums from commercial banks. Government contribution for livelihood investments, either through PRADAN or received by people's group's directly is the largest source of development finance.

PRADAN leveraged Rs. 43.35 crore in the reporting year from various sources as against Rs 44.80 crore in the previous year. World bank supported District Poverty Initiative Projects in Rajasthan, Madhya Pradesh and Chattisgarh, ITDP projects and Rashtriya Sam-vikas Yojana in Jharkhand, DFID supported Madhya Pradesh Rural Livelihoods Project were major sources of subsidies and loans. The State Tribal Welfare Commissioner in Jharkhand, NABARD and the IFAD aided Tribal Development Programme supported our programme to develop land and water resources. Funds were also accessed from programmes like NREGS, SGSY etc. Two teams (Alwar, Rajasthan and Rayagada, Orissa) received significant support from corporate bodies i.e. SRF Ltd. and ITC Ltd.

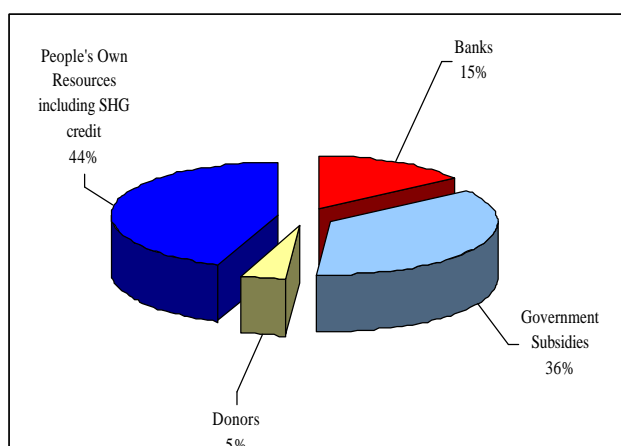
Table 11: Summary of Funds Mobilized for Livelihood Investments, Rs lakh

Programme	Total 2007-08	Banks	Government subsidies	Donors	People's own resources (*)	Total 2006-07
Agriculture	604	111	17	4.7	471.2	387
Horticulture	354	12	258.5	61	22.2	221
Forest-based	171	1.3	70.5	0	99.4	134
Livestock	265	66.4	101.7	64.7	32	854
Micro-enterprises	906	225	460.9	13.3	206.7	898
Land & Water Resource Development	764	0.5	659	52	52.1	712

Programme	Total 2007-08	Banks	Government subsidies	Donors	People's own resources (*)	Total 2006-07
On-going Subsistence Activities	1,271	238	0	0	1,033.3	1,274
Total	4,335	654.2	1567.6	195.7	1,916.9	4,480

(*) Including SHG credit

Year 2007-08



Year 2006-07

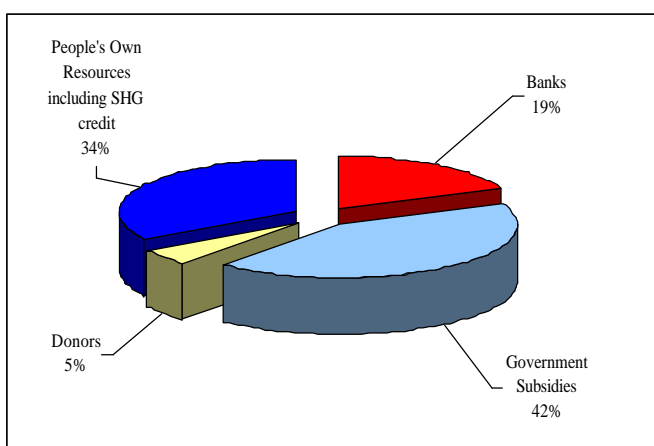


Table 12: Investment of Funds

	Total Apr-March 08	Private Capital Assets	Working Capital	Common Infrastructure	Total Apr 06 - March 07
Agriculture	517	13.55	491.07	12.73	314
Horticulture	342	321.33	14.58	6.20	228
Forest-based	206	64.33	108.73	33.06	137
Livestock	242	102.99	106.51	32.73	659
Micro-enterprises	1,193	553.69	623.23	16.02	1,063
Land & Water Resource Development	715	374.99	39.25	300.31	852
On-going Subsistence Activities	1,272	317.98	953.93	-	2,323
Total	4,487	1,749	2,337	401	5,575
	100%	39%	52%	9%	

Corpus funds of PRADAN were enhanced by Rs. 1.8 crore with contribution by the Ford Foundation and Sir Dorabji Tata Trust.

Community Resource Persons:

In the initial days, when the projects were being set up in locations, we relied exclusively on professionals for establishment and outreach. Strong foundation was needed for the projects.

Intervention prototypes did not emerge; nor were available from external sources. A lot of experimentations were necessary. There was also the important question of building trust between the community and PRADAN professionals. In the second phase of our engagement with community, we groomed and engaged local people as resource in roles that were transactional in nature and had less to do with cognitive transformation of groups and individuals. These tasks were simpler in nature and more tangible. Service providers engaged as group accountants, computer *munshis*, store-keepers, grainage entrepreneurs, activity supervisors developed relevant skills related to activities for livelihood promotion.

In today's scenario, many initiatives have become well-spread, and mature. A large number of women and men from the community have gone through various experiences by being with us, as members of primary groups and larger formations. On the other hand, we are also in a position to convert many of the transformational roles into doable tasks and sub-tasks. In this context, in the last year we emphasized on grooming people from the community who would be performing transformational roles - roles that aim at capacity building of groups and individuals. These roles included promotion of SHGs and other groups and training of individuals. All the teams took initiatives to engage and groom such people.

Nearly 1,500 community resource persons including various technical service providers were working in PRADAN promoted projects during the year, helping individuals and groups. This excludes nearly 6,000 SHG accountants, each responsible for taking care of accounts of a single SHG. While many of them were attached with producers' groups and organisations, the others were monitored and paid directly by PRADAN. We have initiated measures during the last year so that all the community resource persons are governed by community institutions (producers' groups, SHG federations, PRIs etc.) and paid by them. Below is an example of roles played by and compensation system of community resource persons in various sub-locations in one of our teams Viz. Bankura:

Location	Number	Roles	Compensation system
Kashipur	65	Helping and imparting training to SHGs and families in planning and implementing INRM works (WHS, fruit trees, timber, agriculture), promoting SHGs	Paid by PRADN on activity basis
Hirbandh	26		-do-
Saltora	33		-do-
Bankura-I	20		PRI takes care of payment

Table 13: Training Conducted

	<i>Total for livelihood activities</i>	Agriculture	Horticulture	Forest	Land and water	Livestock	Enterprise	SHG
Beneficiary Person-days, Men	104,744	69,590	11,063	8,181	11,126	2,685	2,099	54,930
Beneficiary Person-days, Women	147,157	68,797	10,866	5,004	13,121	8,909	40,460	
Service Provider Person-days	24,001	12,619	1,800	1,049	2,592	1,134	4,807	9,673
Total	275,902	151,006	23,729	14,234	26,839	12,728	47,366	64,603

Human Resource Development

The total staff strength is 464. Of these 175 are executives, 83 are assistants and 83 are Development Apprentices. Another 123 staff is on short-term contracts—providing task-based or technical support to PRADAN’s teams.

Table 14: Human Resources in PRADAN

Particulars	31-Mar-07			31-Mar-08		
	Total	Men	Women	Total	Men	Women
Executives	188	150	38	175*	143	32
Assistants	75	66	9	83	69	14
Apprentices	63	47	16	83	66	17
Total	326	263	63	341	278	63
Technical support	58	56	2	56	52	4
Field Help	66	57	9	67	61	6
Grand Total	450	376	74	464	391	73

* excluding 20 on long leave (our reporting in Mar 07 included people on long leave)

For the first time during this year we could manage to reach our target of bringing in 50 Executives on board PRADAN (56 joined during the year). But there has been a sharp rise in the attrition rate (19% instead of 13% last year). A part of it could be attributed to our effort in counseling executives to resign rather than go on leave in case they have specific plans and as high as 9 Assistants (Finance, Accounts and Administration) left during the period. In this process the net addition of Executives was again very low i.e. 18 (against last years’ 15), as 38 executives left PRADAN during this period. With another 11 executives going on long leave this year (out of 20 mentioned below the table, 9 are old cases), the number of executives, in real terms has increased just by 7 (this had become negative last year). This is an area of serious concern, which we need to address on an urgent basis.

During the year we initiated recruitment of direct Executives in a more systematic way and made 6 offers of which 6 joined this year, although currently we have only 4 of them onboard.

The full curriculum of the revised Apprenticeship Programme was run for the two pilot batches. All the new batches are also following the revised design. A pool of internal and external faculties is identified for Foundation Course I and Foundation Course II. To initiate systematically tracking individual apprentices learning agenda we gathered self inventories from the apprentices to understand what they have learnt and what they have not, so that this could be fed back to the teams to facilitate the Team Leader and Field Guide to help their apprentices in their learning agenda.

We introduced a four-phase programme for Case Writing and Case Teaching for 42 participants. This is a unique programme having implications at three levels:

1. *Building capacity* of our professionals on case writing and case teaching
2. *Building knowledge for the sector* as the end product would be case materials from the field for use across, which are if of good quality may be published by SAGE.
3. *Building institutional capacity*, as through these cases our professional would be teaching internally as well as in other organizations.

Through this programme we have developed 49 cases on development and organizational issues which could be used by the people in the sector, management institutions apart from being internally used by PRADAN. We hope there will be more cases developed during the coming months. This also has produced 32 teachers in the case teaching methodology.

We also had an exchange programme in collaboration with SHARE People of Netherlands where 3 of our mid career executives (Team Leaders) will visit Netherlands in June 2008 to expose them to different work culture and models of business. There has been a three year contract with SHARE People for this exchange programme.

During the year, apart from above we conducted a three phased FGDP, piloted our much needed leadership orientation programme, conducted a brainstorming exercise on PRADAN's model for Peoples' Organizations, conducted the two phase livelihoods training programme and a third round of the Programme on Group Facilitation. The ongoing programmes planned and conducted during the reporting period are given below:

Documentation and Communication:

Documentation:

With some renewed efforts and one more staff member in the Unit we are in the process of putting the NewsReach back on track. A major project accomplished during the year has been the creation of training and communication material on SRI. This is aimed to aid large scale expansion of SRI in projects in the oncoming season. The material consists of a set of posters, banners, a *phad*, a training manual and a guide book. The materials are to be used as communication and training aids by the field staff and local resource persons.

Communication

A new set of films, "Lighting up the Hills" and "Paharon Se Upar" in English and Hindi respectively, have been made on the interventions with the Pahariya community. The film was made with financial assistance from the UNDP and highlights our livelihood interventions, with special emphasis on the health programme. A new project to develop an intra-net for PRADAN has been initiated. The intra-net will be a facility for everyone in the organisation to share and access information. There will also be enhancement on the existing web-site in which a special section will be added targeted at the campuses of academic institutions and reach out to the students.

Policy advocacy

Workshop on Producer Companies: This was a learning even that we organised under the aegis of the National Resource Centre. The objective of the one-day workshop was to bring together various livelihood practitioners and other interested stakeholders, to understand the state of the art of producer companies and also to listen from them about the issues, opportunities and challenges. The workshop was presided over by Dr. Y. K. Alagh and also attended by a number of eminent resource persons. The objective was also to understand as to whether there are issues that require policy advocacy work which then the Centre could take forward.

Subsequent to the Workshop, a working group on Producer Companies has been formed with Mr. Nitin Desai, ex-Chief Economic Advisor to the GOI as the Chairperson. The purpose of the working group is to look at the Producer Company legislation closely and suggest ways to strengthen the Act, in terms of dealing with tax issues, financing issues and any other shortcomings which could impede the producer companies from becoming effective institutions that link poor producers to markets.

Governance:

The Governing Board met thrice this year and the General Body had one meeting.

PRADAN professionals have played a key role in the institution building of PRADAN and achievement of its development task since inception. The involvement increased over the years as our activities grew and we became large in size. Organizational structures were created for systematic involvement of PRADAN professionals of all experience levels and processes were designed to address the tasks more methodically. This year's Annual Retreat, attended by all PRADAN professionals, was devoted to deliberating on grassroots methodology of PRADAN and ways of enhancing the "agency" of groups that we work with. Two Consultative Forum Meetings, attended by Team Leaders and other senior professionals addressed planning, budgeting and reviewing and also deliberated on various internal governance issues. The Executive Committee comprising of the Executive Director and Programme Directors met five times during the year to decide on matters relating to management and internal governance.

Following from the Vision 2015 exercise, a new organizational structure of PRADAN was delineated to address the development challenges of the future. . Among other things, the new structure called for strengthening of group based decision making processes at all levels, initiation of state units led by the State Programme Directors and finding ways so that the de-facto say of the professional staff in the institution building of PRADAN could be converted into a de-jure one. With the consent of and support from PRADAN Board, we have started implementing the new structure and processes in steps. State units have been organised. A State Steering Committee comprising of the State Programme Director, all team leaders of the state and other experienced executives now function in all the states.