

# **Annual Report 2009-10**

Samaj Pragati Sahayog  
Village Jatashankar, Tehsil Bagli, District Dewas  
Madhya Pradesh 455227

## Table of Contents

1. Watershed Development.....	1
1.1 Background Information.....	1
1.2 Work Done.....	6
2. Rainbow Agriculture.....	9
2.1 Screening of New Varieties.....	9
2.2 Database on Crop Performance.....	11
2.3 Seed Distribution.....	17
2.4. Seed Production and Stocks.....	18
2.5 NPM Agricultural Programme.....	18
2.6 Plantation Programme.....	23
2.7 New Directions.....	24
3. Women-Led SHG-Bank Linkage Programme.....	26
3.1. The Road Traversed (2004-2010).....	26
Locations of SHG Programme.....	29
3.2 The Road Ahead: the Next Phase (2011-2015).....	32
3.3. SHG Federations: Governance and Inclusion.....	38
4. Kumbaya.....	41
4.1 Point of Departure.....	41
4.2 The Idea behind Kumbaya.....	42
10. Achievements.....	43
4.4 Production Strategy.....	47
4.5 Training .....	47
4.6 Design.....	48
4.7 Production.....	49
4.8 Management.....	50
4.9. Marketing Strategy.....	50
4.10. A Financial Analysis.....	51
4.11. Social Impact .....	55
4.12. The Failure of Kumbaya at Sanawad: Experiences, Performance, Viability.....	57
5. Right to Food.....	64
5.1 Highlights of Work Done in Bagli and Kannod Tehsils.....	64
5.2 Mid-Day Meal Scheme.....	69
5.3 Integrated Child Development Services (ICDS) Scheme.....	72
5.4 Janani Suraksha Yojana (JSY) .....	75
5.5 Selected Case Studies.....	76
6. Baba Amte Centre for People's Empowerment.....	78
6.1 Training.....	78

Training at BACPE: 1st April 2009 to 31st March 2010.....	<u>78</u>
6.2. National Consortium on National Rural Employment Guarantee Act (NREGA).....	<u>80</u>
6.4 SVO for the Right to Food.....	<u>89</u>
7. Research, Training Material and Policy Initiatives.....	<u>93</u>
7.1 Films and Training Material.....	<u>93</u>
7.2 Revising India's Drylands.....	<u>98</u>
7.3 Publications and Presentations.....	<u>103</u>
7.4 Policy Initiatives.....	<u>104</u>
8. Articles and Papers Published.....	<u>108</u>
Multiplier Accelerator Synergy in NREGA.....	<u>108</u>
UPA's challenge: rural governance reform.....	<u>112</u>
Taking Goals of NREGA-I Forward.....	<u>116</u>
Programming NREGS to Succeed.....	<u>120</u>



Devnaliya 5D2C1A	500	Dhaidi	Shyampura		500	500	
		Garaghati	Mahigoan				
						<b>500</b>	
Borkhalya 5D2C4C	2700	Borkhalya	Borkhalya	Borkhalya	815	815	
			Kharipilya	Borkhalya			
		Raisinghpura	Rooplipura	Raisinghpura	745	745	
			Raisinghpura	Raisinghpura			
		Kavtiapani	Kavtiapani	Kavtiapani	1140	1140	
			Palasi	Kavtiapani			
						<b>2700</b>	
		<b>Total Area Proposed</b>					<b>8029</b>

The proposed watersheds are located in Bagli tehsil which lies in the southern-western portion of Dewas district. The streams originating from these watersheds drain into the Narmada, flowing approximately 30 kms on the south of the area. The northern part of the watersheds is hilly and has elevations ranging from 320m to 500m above MSL, with the elevations of the isolated hillocks rising upto 620m. These hills form part of the chain of Vindhyan hills, which have, in general, an east-west orientation, separating Narmada valley from the Malwa plateau. The area of the proposed watersheds falls in a typical tribal dryland region of India. Average annual rainfall of the area is about 955 mm. 44% of the private land is held by small and marginal farmers who form 73% of the landed population. This is a clear measure of the inequality prevailing in land distribution. As can be seen from the above table, irrigated area as a proportion of cultivated area can go as low as 20% and certainly does not exceed 34%. Several hectares of farm land is of marginal or poor quality which can benefit from treatment.

### **MGNREGA Narmada Samagra Watershed Project**

Under this project we are supporting Gram Panchayats in 3 Milliwatersheds, covering 7 micro-watersheds. The total area covered under this project is 9085 hectares. The table below gives salient features of the villages and watersheds:

<b>MilliWatershed</b>	<b>Micro-Watershed</b>	<b>Villages</b>	<b>Area (ha)</b>
Bavdikheda (5D2C4M)	Bavdikheda	Bavdikheda	1325
	Ratanpur	Ratanpur	1300
Gurarda (5D2C2F)	Patakhal	Nimanpur	1700

		Tantukhedi	
	Potla	Potla	1475
		Biyadad	
	Jojakpura	Jojakpura	500
	Gurarda	Gurarda	1645
		Jamli	
		Birjakhal	
Anandnagar (5D2C2G)	Kandya	Kandya	1140
<b>Total</b>			<b>9025</b>

The average annual rainfall is 922.5mm. The population is predominantly adivasi.

## General Problems of Selected Watersheds

### Crop Failure

The area faces continual crop failure that comes on whenever there is a shortfall in the total quantum of rain. However, even more serious are the gaps in rain even in years when the total rainfall is considered normal. These gaps at crucial periods in the crop growth cycle can prove fatal for the crop. However, through careful water harvesting, in-situ moisture conservation and a drought-proofing strategy of dryland agriculture, these gaps can easily be plugged and the crops saved. That this strategy is both necessary and with potential is clear from the data in the tables above. On the one hand, they show that even today the area averages over 900 mm of rain each year. At the same time, in the last few years there is some evidence of declines in quantum of rain. This only increases the urgency of the strategy we are advocating. It may also be noted that with the construction of mega-dams on the Narmada, the people who live in its catchment areas (as in our area) no longer have a legal right to its water entrapped in the reservoirs of these big dams. So they have no option but to use whatever local water is available.

### Moisture Deficit

Potential Evapo-Transpiration (PET) demand of the region exceeds rainfall in 9 out of 12 months, leaving an annual water deficit of over 540 mm. Rainfall exceeds PET from mid-June to September, which indicates a humid period. For these months when rainfall exceeds PET, it is assumed that a maximum of 101.60mm (for soils with a loamy texture) of the excess is carried forward to the next month as accumulated soil moisture. After the monsoons end, PET exceeds precipitation from mid-October onwards and this accumulated soil moisture gets utilised (moist period). Soils remain dry from mid-November to mid-June (Dry period). The watershed has a growing period of 150 days, between June 20th (when rainfall exceeds 0.5 PET) and mid-November (when accumulated soil moisture is used up). Hence, a second crop is impossible without

irrigation facilities.

### **Adverse Geological Conditions**

The ridge area of all milli watersheds has hills composed of vesicular-amigdaloidal basalts overlying compact basalts. The vesicular-amigdaloidal basalts exhibit sheet jointing while compact basalts have columnar joints. The weathering of this strata produces soils of a gravelly texture. This strata has low storage and low transmissivity. Underlying basalts is a layer of coarse-grained, pink and white coloured and friable calcareous sandstones, with very low induration. This strata has high storage and variable transmissivity characteristics. The sandstone strata is underlain by dolomitic limestones. Dolomitic limestones have a rugged appearance and have low storage and high transmissivity. They have very poor groundwater potential. This area is highly prone to well failures. However, in some parts of Neemkheda and Agra milli watershed, several tubewells have been sunk into this strata which have struck water. These tubewells seem to be tapping either underground channels in the limestone strata itself or the contact between limestones and the compact sandstone strata underlying it.

### **Major Soil Types**

The selected watersheds have fairly deep alluvial deposits along naala banks and valleys, medium deep to deep and well-drained on gentler slopes, shallow on higher slopes and practically absent on steeper slopes where rock outcrops are exposed. Four major soil types are found in the watersheds:

i) *Medium Deep to Shallow Black Soils (kalmat or clayey soils)*. These soils are available in patches in Devnalya, Patpadi, Neemkheda and Borkhalya milli watersheds. The average waterholding capacity of these fine textured soils is high. In some fields, the system of kharif fallow is followed in which unirrigated varieties of wheat and gram are grown with accumulated soil moisture in these soils.

ii) *Mixed Red and Brown Soil (durmat or clay loams)* which are relatively more coarse-textured than *kalmat*. These soils are found in Borkhalya, Neemkheda and Devnalya milli-watersheds.

iii) *Deep and Medium Deep Red Soil (lal mitti or silty and sandy loams)*, mainly associated with acid granites, gneisses, schists and are ferralitic in nature. These are found in abundance in all watersheds, particularly in Patpadi Agra and Borkhalya milli-watersheds.

iii) *Gravelly and Pebbly Soils (murrām)*, which have very low water retention on account of the high proportion of stones and gravel. These are the lightest of all soils available in the watershed. Like red soils, they are found in abundance in all milli watersheds.

### **Water Resources**

Groundwater is the principal backup resource of the watersheds, providing vital life-saving irrigation to farmers. In its current status, this resource is not optimally

utilised. However, as the watersheds are located on a terrain where the occurrence of groundwater is highly unpredictable, there is the danger of both over-exploitation of groundwater as well as well failures. As part of the SDTT-funded programme, we have collaborated with Advanced Center for Water Resources Development and Management (ACWADAM), Pune, to develop sustainable groundwater utilisation plans for the watersheds, through which groundwater development in sites chosen carefully is coupled with recharge measures undertaken on a significant scale. A number of villagers intended to invest in excavating new wells or deepening existing wells. However, they feared that this may result in declining water yields from existing wells. Therefore, they are very enthusiastic about water conservation measures being undertaken in the northern hilly portion of the watershed. This would enable groundwater utilisation in the watershed to be substantially stepped up. The villagers are also concerned about the seasonality of flows in the village streams. They felt that this naala should be revived, i.e., the base flows should continue till at least end of December. If appropriate locations for tapping the flows are identified, this naala will serve as a source of irrigation for farmers in the downstream portion of the watershed where groundwater is inaccessible on account of adverse geology.

### **Economic Base**

*Land Use:* Agricultural land constitutes only 50% of the total geographical area of the NREGA watersheds and 33% of the total land area of the NREGA Narmada Samagra watersheds. The remaining part is either forest land (22% in NREGA Watersheds and 52% in the Samagra areas) or private- or government-owned wasteland (25%). The agricultural land is largely rainfed and single-cropped. Village commons are no longer an important source of fodder, as most of it has already been encroached upon. Free grazing of cattle in the wasteland and forest land is the prevailing practice.

*Forests:* Forests of the watershed belong to the broad group of Tropical Dry Deciduous, classified as 5A/C1b Dry Teak Forest in Champion and Seth's standard classification. These forests are of IVb quality pure Teak (*Tectona grandis*) with Salar (*Boswellia serrata*) on the ridge area and bamboo (*Dendrocalamus strictus*) on the middle slopes. Other species commonly found are Anjan (*Hardwickia binata*), Beeja (*Pterocarpus marsupium*), Tendu (*Diospyros melanoxylon*), Dhaora (*Anogeissus latifolia*), Khair (*Acacia catechu*), Sejla (*Lagerstroemia parviflora*). Sisham (*Dalbergia sissoo*) and Tinnach (*Ougeimia oojeinensis*) are two important species which are increasingly becoming rare in occurrence. The forests also have a moderate stocking of Neem (*Azadirachta indica*) and Mahua (*Madhuca indica*).

*Crop Varieties and Cropping Systems:* Maize and soyabean are the most important kharif crops of the watersheds. the most prominent varieties of soyabean being cultivated are JS 335, JS 9305 and Soy-2, a very short duration variety. Soyabean is usually intercropped with maize. Hybrids of maize have higher yield but low drought and pest

resistance. A major portion of the area used to be under jowar and its intercropping systems till recently. However, area under jowar is on the decline. Main local varieties of jowar grown are the *Desi Badi* and *Kantoli/Bhadvi* varieties. *Desi Badi* is a long duration tall variety with low grain yield but high pest and drought tolerance. This variety also makes very good fodder as its stalk grows tall and is thicker than the hybrids. *Bhadvi/Khantoli* variety is a short duration, short stalk crop with an inferior taste. Its yields are said to be comparable to those of the high yielding varieties. In recent years, there has taken place a substitution of these local varieties by hybrids. Their yield is much higher than that of the local varieties. As green fodder their value is questionable due to the presence of HCN in their green stalks causing seasonal cattle ailments. In cotton, with the intrusion of genetically modified cotton varieties (Bt Cotton varieties), local varieties are nearly extinct in the area. Hybrids in cotton had a longer flowering period and yield two to three times that of local varieties. However, they have poor pest and drought tolerance. Therefore, they are more demanding in terms of chemical fertilisers and pesticides. The Bt-cotton varieties have nearly driven all other varieties of cotton out of the area.

Cropping systems followed on irrigated and unirrigated land show variations in the watershed. On rainfed land, **intercropping** is pursued as the main strategy of maximising land use within the kharif season. During rabi, unirrigated crops like chana are grown in parts where there are soils with some moisture retention, while the rest of the area is kept fallow. Two prominent intercropping systems are seen here:

- Maize-soybean intercrop system. At times, soybean is intercropped with jowar or tuar as well.
- Maize as the base crop with tuar, groundnut, til and fibre crops like sann (*Crotalaria juncea*, in the least fertile soils) as intercrops.

On irrigated land, the main strategy followed is to **intensify land use** over the year. Two distinct crop systems are followed here:

- the double cropping succession of the short duration kharif combination of maize/soybean followed by wheat as the second crop; and
- irrigated Bt-hybrids of cotton in kharif followed by wheat or gram as the second crop; occasionally short duration maize is intercropped with cotton.

## 1.2 Work Done

### MGNREGA Watershed Programme

A sanction of **Rs.6.91 crores** has been made for these projects by the Zila Panchayat, Dewas.

The following table gives highlights of physical and financial achievements under the NREGA watershed project currently:

Name of Activity	Qty	Expenditure (Rs)
Farm Bunding	158 Ha	1503301
Farm Pond	12 No.	606454
Percolation Tank	10 No.	1479143
Plantation		942817
Fodder Development		42342
Nadep Compost Pit	110 No.	436452
Sanivak Pit	8 No.	20944
Agriculture Programme		110245
<b>Total</b>		<b>5141698</b>

Around 36000 persondays were generated under NREGA watershed programme in the reporting period.

A major achievement of the SPS team has been to systematically work with banks to open bank accounts for NREGA workers in all the micro-watersheds. The SPS team worked hard to ensure that all wage seeker families have bank accounts opened. They liaised with the banks to ensure that the accounts are opened on time. Indeed, the branch manager of a bank observed that but for the intervention of the SPS team, it would not have been possible to open the accounts in such a time-bound manner. Certainly, the Gram Panchayat on its own strength would not have been able to achieve this. Around 2000 bank accounts of MGNREGA job card holders were opened.

In addition, the other major activities that have been undertaken by the watershed team, with the help of the watershed committees and MGNREGA wage seekers are:

- Regular meeting for awareness generation about NREGA and entitlements of workers.
- Capacity building of local youth for taking measurements so that labour can get minimum wage according the measurement.
- Capacity building of Watershed Secretaries and GP staff on MGNREGA, Planning, Measurement and Record Keeping
- Helping the GPs and line departments like Forest Department in planning and implementation of NREGA.
- Helping in the process of worker registration and issue of new job cards for wage seekers.
- In case there are several families all listed under one job card we have liaised with the GP and the Block level panchayat to split these

## Narmada Samagra Programme

The GoMP has also launched a special programme for GPs in the Narmada Catchment. The programme is called the Narmada Samagra programme and aims at:

- development of the traditional Narmada *parikrama* path
- integrated development of villages on the *parikrama* path on a watershed basis so as to ensure livelihoods and basic social infrastructure of the villages

SPS has been invited by the Zila Panchayat to work as a Project Implementation Agency under Narmada Samagra for integrated development of villages on a watershed basis. Under the scheme MGNREGA funds are used to support work. SPS is supporting Gram Panchayats to plan and implement work under the scheme.

Under this project SPS is supporting Gram Panchayats in 3 Milliwatersheds, covering 7 micro-watersheds. The total area covered under this project is 9085 hectares. The table below gives salient features of the villages and watersheds:

The average annual rainfall is 922.5mm. The population is predominantly adivasi. The table below highlights the main activity heads on which expenditure will be made.

<b>No.</b>	<b>Activity Head</b>	<b>Amount (Rs.)</b>
1	Ridge Area Treatment	8117399
2	Land Improvement and Soil Conservation	15944332
3	Water Consevation	27109403
4	Plantation	9322000
5	Fodder Development	1029000
	<b>Total of Work</b>	<b>61212114</b>

## 2. RAINBOW AGRICULTURE

---

### 2.1 Screening of New Varieties

The emphasis of the SPS agricultural programme has always been on minimization of cost of cultivation and risks faced by farmers. We have tried to work out a package of agricultural practices finely tuned to the resource endowments of the watershed, which is accessible to the poor (*low-cost*) and sustainable (*low-risk*). Under our agricultural extension programme we encourage a few carefully selected farmers to set up seed production plots of some of these varieties. SPS buys back seeds from these farmers and then distributes them to farmers in the area. In 2009-10, we conducted varietal trials in 10 varieties of 4 major crops of our area. In soybean, we conducted trials with Soy-2, JS-90-91 and JS-9752. Soy-2 is a short duration variety and has been found acceptable by the farmers because of its bold grain and high yield. Both JS 90-91 and JS 9752 are long duration varieties (110-115 days) but have good yield and are resistant to pests. It is possible that these varieties may be suitable to farmers with access to irrigation and who could potentially link themselves with the market through SPS crop produce aggregation programme. In red gram, we conducted trials with JS-65 and Richa 2000. JS-65 did not have a good yield and was a long duration variety. Richa 2000 was found to be a good variety, in terms of its grain size, yield suitability to lighter soils. But the main drawback of the variety was that it needed irrigation. In rabi season, we conducted crop trials with three varieties of wheat and two varieties of chick pea. The wheat variety C-306 had low irrigation requirement. In lighter soils it needed two irrigations and in heavier soils it performed well with only one irrigation. The details of crop varietal trials are as shown below:

TABLE 1  
Crop Varietal Trials 2009-10

Crop	Varieties Screened	Quantity of Seed used in Varietal Trials (KG)
Soybean	<ul style="list-style-type: none"><li>• Soy-2</li><li>• JS 90-91</li><li>• JS 9752</li></ul>	345
Chick Pea	<ul style="list-style-type: none"><li>• Pratap -1</li><li>• ChickPea – 512</li></ul>	275
Pigeon Pea	<ul style="list-style-type: none"><li>• JS – 65</li></ul>	125

	<ul style="list-style-type: none"> <li>• Richa 2000</li> </ul>	
Wheat	<ul style="list-style-type: none"> <li>• C-306</li> <li>• Purna</li> <li>• Poshan</li> </ul>	525

On the whole, 61 varieties of 10 crops were screened during these varietal trials. Of these, 38 varieties have been identified as having potential for dissemination in the area. These are now being actively promoted by as essential ingredients of a dryland agricultural package. The varieties screened and accepted are shown in the following table (Table 2).

**TABLE 2**  
**Varieties Identified by SPS as Suitable for the Area**

<b>Crop</b>	<b>Varieties Screened</b>	<b>Varieties Found Suitable for Promotion</b>	<b>Supporting Agency</b>
<b>Sorghum</b>	JJ-1041, JJ-741, JJ-938, SPV-1022, CSV-15, SU-658, GJ-39, Vidisha- 60-1	JJ-1041, SPV-1022, CSV-15	JNKVV and ICRISAT
<b>Maize</b>	JM- 216, JM-12, JM-8, ProAgro 4212, Swarna, Mukta, NK 30 hybrid	JM-216, JM-12 ProAgro 4212, Swarna, Mukta	JNKVV Research Stations
<b>Pigeon pea</b>	ICPL 87119, ICPL 88039, JKM- 7, JA-4, JKM-4, Richa 2000	ICPL 87119, ICPL 88039, Richa 2000	JNKVV, ICRISAT
<b>Soybean</b>	JS 335, Pusa-16, NRC-37, NRC-12, JS 93-05, PK1024, JS 9752, Soy-2, Varun	JS 335, Pusa-16, NRC-37, NRC-12, JS 93-05, Soy-2	NRCS, Indore, JNKVV
<b>Cotton</b>	Vikram, HR-35, LRK516, CHN 120-MB, CHN-36, Malziri, Tapti, KH-2	HR35, LRK 516	JNKVV and CICR, Nagpur
<b>Pearl millet</b>	ICMV221, ICTP-8203	ICMV-221	ICRISAT
<b>Groundnut</b>	ICGS-76, JGN-3	ICGS-76, JGN-3	ICRISAT, JNKVV
<b>Black gram</b>	TYPE-9, IU 8-6	IU 8-6	JNKVV
<b>Green gram</b>	Hum-1, Chetak, Km-851	Hum-1, Chetak, KM-851	JNKVV
<b>Chick pea</b>	ICCV-2, KAK-2, Deshi Katewala, ICCV-37, Pratab -1	ICCV-2, KAK-2, ICCV-37	ICRISAT, JNKVV
<b>Wheat</b>	Amar, Amrita, C-306, Harshita, Suwarna, Chandoshi, Malva Ratan Malva shakti, Malva Kirti, Purna Poshan, Vidisha,	Amar, Amrita, C-306, Harshita, Suwarna, Chandoshi, Malva Ratan Malva Shakti, Malva kirti, Purna, Vidisha,	IARI Wheat Research Station, Indore

## 2.2 Database on Crop Performance

Through continuous screening of varieties over several years, SPS has built up a database on crop varieties, identifying the key characteristics of the varieties and the farmer households and land situations they are best suited to. This database forms the basis of the advice on land use that we can offer to our farmers. We are still in the process of developing this database, as more and more varieties get added to these every year. The crop-wise and variety-wise details are provided in the following table (Table 3).

TABLE 3  
SUMMARY OF CROP PERFORMANCE

	Crop	Variety	Spac- ing, cm	Ma- turi- ty	Seed Rate	Yiel d	Characteristics	Recommendation for the Type of Farmer Household and Land and Water Situation
			(RX P)	(Day s)	KG/ ha	(Qtl/ ha)		
1	Sorghum	JJ 1041	45 x 15	110- 115	8 to 10	22- 25	Medium Duration	<ul style="list-style-type: none"> <li>Suitable for lighter and medium soils</li> </ul>
							Dual purpose grain and fodder variety	<ul style="list-style-type: none"> <li>Suitable for farmers without irrigation</li> </ul>
							Resistant to Striga and Partially Resistant to Stem Borers	<ul style="list-style-type: none"> <li>Could be inter-cropped with Pigeon Pea; this combination (two rows of Pigeonpea and 6 rows of sorghum) is found ideal for lighter medium soils of the region.</li> </ul>
		JJ 741	45 x 15	110	8 to 10	18- 20	Medium Duration, but can be harvested in 90 to 100 days in shallower soils	<ul style="list-style-type: none"> <li>Suitable for lighter and medium soils</li> </ul>
							Dual purpose grain and fodder variety	<ul style="list-style-type: none"> <li>Suitable for farmers without irrigation</li> </ul>
							Excellent roti making quality	<ul style="list-style-type: none"> <li>Could be inter-cropped with Pigeon Pea (two rows of Pigeon Pea and 6 rows of Sorghum is found ideal for lighter</li> </ul>

								medium soils of the region).
							Resistant to Striga	
		<b>SPV1022</b>	30 x 15	90-100	8 to 10	20-22	Short duration and therefore can be grown even in lighter soils	<ul style="list-style-type: none"> <li>Suitable for lighter and medium soils</li> </ul>
							Dual purpose grain and fodder variety	<ul style="list-style-type: none"> <li>Suitable for farmers without irrigation</li> </ul>
							Excellent roti making quality	<ul style="list-style-type: none"> <li>Could be intercropped with Pigeon Pea (two rows of Pigeon Pea and 6 rows of Sorghum is found ideal for lighter medium soils of the region).</li> </ul>
		<b>CSV 15</b>	45 x 15	110-115	8 to 10	20-25	Suitable for lighter and medium soils	<input type="checkbox"/> Suitable for lighter and medium soils
							High yielding, bold grain and good market price	<ul style="list-style-type: none"> <li>Suitable for farmers without irrigation</li> </ul>
							Partially resistant to stem-borers	<ul style="list-style-type: none"> <li>Good adaptability to problem soils like alkaline soils</li> </ul>
2	<b>Maize</b>	<b>JM 216</b>	30 x 30	95-100	8 to 10	22-25	Medium duration	<ul style="list-style-type: none"> <li>Unirrigated medium deep soils without moisture stress</li> </ul>
							High yielding variety	<ul style="list-style-type: none"> <li>Farmers with water for whom wheat is the preferred second crop</li> </ul>
							Bold and yellow grain; fetches good market price	<ul style="list-style-type: none"> <li>One irrigation may be required if there is early withdrawal of monsoon</li> </ul>
							Good roti making quality	<ul style="list-style-type: none"> <li>Intercropped with pigeonpea, soybean, and cotton.</li> </ul>
							Tall variety. Good fodder yield (grain/fodder ratio 1:4). Fodder is tasty for cattle	<ul style="list-style-type: none"> <li>Can be grown in medium soils with the expectation of an average yield</li> </ul>

							Highly sensitive to moisture stress at grain-filling stage	<ul style="list-style-type: none"> <li>• Can be inter-cropped with soybean and pigeon pea</li> </ul>
		<b>Deccan 105</b>	30x30	100	8 to 10	25-26	High yielding variety	<ul style="list-style-type: none"> <li>• Promising variety for deeper moisture retentive soils</li> </ul>
							Tall variety with good grain-fodder ratio	
							Bold and yellow grains; good market price	
3	<b>Pi-geon Pea</b>	<b>Asha</b>	90 x 90	180 - 200	10 to 12	15-18	Long duration	<ul style="list-style-type: none"> <li>• Medium deep and deep soils without irrigation</li> </ul>
							Resistant to fusarium wilt	<ul style="list-style-type: none"> <li>• Suitable only for medium deep and deep soils</li> <li>• In lighter soils without irrigation, crop losses occur due to poor pod-filling.</li> </ul>
							Partially resistant to heliothis	
							High yielding; bold grain; good market price	
		<b>Prabhat</b>	90 x 60	120 - 140	10 to 12	10-Aug	Extra short duration. Therefore, in our experience, it is able to escape heliothis attack which normally sets in at 90 DAS onwards	<input type="checkbox"/> Lighter to medium-deep soils
							Resistant to fusarium wilt	
		<b>JKM 7</b>	90 x 90	180-210	8 to 10	12-Oct	Long duration.	<input type="checkbox"/> Deeper soils with irrigation
							High yielding.	<ul style="list-style-type: none"> <li>• Requires one or two irrigation</li> </ul>
							Bold grains Fetches good market price	
		<b>Richa 2000</b>	90x60	150-160	8 to 10	15-Dec	Long duration	<ul style="list-style-type: none"> <li>• Suitable for Deep soil</li> </ul>
							Very high yielding	<ul style="list-style-type: none"> <li>• Requirements of one or two irriga-</li> </ul>

								tions
							Bold grain	
		<b>JA 4</b>	90 x 90	200 - 220	8 to 10	15-18	Long duration variety	<ul style="list-style-type: none"> <li>• Deeper soils with irrigation. If irrigation is not provided, crop losses occur due to poor pod-filling.</li> </ul>
							High yielding.	<ul style="list-style-type: none"> <li>• Requires one or two irrigation</li> </ul>
							Bold grains; Fetches good market price	
							Resistant to fusarium wilt	
4	<b>Pearl millet</b>	<b>ICMV 221</b>	30 x 15	70-80	5	13-Oct	Ultra short duration	<ul style="list-style-type: none"> <li>• Lighter and medium deep soils without irrigation</li> </ul>
							Bold white grains and can fetch good market price	<ul style="list-style-type: none"> <li>• Usually a sole crop but can also be intercropped with pigeonpea</li> </ul>
							Soft tasty dough	
		<b>ICTP 88032</b>	30 x 15	75-80	5	15-Dec	Short duration variety	Suitable for lighter soils
							Cob size is big	Usually a sole crop but can also be intercropped with pigeonpea
							Bold greyish grains	
5	<b>Black Gram</b>	<b>IU - 86</b>	30 x 10	65-75	12 to 15	11-Oct	Short duration variety	
							Fetches good market price due to bright grains	
							Good dal making quality	
		<b>T- 9</b>	30 x 10	65-75	12 to 15	10-Aug	Short duration. Bold grains	
6	<b>Groun dnut</b>	<b>ICGS- 76</b>	30 x 10	110-120	60 to 80	17-20	Resistant to leaf wilting	<ul style="list-style-type: none"> <li>• Because it is a medium duration variety, this is not preferred by farmers who have shallow soils.</li> </ul>

									<ul style="list-style-type: none"> <li>With irrigation, this variety can be grown even in summer. It fetches a good market price (Rs. 40/kg) which would justify the expenditure on irrigation</li> </ul>
								Bold grains but only 2 per pod	
								High oil content	
		<b>JGN-3</b>	30x10	90 to 100	60-80	15-18		Short duration variety and so preferred by farmers who want early harvest	
								Resistant to wilt	
								Bold grains but only 2 seeds pod	
								High oil content	
7	<b>Chick Pea</b>	<b>ICCC 37 (Kranti)</b>	30 x 10	90	80	20-25		High yielding	
								Medium duration	
								Heat tolerant. Should be sown early to make use of residual soil moisture. Late sowing would require irrigation at the time of pod formation (45-60 DAS)	<ul style="list-style-type: none"> <li>If chickpea is intercropped with safflower, heliothis attack in chickpea is reduced. Thorns in safflower plant give additional protection to chickpea. Chickpea crop in turn protects safflower from jassids</li> </ul>
								Medium sized grains	
								Resistant to fusarium wilt	
								Makes good dal	
		<b>ICCV 10 (Bharti)</b>	30 x 10	90-100	80	25-28		Fusarium wilt resistant	<ul style="list-style-type: none"> <li>Widely adapted to any type of soil (even in problem soils like alkaline soils)</li> </ul>
								High yielding	<ul style="list-style-type: none"> <li>But being medium duration this variety would require irrigation if sowing is delayed. Farmers in general view chickpea as a crop</li> </ul>

								which does not need irrigation and therefore moisture stress at the time of pod formation can lead to yield losses
							Makes good dal.	<ul style="list-style-type: none"> <li>Its grain size is smaller than that of kabuli varieties and therefore this variety does not command good market price. Within medium varieties, the farmers' preference is towards kabuli varieties because of bold grain and higher market price</li> </ul>
		<b>ICCV 2 (Shweta)</b>	30 x 10	80-85	80-100	20-22	Extra short duration variety	<ul style="list-style-type: none"> <li>Suitable for early sowing and unirrigated plots</li> </ul>
							High yield even if duration is short, yield more than that of local varieties	
							The produce from the crop is ready early and commands a good market price.	
							Fusarium wilt resistant.	<ul style="list-style-type: none"> <li>Recommended for deeper soils without irrigation and shallow soils with one irrigation</li> </ul>
		<b>KAK 2</b>	30 x 15	100-110	100-120	25-28	Medium duration	<ul style="list-style-type: none"> <li>Requires irrigation in lighter soils. Pod formation gets affected with moisture stress</li> </ul>
							High yielding	
							Bold grain (bada kabuli chana)	
							Fetches higher market price	
		<b>Vijay</b>	30 x 10	80-85	80-100	20-22	Extra short duration	<ul style="list-style-type: none"> <li>Suitable for early sowing in unirrigated plots</li> </ul>

							Fusarium wilt resistant	<ul style="list-style-type: none"> <li>• However, with two irrigations the yield of this variety can nearly be doubled</li> </ul>
							Medium size grain	
8	<b>Soy-bean</b>	<b>JS 335</b>	30x10	95-100	80-100	15-18	Very farmer friendly variety	<ul style="list-style-type: none"> <li>• Variety is adapted to nearly all types of soils and land situations, including lighter soils and muram</li> </ul>
							High yielding	
							Resistant to Insect Pests	
		<b>JS 9305</b>	30x10	85-90	80-100	15-18	High yielding	<ul style="list-style-type: none"> <li>• Suitable for lighter, muram and black soil</li> </ul>
							Short duration	
							Resistant to Pest Attacks	
		<b>Soya -2</b>	30x10	75-80	80-100	14-15	Yellow bold grain Good market price	<ul style="list-style-type: none"> <li>• Suitable for lighter, muram and black soil</li> </ul>
							Extra short duration	
9	<b>Wheat</b>	<b>Amar</b>	25x10	120	80-100	18-20	Early sowing (say 15 Oct) can be done as these varieties have good heat tolerance. Needs two irrigations in deep black soils	
		<b>Amrita</b>	25x10	120	80-100	18-20	Early sowing (say 15 Oct) can be done as these varieties have good heat tolerance. Needs two irrigations in deep black soils	
		<b>C-306</b>	25x10	120	80-100	18-20	Early sowing (say 15 Oct) can be done as these varieties have good heat tolerance. Needs two irrigations in deep black soils	
		<b>Chan-doshi</b>	20x10	110	80-100	20-22	Requires two or three irrigation. Good roti making quality. Fetches good market price	

		<b>Suwarna</b>	20x10	110	80-100	20-22	Requires two or three irrigation. Good roti making quality. Fetches good market price	
		<b>Vidisha</b>	20x10	100-110	80-100	20-22	Short duration. Requires two or three irrigation.	
							Late sowing (say Dec) is possible .Bold and golden grain	
							Fetches good market price	
		<b>Malva Ratan</b>					Early sowing need to be done Suited to medium-deep and shallow soils also	
							Requires one or two irrigations.	
		<b>Malva Shakti</b>					Highest yielding.	
							Requires two or three irrigations	
							Early sowing need to be done Suited to medium-deep and shallow soils also	

## 2.3 Seed Distribution

After identifying varieties suited to our area through screening of varieties under different conditions, we attempt to propagate these varieties through local seed production and distribution. The table below shows the coverage of the seed distribution programme in 2009-10. A total of 415 farmers from 25 villages were covered during this year with seeds of 8 crops (sorghum, maize, pigeon pea, soybean, groundnut, green gram and black gram) in kharif and two crops in rabi seasons. The details of the seed distribution efforts are shown in the following table (Table 4).

TABLE 4  
Number of Farmers Covered and Quantity of Seed Distributed in 2009-10

Village	No. of Farmers	Quantity of Seed Distributed (KG)						
		Soybean	Maize	Red Gram	Urad	Sorghum	Chick Pea	Wheat
Gadiya	17							
Kholchipura	14	510	24	2	2	0	0	0
Magradeh	41	630	180	0	0	0	40	310
Darh	16	350	90	0	0	0	450	100
Devnaliaya	20	990	80	1	0	0	360	300
Nachanbor	10	300	30	5	0	0	200	100
Dhardi	6	60	100	1	0	0	460	0
Barchapra	7	310	30	0	0	0	0	0
Siralibid	4	100	20	0	0	0	0	0
Garaghati	5	150	15	0	0	0	0	0
Pandutalab	29	640	180	7	2	2	595	1150
Sitapuri	19	245	48	1	1	0	84	420
Shyampura	25	210	80	4	0	0	185	420
Jamshindh	35	320	85	1	1	0	50	974
Semli	24	320	121	1	7	5	365	465
Khuntkhal	14	0	107	1	0	0	10	0
Imlipura	15	400	190	10	0	0	0	0
Agra	14	490	155	5	0	6	315	310
Sevanpani	17	380	55	5	0	0	150	330
Patapadi	4	280	80	5	0	0	0	0
Borkhaliya	16	65	85	3	3	1	10	470
Kevtiapani	18	75	80	1	2	0	0	300
Punjabura	25	1210	80	3	0	0	0	0
Ratatalai	20	800	160	2	0	0	0	0
<b>Total</b>	<b>415</b>	<b>8835</b>	<b>2075</b>	<b>58</b>	<b>18</b>	<b>14</b>	<b>3274</b>	<b>5649</b>

## 2.4. Seed Production and Stocks

In addition to providing seeds to farmers, we have also built up a seed stock for distribution during 2010-11. This is done through the programme of seed buyback from selected farmers. We organised seed production and buyback of 2 varieties each of soybean (JS-9305 and JS-335), chickpea (ICCV-2 and KAK-2) and wheat (Suvarna and Chandosi) with 26 farmers. The total quantity of seed bought back from the farmers is shown in Table 5.

TABLE 5  
Crops and Varieties of Seed under the Seed Production Programme

Crop/Variety	No. of Farmers	No. of Villages	Quantity Procured (KG)
<b>Soybean</b>			
1. JS 9305	10	4	700
2. JS 335	6	2	500
<b>Chick Pea</b>			
1. ICCV-2	3	2	160
2. KAK-2	3	2	150
<b>Wheat</b>			
1. Lok-1	2	1	200
2. Suvarna	2	1	200
<b>Total</b>	<b>26</b>	<b>12</b>	<b>1910</b>

The seed stock position as on 31<sup>st</sup> March 2010 is shown in Table 6. The available stock is sufficient for covering only 363 farmers in 2010-11. This means that we may need to buy more seeds from outside, depending on the seed demand.

TABLE 6  
Closing Stock of Seeds as on 31<sup>st</sup> March 2010

Crop	Quantity of Seed Stock (KG)	Expected Coverage of Farmers in 2010-11
Soybean	3200	107
Wheat	3300	132
Chickpea	3100	124
<b>Total</b>	<b>9600</b>	<b>363</b>

## 2.5 NPM Agricultural Programme

The advent of modern Green Revolution agriculture has created a massive belief system that the use of chemical pesticides is inevitable for healthy plant growth and food security. Questioning this popular belief, SPS, along with 7 other partner NGOs, initiated an All-India Consortium on Non Pesticidal Management (NPM) Agriculture in 2008. The NPM idea initially came up as a response to the difficulties faced in Organic Certification, which is both expensive and inaccessible to small farmers. The idea of the NPM movement is to encourage farmers to grow crops without any synthetic chemical pesticides, create an identity for their produce and link these small producers to markets. Since the soil fertility in the backward, dryland areas is too low, it may not be possible to do away with the use of synthetic chemical fertilisers altogether in the first phase. However, the NPM programme necessarily involves a concentrated effort to enhance soil fertility, particularly enhancement of the levels of soil organic carbon, through systematic build up of soil health over time. Without this, a move to fully organic agriculture will be

impossible. Hence, the NPM agriculture stresses building up soil fertility through appropriate management practices (such as composting and recycling of agricultural residues, use of FYM, cattle urine, green manuring crops etc.) and a gradual phasing out of chemical fertilizers.

The NPM approach, therefore, symbolised the following key ideas:

- **Knowledge based agriculture** (as against input centric agriculture)
- **Local input based agriculture**, where farmers have a greater control over inputs
- **Focus on small and marginal farmers** in the most backward regions fo the country
- **Community-based and group-oriented** management of agriculture
- **Focus on the regeneration of the natural ecosystems** (healthy soil, restoring balance of predator population etc.)

In 2009-10, about 700 farmers participated in the NPM agricultural programme in 37 villages. Each of these farmers were members of the SHGs promoted by SPS. At present, there are 13 Khet Mitaans, 4 Village Professionals and 13 Khet Mitaans managing the programme. We make to primary producers group and each group hold to continuous village meeting every month we focused on four crops in kharif season soybean maize red gram and green gram and black gram, and The Rabi season wheat chick pea are successfully grow under NPM practices The objective of this programme was to enhance the productivity, ensuring availability of different varieties in crop and seed for the same, introduction of NPM farming, agro horticulture promotion through LUP plantation, training and hand holding support in terms of exposure to different places of learning. For improving fertility of soil various composting method was also adopted by the farmers as apart of the programme.

We propose to scale up the NPM agricultural program to cover 1500 farmers in the coming three years. We also aim to achieve a complete integration of the program with the SHGs – with SHGs playing the twin role as the providers of working capital as well as aggregators of the commodities produced by small and marginal farmers. The NPM agricultural programme will include a number of pilots which will test a series of hypotheses that could credibly feed into an alternative framework for agricultural policy. They could, therefore, be seen as part of the larger initiative of revitalisation of rainfed areas (RRA), where multi-location and multi-crop trials on improved agricultural crop varieties, practices and agricultural organisations will be undertaken.

- **Evaluation of Yield Potential of Pulse Crops and Millets:** As part of these varietal trials being conducted under the NPM agricultural programme, special focus is being given on pulses like pigeon pea and chick pea and on millets. These crops are grown and eaten by the poorest people in India. Moreover, in view of the year-to-year variations in rainfall, these crops have an important role in drought-proofing dryland agriculture. Farmer response to these varieties and the difficulty in accepting these as

part of the cropping system are being assessed and recommendations made on how to provide a greater momentum to these crops. What we are proposing to do is to initiate a programme of seed replacement, whereby the existing, local and low-yielding seeds are replaced with seeds that are more suited to the agro-climatic parameters of the region while giving the farmer a higher household income. We propose to start this programme in Kharif 2010.

- **Fodder Crops:** While selection and screening of crop varieties is normally emphasised in the mainstream agricultural research system, similar emphasis is not provided on fodder crops. India's tribal drylands typically have a large cattle population and hence assessment of the yield potential and farmer response to improved varieties of fodder crops is an important component of the NPM programme.

- **Local Seed Production through Community Involvement:** Seed availability is an important issue in dryland agriculture. Seed is not available in adequate quantity at the right time at affordable cost. This contributes to the non-availability of the second batch of seeds even of primary crops, if the first batch fails. In the light of climate turbulence, seeds of contingency crops are not available for climate proofing dryland agriculture. We are exploring the possibility of establishing seed systems to specifically address the needs of the rainfed areas. The varieties identified as suited to the area are being multiplied through local seed production and are distributed to the farmers. Building active community involvement in these activities is one of the thrust areas of the NPM programme.

- **Soil Health:** Another major focus of the NPM agricultural programme is on improvement of soil health and in particular the levels of soil organic matter. Concerted attempt at composting and incorporation of organic matter into the soil will be done as part of the programme. The effectiveness of the alternative methods will be evaluated and farmer response in terms of adoption will be assessed. The programme emphasises the use of organic substitutes of chemical fertilisers. These are usually made from locally available resources like cow dung, cattle urine, agricultural waste and green manuring crops. The potential of these organic substitutes in stabilising yield level in important crops will be assessed through the programme. The details of soil fertility enhancement measures taken up during 2009-10 are given in the following table (Table 7).

TABLE 7  
Details of Soil Fertility Improvement Measures, 2009-10

Village	Farmers	NADEP Pit (Pucca)	NADEP Pit (Sathi)	Bhu Nadep (Indore Process)	Sanjeevak Pit
Kevtiapani	15	14	6	0	8
Gadiya	13	1	8	0	7
Salipuara	10	0	0	2	0

Ruplipura	1	0	0	1	0
Borkhaliya	21	21	4	0	15
Palasi	10	4	6	0	8
Chandupura	1	0	2	0	2
Paras	12	0	10	4	9
Mansinghpura	11	0	12	4	7
Dangadugi	8	0	4	2	5
Juladhar	3	12	5	0	8
Agra	17	13	3	5	12
Sevanpani	23	31	8	0	22
Patpari	5	18	18	9	6
Imlipura	10	0	5	0	0
Magradeh	33	23	2	12	13
Devnaliya	21	12	0	11	17
Nachanbor	3	0	2	3	3
Dhadi Talaab	10	10	0	9	3
Garaghati	8	0	8	2	0
Siralibid	2	0	4	4	3
Barchapra	8	6	6	7	8
Darh	16	0	10	11	16
Semli	12	3	10	10	11
Khuntkhal	13	5	0	0	2
Pandutalab	18	10	0	5	12
Sitapuri	13	10	7	9	7
Shyampura	21	13	4	14	12
Jamasindh	30	30	11	9	18
Ratatalai	11	0	4	7	3
Neemkheda	8	0	5	3	4
<b>TOTAL</b>	<b>387</b>	<b>236</b>	<b>148</b>	<b>143</b>	<b>243</b>

- **Use of Bio-pesticides:** The NPM programme attempts to eliminate the use of chemical pesticides in plant protection. The programme uses a range of biological and manual methods of pest control combined with the use of pest repellents and bio-pesticides. The effectiveness of options like the use of neem oil, neem kernel extract and “Top 10” herbal extract on pest control will be assessed and documented as part of the programme. The impact of these methods on lowering cost of cultivation for the small and marginal farmers will also be systematically assessed. A very interesting idea to be explored here is possibility of setting up bankable bio-pesticide units. The usual problem with bio-pesticides, even when their effectiveness is proven beyond doubt, is the adequate and timely availability. With the expanding base of NPM farmers in our area, there could be a steadily rising demand for bio-pesticides like neem oil, neem kernel extract etc. We will encourage some of our SHGs to take up this activity on a scale sufficient to meet the needs of our NPM agricultural programme. Each SHG could cater to 3-5 villages (covering about 50-60 NPM farmers) during the agricultural season and support for this activity will be arranged

through specially customized SHG loan products. Since many of these bio-pesticides are made from locally available materials, this could throw up low-cost and sustainable solutions to the persistent problem of pestilence in typically dryland crops. This pilot could help develop a strong case for bio-pesticides as an effective and low-cost alternative to chemical pesticides.

- **Development of a Unique Identity for NPM Produce:** At the heart of the NPM agricultural programme is the group-based, Participatory Guarantee System (PGS). The PGS attempts to give a unique identity to the NPM agricultural produce. A system of internal control through regular field visits, maintenance of farmer diaries, audit by external evaluators and the restricted use of NPM label are the ways to ensure the quality and uniqueness of this identity. The effectiveness of this guarantee system both in establishing an identity and in getting a positive price advantage to the farmer will be assessed as part of the programme.

- **Development of Effective Collective Institutions of Farmers:** The NPM agricultural programme emphasises the importance of collective institutions of farmers. Through the programme, a range of institutional forms of organising farmers into groups will be experimented with and their relative effectiveness will be assessed. We feel that it is only with the development of such farmer-controlled institutions that the small and marginal farmers of India (numbering around 80% of the total farming community) will be able to face the challenges of a globalised agriculture. The programme will evaluate ways in which robust collective institutions of farmers can emerge and play their role.

A key feature of the program is that the entire cost of operation is being leveraged from the public sector banks by people's institutions and the role of external funding is limited to supporting the team working on the program, their all round capacity enhancement as well as creating a few models (organic farming plots, demonstration farms etc.) for the program to follow in the years to come. This is in itself an important input into larger policy formulation.

## 2.6 Plantation Programme

In 2009-10, major plantation effort was done in the villages under MGNREGA, such as Borkhaliya, Palasi, Kevtiapani, Agra, Patapari, Juldhar, Implipura, Magradeh, Dhardi Talav and Padutalab. Plantation was also done on the field bunds and land belonging to farmers. In agro-horticulture & forestry the plantation of mango, guava, cheeku, jackfruit, orange, lime, aonla, papaya, bamboo and bio-fuel crops like jatropha were taken up in these villages. We also established four nurseries in Kevtiapani, Agra, Magradeh and Devnalya under MGNREGA. The details of the new tree plantations and plantation of bio-fuel crops is given in the following tables (Table 8 and 9).

TABLE 8.  
Plants distributed in MGNREGA and Other Villages, 2009-10

	Borkhliya	Patpari	Kavtiya pani	Agra	Imlipura	Magradhe	Dhardi	Raisin gpura	Padutalab
<b>Total Farmers</b>	<b>31</b>	<b>13</b>	<b>52</b>	<b>49</b>	<b>32</b>	<b>90</b>	<b>69</b>	<b>78</b>	<b>39</b>
Bamboo	1250	800	2000	1775	600	2000	916	1750	236
Neem	5	0	0	0	65	100	0	125	30
Gliricidia	50	150	1300	0	210	3300	3599	0	700
Local Anola	5	0	0	0	0	0	421	200	0
Custard apple	233	1420	350	55	320	90	752	500	315
Drum Stick	215	0	500	125	290	856	356	400	56
Guava	5	0	0	0	65	0	0	0	0
Jack fruit	25	180	30	160	115	50	280	50	100
Jamun	0	0	0	0	0	0	0	0	0
Khirni	0	0	0	0	0	0	0	0	0
Lime	75	105	80	50	50	80	135	80	18
Papaya	130	315	161	1030	770	854	620	0	0
Karanj	200	130	0	0	0	135	27	0	0
Sirash	0	0	0	0	30	0	0	0	0
Golmohar	8	0	0	0	0	0	0	30	21
Beheda	0	40	0	0	10	150	100	100	0
Anjan	0	0	0	0	0	0	0	0	0
Ashok	20	5	8	20	4	10	10	8	0
Nariyal	8	18	14	40	20	5	20	10	0
Shisham	10	0	0	110	0	0	0	200	80
Mahua	8	0	0	0	0	0	0	0	0
<b>Grafted Plants</b>									
Mango Grafted	55	205	50	172	60	115	80	215	78
Chiku Grafted	30	70	30	70	43	40	70	50	38
Orange Grafted	80	55	25	30	30	40	75	75	0
Grafted Guava	100	100	88	130	80	200	100	115	94
Grafted Anola	0	0	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>2504</b>	<b>3593</b>	<b>4636</b>	<b>3767</b>	<b>2762</b>	<b>8025</b>	<b>7651</b>	<b>3908</b>	<b>1766</b>

During the year 2009-10, SPS made a major beginning in plantation of Ratanjot (*Jatropha curcas*) a major source of bio-diesel. We utilised wastelands and farm boundaries

for plantations. The list of farmers in whose fields jatropha plantations were done is listed in the following table.

TABLE 9  
Bio-Fuel Plantations

No	Village	Number of plant	Number of farmers
1	Borkhliya	3000	3
2	Kevtiyapani	25000	6
3	Neemkheda	0	0
4	Gadiya	5000	12
5	Magradeh	21815	90
6	Patpadi	6730	11
7	Padutalab	3100	12
8	Dahrdi	30101	69
9	Kardi	5500	10
10	Agra	15000	15
11	Imlipura	5500	19
12	Kanad	3700	16
13	Semli	3000	15
14	Bisali, Jamashind	6225	40
	<b>Total</b>	<b>133671</b>	<b>318</b>

## 2.7 New Directions

- In the coming year, we will expand the **coverage** of the agricultural programme to new villages around Pipri under Narmada Samagra NREGS Project. The coverage of villages will go up from the current 28 to 40 and the farmers from 600 to 1000. Farmers organized into farmer groups at a maximum of two groups per village.

- Next year we will attempt a **full land-use planning** of all farmers we are working with in 3 villages (Agra, Sevanpani and Sitapuri – about 60 farmers). Intensive surveys of farmers' resource positions and current crop and land use planning are being conducted for this purpose.

- During the year, the programme has achieved full integration with the SHG programme. The membership of primary producer groups like farmer groups is drawn from the SHG membership. These primary producer groups could later evolve into larger collectives like producer companies. Since the membership in the primary producer groups overlaps with that of the SHGs, a **major part of the working capital requirement of agriculture is met through SHG loans**. The loan financing of farming operations will form part of the SHG's loan portfolio. SPS will play only a facilitating role in the long run.

- **Use of NREGA funds for agriculture.** This is a unique feature of our programme, an example of convergence of employment generation with sustainable agriculture. The attempt is to use the opportunity (and large funds) provided by NREGS for micro-level planning and execution in agriculture.

- **Intensive dialogue with the local Gram Panchayats** for acceptance of the larger message of making plan for sustainable agriculture a part of the perspective plans drawn up under NREGA. We intend to take up this dialogue with 10 panchayats next year (these are panchayats where SPS is not the PIA).

- **New approach to agricultural extension** through collaboration with **Digital Green**. The extension videos (5-10 minute length, conveying simple messages) produced by local youth are being disseminated to farmer groups and SHGs in selected villages. The feedback of the farmers is being monitored. A major achievement has been creation of a team of three local youth (two girls and a boy) who are capable of making films on their own. So far, about 40 videos have been made on various themes and several of these have been used to create discussions in farmer groups. These videos are proving to be very effective tools in agricultural extension. (This is discussed in detail later in this report).

## 3. WOMEN-LED SHG-BANK LINKAGE PROGRAMME

---

Over the years, the SHG programme has become a primary focus of SPS work. Funding support from Paul Hamlyn Foundation has been crucial in sustaining this work during the formative years. Our SHGs are focused on marginalised sections such as the poor, Adivasis, Dalits, landless and displaced people. We believe that without this programme, ensuring long-term livelihoods security is impossible. We are also convinced that no programme of self-help can be successful until it is integrated with the livelihoods programmes such as watershed development, agriculture, dairying, marketing etc. Thus, in our conception, SHGs and livelihood programmes are complementary to each other and their simultaneous implementation is the key to large-scale poverty alleviation in the drought-prone drylands of the country.

### 3.1. The Road Traversed (2004-2010)

#### Group Formation and Age Profile

The progress of the microfinance programme till March 2010 is shown in the table below.

**Progress of the SPS SHG Programme 2004- 2010**

	Dec-04	Dec-05	Dec-06	Sep-07	Sep-08	Dec-09	01/03/10
	1	2	3	4	5	6	7
Villages/ Towns	58	134	178	182	215/7	212/10	208/10
Total No of SHGs	127	278	519	591	889	1165	1206
Total Members	2104	4247	7519	8832	13743	19367	20149
Total Savings (Rs. Lakhs)	7.12	17.64	57.53	86.52	192.22	363.83	557.19
Total Loans Outstanding (Rs. Lakhs)		56.04	97.13	324.42	498.24	907.32	1317.57
Total Loans Disbursed (Rs. Lakhs)	5.55	56.04	209.73	349.2	899.38	2277.62	3256.58
Groups linked with Banks	25	152	346	451	400	442	751
% of SHGs linked with Banks	20	55	67	78	45	38	62

Total Bank Loans (Rs. Lakhs)	5.55	15.96	64.5	104.48	214.19	840.19	1229.25
No of Federations	0	0	0	0	1	1	2
No of CDAs	0	18	23	26	39	59	72
Average Savings per Member (Rs.)	338	415	765	1033	1399	1878	2765
Average Loans Outstanding per Member (Rs.)	523	1320	1292	3673	3625	4685	6539

Average membership of the group is about 17. The programme has a clear focus on poor, marginal and small farmer households. Total membership has risen to 20149 families. The total savings by all members is Rs. 557 lakhs, with an average saving of Rs.2765 per member. The programme has disbursed a total of Rs. 32 crores and 56 lakhs as loans, with the average loan per member of Rs.16162. Along with SHGs, we have also set up 72 Cluster Development Associations (CDAs) at an average of about 12-13 groups per CDA. Two federations at Udainagar (Udainagar Pragati Samiti - UPS) and Kantaphod (Kantaphod Pragati Samiti - KPS) have been duly registered under the MP Societies Registration Act 1973 and have now become independent entities.

The following table shows the age profile of our SHGs. Slightly less than half the total SHGs promoted under the programme are less than 2 years old. This shows that this is still a growing programme. The recently added two locations at Hatpiplia in Dewas district and Maheshwar in Khargone are also responsible for tilting the age profile of the programme in favour of newly formed groups.

#### **Age Profile of SHGs**

<b>Age of SHGs</b>	<b>Number of SHGs</b>	<b>% of Total</b>
< 6 Months	102	9
6 Months – 1 Year	141	12
1 Year – 2 Years	303	25
> 2 Years	660	54
Total	1206	100

Most of the older SHGs are in three locations, Udainagar, Bagli and Kantaphod. Average savings and loans per member in these older locations are shown in the following table. Average savings per SHG member comes to Rs. 2894, in older locations. The rate of saving in the programme was low in the initial years, which explains why the average savings per member is low. Subsequent to the mid-term correction made in raising the bar of regular saving, we have been able to raise the saving rate to Rs. 100 per member in most of the SHGs, including the older ones.

#### **Savings, Loans and Share of Bank Loans per SHG and Member, 3 Older Locations**

	<b>Per Group</b>	<b>Per SHG Member</b>
Savings (Rs.)	46935	2894
Loans (Rs.)	317442	19575

Bank Loans (Rs.)	160859	9919
Bank/Total Loans (%)	51%	51%

## Group Strengthening through Bank Linkage

One of the major objectives of the SHG programme is to facilitate a dynamic interaction between the women from the poor and marginalized households with mainstream financial institutions like banks and mobilize funds to meet their needs. In this empowering model, hence, we emphasize the need to link groups with banks for channeling external funds into the programme. There were only 27 groups (25%), which were linked to banks in 2004. The number of groups linked and in the process of being linked is now 824. Thus, 66% of the total groups promoted by SPS are now linked with the banks.

### Progress of Bank Linkage

No.	Location	Total Groups	Bank-Linked Groups	Groups in the process of Being Linked to Banks	No Linkage Groups	% of Groups Linked with Banks (Linked+In Process)
1	Bagli	190	144	25	21	89%
2	Dewas	178	92	10	76	57%
3	Udainagar	236	175	20	25	89%
4	Kantaphod	207	189	0	18	91%
5	Khategaon	166	81	3	82	51%
6	Barwah	189	33	15	141	25%
7	Hatpipalya	40	37	0	40	0%
	TOTAL All Locations	1206	751	73	403	66%

This means that the programme has been able to bring about 14,000 poor and marginalized families into regular interaction with the mainstream financial institutions. This is a significant achievement of the programme. Financial inclusion of this scale is unprecedented in our area.

This achievement is also important because for banks to step in, the SHGs have to be a secure and viable option. The task of convincing banks has not been easy and branch managers still tend to tread the wary and recalcitrant route of dogged non-cooperation. However as the SHG programme has grown, banks have become more convinced about it. For the first time in their lives, women have stepped out of the confines of their homes and fields and have knocked at the doors of the mainstream development process with an easy confidence. Thus, quite apart from its financial aspect, the expansion of the bank linkage itself has produced a huge positive impact on the gender balance.

## Initiation of New Locations

Our SHG programme is now spread over eight locations in 7 blocks of two districts.

<b>Locations of SHG Programme</b>			
	District	Block	Location
1	Dewas	Bagli	Bagli
2	Dewas	Bagli	Udainagar
3	Dewas	Kannod	Kantaphod
4	Dewas	Khategaon	Khategaon
5	Dewas	Dewas	Dewas Urban
6	Khargone	Barwah	Barwah
7	Khargone	Maheshwar	Maheshwar (after 31-3-10)
8	Dewas	Hatpiplia	Hatpiplia (after 31-3-10)

Of these, Maheshwar and Hatpiplia will be completely initiated after 31<sup>st</sup> March 2010. Hatpiplia location is being formed through bifurcation of Bagli location. About 40 groups, which are part of Bagli location, are in the process of being shifted to the new Hatpiplia location. The position of groups in all the locations and their financial highlights are shown in the following table.

**Location wise Details of SPS SHG Programme**

Location	Villages/ Towns	Groups	Member ship	Savings (Rs. Lakhs)	Corpus (Rs. Lakhs)	Total loan disbursed (Rs. Lakhs)	Total Loan O/s (Rs. Lakhs)	Total groups linked with bank
Khategaon	33/2	166	2505	35.83	51.18	277.47	101.51	81
Bagli	48/1	190	3055	100.28	137.81	561.97	247.04	144
Dewas	1	178	3200	85.38	121.97	387.15	188.23	92
Kantaphod	40 / 3	207	3388	101.61	137.91	679.57	303.47	189
Barwah	14/2	189	3491	100.11	131.50	497.81	205.95	33
Udainagar	69	236	3822	104.09	148.71	767.87	247.02	175
Hatpiplia	4/1	40	688	29.89	42.70	92.63	29.09	37
<b>Total</b>	<b>208/ 10</b>	<b>1206</b>	<b>20149</b>	<b>557.19</b>	<b>771.78</b>	<b>2730.22</b>	<b>1114.90</b>	<b>751</b>

Location	Total bank loan	Bank Loan O/s	Total no of CDAs	Bridge Finance	Bridge Finance O/s	Special Loan	Special Loan O/s
<b>Khategaon</b>	43.07	27.26	10	105.73	33.44	0.00	0.00
Bagli	244.91	95.56	13	65.07	6.62	29.31	8.20
Dewas	99.81	38.89	8	120.77	44.07	7.89	4.74
Kantaphod	296.31	125.86	14	72.21	7.04	73.01	38.70
Barwah	34.28	17.72	13	139.99	70.70	25.71	2.06

Udainagar	477.01	124.92	12	22.66	3.71	45.84	22.37
Hatpiplia	33.86	19.26	2	14.94	1.10	3.98	1.29
<b>Total</b>	<b>1229.25</b>	<b>449.47</b>	<b>72</b>	<b>541.37</b>	<b>166.68</b>	<b>185.74</b>	<b>77.36</b>

## Formation of Federations

The first federation promoted under the SPS microfinance programme was registered on 25<sup>th</sup> September 2008 under the MP Societies Registration Act 1973 and is called Udainagar Pragati Samiti (UPS) The second federation, Kantaphod Pragati Samiti (KPS) was registered under the same Act on 8<sup>th</sup> March 2010. The federations are member-based bodies whose Executive Committee is made up of one elected member from each of the Cluster Development Associations (CDAs) in that location. Samaj Pragati Sahayog's main focus in the second phase of its microfinance programme will be on the formation of federation and capacity building of these member-based organizations. SPS is committed to engage itself in empowering the members in a manner that would make the federations truly democratic, accountable and transparent.

The first goal of the federations is to be able to meet a major part of their operational expenses through internal resources. Udainagar Pragati Samiti presently contributes close to Rs 8 lakhs annually which covers the expenses on salaries of all the cluster associates (mitaans) and senior mitaans. The UPS presently requires grants for meeting the expenditure on stationary, office rent, fuel, vehicle maintenance, salaries of professionals, accountant and data entry operator. UPS has resolved that April 2011 onwards the federation would pick up all the costs except fuel expenses and salaries of the professionals, accountant and the data entry operator.

Kantaphod Pragati Samiti in the current financial year has contributed close to Rs 5.5 lakhs. This will cover the salaries of mitaans, senior mitaans and the rent for the office space. It will require financial support for the rest of the expenses. In the next financial year the attempt of KPS is to cover all costs except fuel expenses and the salaries of the professionals, location accountant and the data entry operator.

## Cluster Development Associations (CDAs) and Cost Coverage

13-15 SHGs constitute a Cluster. Cluster Development Association (CDA) is a people's institution, which comes into existence as the groups expand their capital base and take on more responsibilities towards their members. Initiation of CDA has been done in 66 SHG clusters.

Under the SPS promoted microfinance programme groups are expected to pay for all the services they get from the CDAs, including those of the local associates (mitaans). Groups are encouraged to start paying for the services after the members have

a fair understanding of the logic of paying for the services and a sizeable corpus has been built. On reaching a corpus level of Rs. 25,000/-, majority of the groups across locations start paying for the services received in the form of bank linkage, bridge finance, insurance and accounts services. This aspect holds the key to cost coverage which makes the programme truly self-financing. The details of the service charges being paid by the groups in various locations is given below.

**Projected Contribution by SHGs and Federations  
towards Meeting Programme Expenses April to December, 2010**

Location	No of groups Contributing	Contribution receivable from groups to FED / CDAs	FED/CDA Contribution towards Meeting Programme Expenses	Total Contribution of SHGs to FED/CDAs April-Dec 2010 (Col. 3*9)	Total Contribution from FED/ CDAs towards Meeting Programme Expenses (Apr-Dec 2010) (Col. 4*9)
Udainagar	192	35000	66300	315000	596700
Kantaphod	194	43800	43800	394200	394200
Hatpiplia	22	2200	2200	19800	19800
Bagli	133	32800	26000	295200	234000
Khategaon	106	21000	21000	189000	189000
Barwah	170	40000	30300	360000	272700
Dewas	79	8000	8000	72000	72000
<b>Total</b>	<b>896</b>	<b>182800</b>	<b>197600</b>	<b>1645200</b>	<b>1778400</b>

**Contribution by SHGs and Federations towards Meeting Programme Expenses,  
January to March 2011**

Location	No of groups Contributing	Contribution receivable from groups to FED/CDAs	FED/CDA Contribution towards Meeting Programme Expenses per Month	Total Contribution received by FED/CDAs from SHGs Jan- Mar 2011 (Col. 3*3)	Total Contribution from FED/ CDAs towards Meeting Programme Expenses (Jan-Mar 11) (Col.4*3)
1	2	3	4	5	6
Udainagar	222	42000	66300	126000	198900
Kantaphod	207	45100	45100	135300	135300
Hatpiplia	40	6000	6000	18000	18000
Bagli	160	39800	31200	119400	93600
Khategaon	150	26200	26200	78600	78600
Barwah	190	50000	36600	150000	109800
Dewas	172	36900	36900	110700	110700
<b>Total</b>	<b>1141</b>	<b>246000</b>	<b>248300</b>	<b>738000</b>	<b>744900</b>

Therefore, by the end of the coming financial year groups across all the locations paying service charges would be 1141. The total service charges collected from them will be (Rs. 17,78,400 + Rs. 7,44,900 = Rs. 25,23,300) over Rs. 25 lakhs. The difference in the

service charges collection by the federations/ clusters and what they contribute towards running of the programme is due to the fact that UPS is able to pay for the running of the programme from its other income sources apart from what it receives from the groups as service charges.

Apart from paying a monthly service charge all the groups bear the expenses of the stationary that they regularly use for their smooth and effective functioning. The estimated expenditure on stationary used by the groups for the year 2010-11 is likely to be Rs 3.25 lakhs. External audit by a Chartered Accountant is mandatory for all SPS promoted SHGs, which are more than 6 months old. The audit fee is borne by the groups. Close to 1100 groups will be audited for the year 2009-10 and would have to together pay audit fees of close to Rs 3.75 lakhs.

## 3.2 The Road Ahead: the Next Phase (2011-2015)

### Expansion and Consolidation

On the basis of the experience and lessons learnt of the first phase of the project, we propose to expand and further consolidate our SHG initiative in the second phase starting January 2011 to December 2015. Over the next 5 years SPS proposes to increase the number of SHGs to 1800 in 8 locations, covering 27,000 families spread over five blocks (Bagli, Khategaon, Kannod, Hatpiplia and Dewas) in Dewas district, two blocks (Barwah and Maheshwar) in Khargone district.

### Promotion of New Federations

By the end of 2012, we hope to form federations in the remaining 6 locations. SPS will continue with the basic structure being followed in the programme at present and try to organise the SHGs into nearly 120 Clusters of approximately 15 groups, adding to a total of 8 SHG Federations. This will enable members to carry out a range of economic activities where forward and backward linkages can be assured, bearing location specificities in mind. In our vision, these federations will mature into powerful pressure group in the area of their operation and will partner with the constitutionally mandated PRIs at the village, block and district levels, to play a leadership role in the implementation of all development programmes. These federations will become the truly democratic and participatory organisations of the people. While facilitating the linkages between the people's institutions and the banking system, SPS visualises an expanded role of banks and other financial institutions in poverty alleviation and diversification of the rural economy. Indeed, in its view, the SHG movement would enable the empowered

local communities to command external resources in their own terms to fulfil their development needs.

## Enmeshing SHGs with other Livelihood Interventions

The unique strength of our SHG programme is financial and procedural discipline and transparency. It is mandatory for each group to go through an external audit every year, conducted by reputed chartered accountants. Our SHGs offer their members a range of products including interest on savings, recurring deposits, fixed deposits, loans against fixed deposits, loans for genuine needs and emergencies (the veracity of each of which is judged by the members themselves), loans for cattle and well construction, cattle insurance, life insurance etc.

With the expanding membership of the microfinance programme as its base, SPS has already started implementing several other livelihood initiatives in Dewas and Khargone districts of Madhya Pradesh.

The **Commodity Aggregation Programme** implemented with members of the SHGs intends to link small and marginal farmers with markets. In 2009, under the commodity aggregation programme 728 members of Udainagar, Bagli & Kantaphod participated. 483 tonnes of soyabean has been aggregated. The total value of the produce at the time of aggregation is Rs 95 lakhs. The aggregation programme offers a unique opportunity to the members to access organized markets which they would have found it impossible to do individually. Secondly it makes it possible for them to hold on to their produce till the prices turn favourable. The entire programme has also resulted in the use of government warehouses in the area extensively by poor SPS SHG members. Till now only the big traders were making use of these warehouses. The SHGs have now made it possible even for these state warehouses, which were till now running in losses, to become viable. To meet their immediate cash flow needs, the SHGs have been making use of liquid instruments like the warehouse receipts. Loans were advanced to the federation in the Udainagar location whereas in Kantaphod and Bagli loans were advanced to each of the SHGs. Loans were upto 75% of the value of the receipt @ 8% p.a.

The **Livestock Programme** of SPS over the last 4 years is another intervention that builds on our microfinance work. About 70 million households (73% of total rural households) in India keep and own livestock of one kind or another and derive on average 20% of their income from this source (Walker & Ryan, 1990). Small and marginal farmers and landless labourers constitute almost two-thirds of these. High mortality of animals is one important reason why small and marginal farmers hold large herds often exceeding the limits set by their fodder sources. This raises an important issue of the health of existing stock and rationalisation of its size over time. Better livestock healthcare systems, breed improvement with hardy, indigenous species and

provision of nutritive fodder through cultivation of improved varieties of grasses could be some of the key action points that watershed programs could incorporate. SPS watershed programme has already ensured water and fodder. We have now introduced quality preventive and curative veterinary care. The cost of medicines is being borne by the federation and a small fee is charged for the veterinary support. The professionals and others presently are being supported by SPS. Our painstaking efforts have ensured that the Indore Milk Union includes our area in their milk collection route. SHGs have extended credit to their members to purchase quality indigenous breeds. These animals have all been insured through a tie-up with the Oriental Insurance Company. Having first minimized risk, the programme now emphasises building up systems to ensure transparency and provide incentives to the farmer to increase production. On the procurement side, activities focus on building up a fair and efficient milk collection and payment system. On the production side, various programmes like pregnant cow care, fodder production, regular deworming and vaccination, support in selection of good animals and improved breeding services have tried to raise productivity of farm animals. In these efforts, it has been our endeavour to strike a balance between getting better yields from the present stock as well as induction of indigenous and crossbred animals. The livestock development program is set for a major expansion and upscaling. As a first step Indore Dugdh Sangh (IDS) has set up a Bulk Milk Cooler (BMC) with a capacity to handle 3000 litres of milk in the *ghat neeche* area of Bagli tehsil. The running and maintenance of this facility has been handed over to Samaj Pragati Sahayog by IDS for which the costs are borne by IDS. We also plan to include new initiatives like poultry development.

The **No Pesticides Management (NPM) of Agriculture Programme** of SPS is currently completely integrated with the SHG membership. The NPM idea initially came up as a response to the difficulties faced in Organic Certification, which is both expensive and inaccessible to small farmers. The idea of the NPM movement is to encourage farmers to grow crops without any synthetic chemical pesticides, create an identity for their produce and link these small producers to markets. Since the soil fertility in the backward, dryland areas is too low, it may not be possible to do away with the use of synthetic chemical fertilisers altogether in the first phase. NPM agriculture stresses building up soil fertility through appropriate management practices (such as composting and recycling of agricultural residues, use of FYM, cattle urine, green manuring crops etc.) and a gradual phasing out of chemical fertilizers. In this kharif 2009, 500 farmers participated in the NPM agricultural programme in 37 villages. All farmers were drawn from the SHGs promoted by SPS. These farmers formed themselves into primary producer groups (farmer groups) who followed the NPM agricultural practices. Our focus was on four crops in kharif: soybean, maize, red gram and green gram. For improving fertility of soil various composting method was also

adopted by the farmers as apart of the programme. This programme is now poised for an expansion towards the cluster of villages around Pipri in Bagli block.

Another exciting avenue that we have initiated is in the area of **value addition** of agricultural and non agricultural commodities. A small beginning has been made with those SHG members who are engaged in honey collection from the forest. The honey collected is being mechanically processed and marketed through retail and wholesale channels. Honey is sold under the Kumbaya brand name. The annual collection of honey is close to 10 tonnes. The SHG federation in Udainagar is actively considering setting up a mini dal mill this year to process the pulse crops such as red gram, green gram and black gram grown in our area. The federation is also discussing setting up a unit to grade wheat and Bengal gram grown by the members and sell the produce in the retail market after packaging. This will provide the members and the federation a reliable and sustainable source of additional income.

The SHGs promoted by SPS are an institutional mechanism capable of taking upon public investment programmes like the **watershed programme** or **NREGA**. Along with elected panchayats, these SHGs and SHG federations give stability and continuity to the programme. This is because unlike the watershed committees etc., these institutions move on their own steam and hence have a life beyond the project period. In our view, as these federations get empowered over time to take upon themselves the mantle of implementation of these programmes, many of the functions currently being played by SPS could be transferred onto them.

Yet another avenue for diversifying livelihoods developed by SPS is **Kumbaya**. The unique significance of Kumbaya is that in a predominantly agrarian region where there have been no traditional marketable crafts it makes machine-stitched ready-to-wear garments, home linen and accessories designed to market specifications and international trends. Most of these tribal women had never stitched a garment before. Today over 500 women in 45 villages of Udainagar revenue circle and Bagli tehsil have learnt stitching. Kumbaya is a convergence of many processes – trying to change gender perceptions, implement a standardized production system in a remote area, professionalize local capacities for management, compete in quality and design with the mainstream market while building a viable business model. While the challenge in the initial years was to keep Kumbaya running in the face of violent opposition on behalf of hesitant, vulnerable and “unviable” participants, today it is to keep up with the overwhelming demand for its products. For an economic enterprise that works for women, the imperative is to find contemporary, competitive and professional solutions that equip women to participate in the market.

In our vision, each of these livelihood programmes will draw several primary producer groups (such as farmer groups, dairy co-operatives, NTFP processing groups etc.) from the SHG membership and work intensively with these groups. The linkage

with SHGs is important to provide essential working capital needs of these primary producer groups as well as for marketing of the produce of these groups. In the years to come, we see the possibility of an enhanced integration of several livelihood interventions on the broad base of SHG membership.

## Sanitation Programme

The sanitation programme which was started last year in Udainagar, Kantaphod and Bagli locations last year is now being revamped. Until last year the programme was being run on the basis of a 50% grant. But now the demand for toilets is growing at a very rapid pace and SPS does not have the required funds to offer the grant portion of the cost. The cost of construction will now be on loan basis from this year. Monthly instalment repayable over a period of 4 – 5 years has been worked out. The interest rate has been kept lower than that for other loans availed by the members. But the members are still finding the monthly instalments too high and burdensome. The feed back from the members is that the construction of the toilet cum bathing space should be split into two. The toilet space should be constructed first and once the members have fully paid for the construction of the toilet space then the construction of the bathing space should be taken up. This way the monthly instalments will come down and members would find it easier to repay. This is very actively being considered by the programme and we are soon going to start works on the basis of the new formula. The programme is also actively considering making the repayment period even longer than what has been planned presently. This programme is among the most popular of all the cluster activities due to its immediate impact on the lives of women members who have to face humiliating conditions every day of their life for carrying out their daily activities.

## Social Security and Human Development Products

Following up on the initiatives of toilets and bowing to the burgeoning demand for housing to be taken up as an SHG product, SPS is also planning a major thrust in this direction. It is our view that an intervention in the area of rural housing needs interventions at multiple levels. Issues like financial credit, alternative and low cost building designs which keep in mind the available local resources, skill upgradation of local communities engaged in construction activity and innovative use of building materials need to be addressed before any intervention is planned. Samaj Pragati Sahayog is in the process of working out possible solutions in active consultation with the members of the SHGs and the leaders of the federations. SPS also believes that any intervention in rural housing needs a scale which is bigger than that provided by a group or a cluster and therefore can be taken up only in regions where there are formal institutions like SHG federations in existence.

## A New Role - SVO for Microfinance

During the past two years, we have already begun our interactions with selected NGO partners in Madhya Pradesh, Chhattisgarh, Gujarat and Orissa. These NGOs have been carefully selected from amongst the partners of SPS in the National Consortium of CSOs for NREGA. We have held preliminary orientation programmes on microfinance for these partners. Two senior SPS professionals (who are in-charge of 2 SHG locations in the SPS programme) went to Kantabanji in Western Orissa for a 7-day support and monitoring visit in August -September 2008. The objectives of the visit were to study the functioning and performance of the SHGs of the selected NGOs in terms of saving mobilization of saving, lending operations and loan recovery and to work out a strategy for support to the organization on the SHG-Bank Linkage model. The review suggested that there are several ways in which the programme needs support for further strengthening. In Gujarat, we were approached by ANANDI, an NGO located in --- Gujarat, to provide them assistance in their SHG program. SPS SHG Program Director visited ANANDI in September 2008 to review their SHG program. Our review found that the program lacked a proper HR structure, lack of clarity of roles and responsibilities at all levels, was poorly monitored and there was lack of conceptual understanding of the SBL model of microfinance at all levels.

Through these preliminary interactions with other organizations, we found that while all partner NGOs have been engaged in microfinance for some time, many of them are not clear about the relative merits of the SBL model compared to other models. The partners lacked awareness of the need to stabilize the groups through regular meetings, attendance and monthly savings before entrusting more functions with the groups. Many of these partners were not clear about the need to put in place adequate quality checks before the programme is upgraded to the next level. This means that the organizations need a much greater exposure to the power and potential of the SBL model through seeing how it actually works on ground. This is what we propose to do by playing an SVO role in microfinance. SPS is confident of the ground level realities in MP and Chattisgarh and therefore it makes more sense to initiate our support role in these two states.

The more important reason for the choice of MP and Chhattisgarh is the key role banks have to play in the SBL model. The SHG Federations and banks are complementary entities, whose existence depends on each other. Today, when the very existence of public sector banks is under threat, Federations of SHGs can be a massive support to the banks. The credit extended by banks to SHGs is their lifeline. The repayment rate of SHGs is unprecedented. Therefore, if public sector banks become partners of Federations on a large scale, the financial situation of banks can also improve.

The banks with whom SPS has formed close relationships and who play a crucial

support role have a fairly good network of branches in these two states. SPS has worked hard to develop a close and productive relationship over the past few years with Bank of India (BoI). Recently, SPS has also been appointed Business Correspondent (BC) for various branches of State Bank of Indore and Bank of India in Dewas, Ujjain and Indore districts. Bank of India has also announced its decision to open a new branch in Bagli. BoI has evinced interest in our idea of the bank providing long term promotional cost to organisations engaged in microfinance under the SBL model. SPS has been in active discussions with BoI about our SVO role in microfinance and the bank is optimistic that if SPS, with adequate experience in promoting SBL model, offers a guiding and a handholding role to all its partners engaged in promoting SHGs, then the bank will gain by supporting such a partnership. Once these SHGs are linked with the bank and if they function efficiently they offer very good business to the bank. At the same time it helps the rural branches of the bank to meet its targets of priority sector lending. This is a huge incentive for banks like BoI with many branches in central India, which are required to meet the commitments of financial inclusion but are at present not in a very healthy state.

SPS has contributed to the design of a special CAPART microfinance scheme which can be availed of by grassroots organizations. This scheme is under deliberation in CAPART and we are hopeful that its launch will fill a much needed gap in this sphere.

SPS has, in advance preparation of this SVO role, commissioned a computer software for tracking the SHG programme of partners. This software, being designed by Joint Leap Technologies, is completely open-source and as such, will mark a first in the history of the SBL model in India.

## 3.3. SHG Federations: Governance and Inclusion

### Federations and Rural Governance

Over the past few years, there has been an upsurge in public expenditure in rural areas. The total expenditure on centrally sponsored social welfare and rural development programs rose from Rs. 365,000 million in 2004 to over Rs. 1.30 billion in 2009. Yet, despite increased allocations, the levels of deprivation continue to remain appallingly high in many parts of the country. India is therefore crying out for “reforms” of another kind – reform of rural governance which focuses on the most marginalised and dispossessed sections of our society. Development cannot be regarded merely as an economic initiative. It is centrally concerned with governance structures and the orderly and effective functioning of democratic institutions. People cannot be reduced to passive

recipients of government patronage. They need to become active participants and partners in the democratic process.

SPS has been working in the direction of strengthening people's institutions so that accountability of government programs is ensured and the massive outlays incurred by the government are translated into enduring outcomes on the ground. It is our belief that despite efforts made by government over the last 6 decades, the persistence of endemic poverty and hunger points to the glaring lack of good governance in rural India. Millions of rupees spent on development programs have not had the desired impact. We see the nested institutions being promoted by SPS - SHGs, Cluster Development Associations and Federations – as the building blocks for effective empowerment of the poor in the tribal drylands of India, articulating the development needs of these regions at a national scale. The women leaders of the SHG Federations, which are powerful economic corporate entities, will also be able to provide effective and capable leadership to Panchayat Raj Institutions in their own areas. Running SHGs is a great learning experience in governance and allows these women a space to become powerful articulators of their perceptions and interests. SHG institutions have the unique merit of representing a happy marriage of social and individual interests, giving them exceptional sustainability. Each member is a stakeholder, for her savings are what make up the working capital of the institution. The interest of members is abiding. The stability and transparency of these people's institutions gives a strong platform to bring together initiatives for better governance in rural India.

SPS has been regularly monitoring the implementation of key government schemes in our area as well as in the areas of our partner NGOs located elsewhere in Madhya Pradesh and Chhattisgarh. The agenda of our participation in such initiatives is not only related to food but one of reforming the public systems of delivery by bringing people back into a centre of the implementation process and empowering them to take charge of their own lives. This is inconceivable without the emergence of strong people's institutions, which gain in confidence over time to assume the leadership role in shaping development policy and making the state accountable to the poor. During the coming three years, we propose to extend the coverage of the institution development program to 150 villages in 2 blocks of Dewas district. The activities proposed include generation of awareness, close monitoring and redressal of grievances of the following schemes:

- 1.MGNREGA;
- 2.Forest Rights Act (FRA);
- 3.Public Distribution System (PDS);
- 4.Mid-day Meal Scheme (MDMS) for school children;
- 5.Integrated Child Development Services (ICDS) for pre-school children;
- 6.Deen Dayal Antyodaya Upchar Yojana (medical relief);
- 7.Janani Suraksha Yojana to support institutionalized deliveries;

8.Ladli Laxmi Yojana of GoMP to support the girl child;

9.Pension schemes National Social Assistance Program and Social Security Pension

A major part of the effort under this program has been on developing the human resource through training and capacity building of women leaders of SHG federations. It is expected that the enhanced capacity and awareness of women leaders of the SHG federations will pass on to the local community at large through the expanding SHG membership as well as through village level interactions and events.

## 4. KUMBAYA

---

### 4.1 Point of Departure

The unique significance of Kumbaya is that in a predominantly agrarian region where there have been no traditional marketable crafts it makes machine-stitched ready-to-wear garments, home linen and accessories designed to market specifications and international trends. Located deep in the tribal drylands of the Udainagar revenue circle, Bagli Tehsil, Dewas district for the last thirteen years, this centre has empowered women from one of the most deprived areas of the country by creating livelihoods through the dynamic skill of garment fabrication. Most of these tribal women had never stitched a garment before. Today over 500 women in 45 villages of Udainagar revenue circle and Bagli tehsil have learnt stitching.

From the beginning Kumbaya has focused on creating employment all year round for women who face disinheritance, displacement, drought, debt and migration. Very simply, in a culture where women are bonded labourers on their family's lands, Kumbaya has enabled women to renegotiate terms. Household by household, village by village, norms that ignore women have shifted to include them as visible contributors to income. Therefore, it also became an alternative space in an arena intersected by many forms of discrimination. Gender has been only one of them. As a convergence of many processes – changing gender perceptions, implementing a standardized production system in a remote area, professionalizing local capacities for management, competing in quality and design with the mainstream market while building a viable business model, Kumbaya is simultaneously - a continuous struggle, in constant formation and an ever-increasing success.

Kumbaya was founded by 12 tribal women of village Neemkheda, with the assistance of Samaj Pragati Sahayog in 1995. Within two years these women saw phenomenal success - earning Rs.100 a day when their products were sold on Rodeo Drive in Hollywood, and immense tragedy - when their sewing centre was burnt down by vested interests threatened by their success.

The challenge in the initial years was to keep Kumbaya running in the face of violent opposition, on behalf of hesitant, vulnerable and “unviable” participants. Today, the challenge is how to run Kumbaya to keep up with the overwhelming demand for its products.

Today Kumbaya runs three production and training centres – at Neemkheda,

Bagli and Sanawad. The most challenging prospect has come from the women of Sanawad, a small town in the adjoining Barwah tehsil of Khargone district. Many of our SHG members and hundreds of other women stitch readymade children's garments from home for the Indore market at appalling rates – Rs. 3 for a small shirt, assembled by several women turn by turn. So they get 50 paise for making a collar, 50 paise for attaching it, and so on. In this way they earn an amount of Rs. 30 - 50 for 8 to 10 hours of work in a day. In comparison, even an inexperienced producer at Kumbaya can earn Rs. 30 - 50 for 5 to 6 hours of work.

Kumbaya began working with 20 women in Sanawad last year. We assumed that the problem would be not being able to provide enough work for so many producers. The quantum leap in scale apart, this would also have been a new attempt at decentralized production.

However, it turned out that the real challenge was to make these women understand the need for quality stitching. Accustomed to high speed assembly line stitching of low cost readymade garments, they still find quality specifications arduous and inexplicable, regardless of the opportunity to earn the much higher rates offered by Kumbaya. After 17 months of intensive effort, we are left with only 7 producers, who would still attempt to evade quality issues if they could. A description of the failure of Kumbaya at Sanawad are in a separate section below.

## 4.2 The Idea behind Kumbaya

For an economic enterprise that works for women, the imperative is to find contemporary, competitive and professional solutions that equip women to participate in the market. Kumbaya focuses on stitching on the sewing machine. We have 60 industrial motorised sewing machines. In our experience, the simple sewing machine can empower women, as it is one of the most affordable and transferable technologies available for rural women. Whether it is for women working from home or in an organised unit, it ensures production and an immediate rate of return from very low investment.

The sewing machine has an immense capacity for upgradation and easy upscaling. Industrial sewing machines can run with or without power. They are durable, have readily available standard spare parts, are easy and low cost to maintain. They can incorporate attachments for specialised jobs. All this is possible within very reasonable costs. Specialised units for CAD cutting, washing, dyeing, and finishing in the nearest urban centres, are facilities today that allow the scale of production from a simple sewing machine to be magnified manifold, with no extra capital investment. These units survive on bulk job work and complement fabrication units with sewing machines.

The sewing machine can deliver an unlimited product range and output, the

flexibility of functions making it viable for starting ventures in rural areas. With a simple change of needle and thread it can work from chiffon and silk to leather, canvas, and from garments to bags and quilts. Products made on the sewing machine like garments, home linen and accessories have an eternal market - they are in demand all the time. No other technology allows this kind of scope in a rural area - for adaptability, elasticity in installed capacity, resource allocation, product range, skill, competitiveness in markets; and that is, most of all, so suitable for women.

## 10. Achievements

➤ Kumbaya received a grant of Rs. 30 lakhs from Caring Friends.

➤ Kumbaya sales have crossed Rs. 32 lakhs in 2009-10. In the last four years there has been an increase by nearly 40% every year in the annual turnover of Kumbaya, from 7 lakhs in 2006-07 to 11 lakhs in 2007-08 and 20.5 lakhs in 2008-09. This is important because it is only the creation of a continuous and growing market for the products of Kumbaya that ensures employment to more and more women.

- The market for Kumbaya products has steadily grown over the years on the merit of the product and by reputation. Buyers have traced us back to our village on the basis of the product alone. This is particularly rewarding as due to financial constraints we have never been in a position to launch a systematic and targeted marketing effort.

- We have been regularly supplying to **The Greenshop** run by Keystone, an organization working in the Nilgiris. Our products are stocked at all the three retail outlets they have opened in the last four years, at Ooty, Conoor, and Kotagiri. Partnering them has made it possible to overcome the challenge of marketing in the absence of dedicated funds. From here our products were noticed and sold by 'Kriti', a small firm exporting to Germany.

- The visibility of our products at the Greenshop brought us even more orders. Significant amongst them is TRIFED, from whom we have received orders worth 16 lakhs in the year 2009-10. We already have an order worth 7 lakhs in hand in April 2010. In March 2009 we were especially invited by the Managing Director of Trifed, who had visited our stall in Dilli Haat, to an all India meeting of the Regional Managers representing each state. The primary purpose of this meeting was to work out how Kumbaya products could be regularly stocked at each of the Trifed outlets in State capitals.

- Kumbaya has also started supplying to a **retail outlet called Maati Craft in Mumbai**. The shop opened during the festival season of Dushera - Diwali 2009. We have also received some franchise offers from Delhi which we are exploring.

- We are collaborating with **Women Weave**, an organisation dedicated to training women weavers in Maheshwar. We did an exclusive collection of women's garments that they designed in the fabric developed by them. The fabric is a high end hand spun and hand woven Khadi, block printed with natural dyes in Bagh. The collection was showcased at the **Prince of Wales Museum, Mumbai during the Paramparik Karigar exhibition-cum-sales at the end of September**. The Women Weave exclusive collection was a complete sell out.

- The recognition as a contemporary brand of garments and home linen made by the rural women at Dilli Haat is reflected in the sales made in the ten day Aadishilp Mela organized by TRIFED. The Kumbaya range continues to be success and records the highest sales – Rs. 3.7 lakhs in 2007, Rs. 5.6 lakhs in 2009 and Rs. 4.4 lakhs in February 2010. This exposure in turn has led to interest from more firms, retail chains and craft organisations. At another event, the Bhopal Haat organized by TRIFED in November 2009, the sales were Rs. 50,000. The demand for Kumbaya products from retailers and customers in Delhi, Bangalore, Pondicherry, Bombay and Indore, keeps growing. In the last four years the demand has consistently grown by 40% each year.

- We received an incredible offer from a customer during our Dilli Haat exhibition this year. Mr. Robin Kohli from a firm called E-junkie, has offered to set up our **internet-shop for free**. Their head quarters are in New Delhi, and their development and support office is in Tucson, AZ, U.S. They process close to \$7MM USD for 8000+ merchants each month. Most of their clients are small merchants, independent artists, authors, publishers, innovators and developers, but also include MTV. And they are 100% free for non-profits. Their main job is to provide an easy way for merchants to sell physical and digital goods on the internet. This offer is of critical importance for Kumbaya. The estimates we had received from different software firms were beyond our budget, so high that we could not consider the investment. We have had several discussions with Mr. Kohli and are very hopeful of setting up an internet shop in the near future, once the legalities of the process are sorted out – taxes, an operating account with a merchant bank, a paypal account, and a reliable international freight carrier.

- Nearly 20% of our sales are within the local area, from the outlet at Baba Amte Centre for Peoples Empowerment, in village Neemkheda.

- Goods worth Rs. 40 lakhs were produced by Kumbaya in 2009-2010.

- Employment is available and guaranteed for almost 300 days in a year

- Kumbaya currently provides employment to 48 people on a regular basis.

- The best tailors easily earn Rs. 75 - 120 a day. Even beginners are able to earn Rs. 40 - 50 a day. On an average, women at Kumbaya earn at least Rs. 70 - 100 every day, for 275 days in a year, in contrast to what women earn as agricultural labour (Rs. 50 per day for 100 days) or the wages offered by MGNREGA.

- The Kumbaya centres are managed mostly by a team of skilled and trained local people with the help of hired professionals from urban areas. The local team supervises training, production, sourcing, and accounts. We believe that investing in the capacities of a local cadre, with a stake in the development of the area consolidates the growth and sustainability of Kumbaya. Moreover, they have an intricate grasp of production processes, as they have been producers themselves. Given the growing and diverse requirements of Kumbaya they form enduring teams, continually upgrading each others' skills to be multifaceted, substituting for each other when the situation demands and even producing themselves when there are large orders and deadlines. Linking incomes and incentives to productivity adds to the overall accountability of each member to the team. This is one of the most important steps towards building a self-reliant and self-regulating system.

- Some producers have graduated to becoming supervisors during the year. They have learnt by taking on production cycles, and by being trained further in meticulous management by our local supervisors. This has enabled us to expand our operations to other areas as they have had to take over the running of new centres. Two of our supervisors are dalit women who have learnt stitching and have been working at Kumbaya for the last few years.

- The local supervisors, master tailors, and the trainers are now capable of running the programme almost on their own, including sourcing fabric, other accessories and equipment from nearby places, executing and despatching large orders on their own, working out costs, maintaining inventories and accounts, handling exhibitions, and even altering production and training schedules for better efficiency. That they are people from the area, with a long term stake in Kumbaya, is a key factor that may enhance the chances of success, viability and sustainability. With the help of a designer and a computer-literate marketing professional on a permanent or consultancy basis, this team of local people are now capable of carrying forward Kumbaya on their own.

- Over 500 women have been trained in stitching of whom 72% are tribal. A three month Primary Level Training (PLT) in Garment Fabrication was organised for 20 women (90% of these were tribal women) at Neemkheda and Bagli centres with the support from TRIFED from the 15<sup>th</sup> of February 2010. A grant worth Rs.82500/- was given by TRIFED for training these women. Nine women continue to work with us as producers.

- More than a 100 women have an independent tailoring business run from their homes.

- The most important achievement has been the transformation in the attitudes of both men and women in the area. From opposition to women leaving the confinement of their traditional roles of gruelling manual work in agricultural fields,

the household, and at construction sites – to recognition that there is a high value to skilled labour performed by women. Interestingly, from being derisive about women stitching, today male tailors are leaving their shops to seek employment with Kumbaya.

- The success of the women's centre at Neemkheda village led to a demand for more training centres all over our area. We opened another training and production centre at Bagli town in 2005. More than a 170 women have been trained at the Neemkheda and Bagli centres in the last three years. These are mostly tribal women from 50 remote villages of the Narmada valley, and both tribal and non-tribal women from 5 villages of the Malwa region and the tehsil town of Bagli. In September 2008, we opened the third training and production centre in Sanawad, a small town in Khargone district, adjoining Dewas in the west.

- Kumbaya is also hope for many differently-abled women and men, whose inability to contribute manual labour in an agricultural area like ours leads to their marginalization and abandonment. Including them as skilled producers and high earners has been a major achievement.

- We have been able to design a successful range of marketable products that are easy for the women to make, provide them with high wages, are reasonably priced and are constantly in demand. The products made on a regular basis by the women's empowerment centre are a range of Indian and western casual wear for women, men and children, along with a collection of home linen - Duvets, Patchwork Cushion Covers, Table and Bed linen, Curtains, Wall hangings and Bags (shoulder bags, toilet bags, shopping bags, duffle bags, rucksacks and gift bags). The emphasis is on simple, well cut, garments of good quality fabric and on patchwork. Patchwork techniques are simple to execute but give an effect of intricacy, adding high value to very small quantities of cloth. Patchwork linen was chosen as a major product line as it commands a premium, comparable to hand embroidered or appliquéd linen. Machine stitched patchwork enables women to earn more in less time. It also uses up all of the waste cloth.

- Collaboration with both suppliers and buyers has become stable and regular. Our effort at building trust and evoking interest has led people to venture credit, to invest, even to subsidise. Since this affects ease of financial transactions, the supply and transport of goods to and from a remote area, and adherence to quality specifications, it has enabled us to take on large orders, ensure quality, meet deadlines and introduce our own designs. The ability to do this gives us credibility with buyers who are then willing to invest and stock our products. For example, sourcing quality, well-designed and well woven at wholesale rates, and in bulk, is a challenge in an area as remote as ours. It is also difficult to ensure a repeat of the same fabric in the event of a large order. However, today we have regular suppliers, weavers and printers of the exact fabric that a design may demand from all over India a phone call away – from

vegetable dyers and block printers in Bagh, batik printers in Ujjain, and handloom weavers in Shajapur (all near Dewas in Madhya Pradesh), from DAMA in Hyderabad and from suppliers of export quality cloth in Delhi. Our ability to fulfil orders primarily rests on this.

- Nothing is wasted in Kumbaya. Every scrap of waste finds its way into patchwork cushion covers, cloth bags, doormats and throws, braided handles for our newspaper bags, in fabricard price tags, gift bags and stationary. Creation of value by fabricating patchwork has one of the highest wage to non-wage ratios. The most popular item at Dilli Haat is our patchwork bedcover made mostly by differently-abled producers and entirely from waste – invariably stocks sell out at Rs. 2000 per piece. There is also a huge demand for the Kumbaya bags made of newspaper, again by differently-abled producers. They were featured in an article in **The Hindustan Times**.

## 4.4 Production Strategy

Our objective has been to provide regular work to those women who seek employment, and at the same time create a range of products that have an abiding demand in the market. From this the strategy that has emerged is to –

1. perfect the quality of stitching by continuous training to expand the number of skilled women workers and upgrade skill levels
2. design and innovate on a range of products that can be impeccably constructed to meet the quality expectations of the market
3. source fabric in quantities and rates appropriate for our scale of production
4. set up accountable management practices that constantly aware and improving cost effectiveness, transparency, and efficiency

## 4.5 Training

The training schedule is of 60 to 90 days. First, the women are taught how to do stitch straight. After this they are taught different types of joining and finishing, like double stitching, hiding the seams, facing, piping, hemming, attaching pockets, collars, etc. Then they learn how to stitch blouses, salwar-kurtas, pajamas, kurtas, shirts and frocks for children. A training register is maintained tracking the progress of each of the women. From this training we are able to supply free, good quality cotton children's clothes for the people of the area, who are otherwise dependent on the expensive synthetic clothes sold by local traders.

Once they are adept at children's clothes they are trained to make adult garments

for both men and women. These are sold at discount during our exhibitions. Each woman trains on four or five pieces of each type of garment, so that when she reaches the production stage she is confident of working on more expensive material without making mistakes. The emphasis is on export quality stitching and precision. During their training period they are also taught different patchwork designs, and other products like shoulder bags, cushion covers, pillowcases, toilet bags and baskets. Most of the women are skilled enough to produce export quality items.

Training in cutting and pattern making is also imparted so that the women are equipped to start independent enterprises from their homes.

## 4.6 Design

Our designs are driven by a commitment to ensure fair wages and are created from constraints. Both these reasons compel a tight integrity of expression. We regard this as an advantage and an inspiration that requires continuous practical innovation. As we work from an area that is far away from urban markets, it was difficult in the initial years to access raw material and a considerable challenge to execute a design immaculately. Moreover, there were no traditional crafts to sell. By default our designs became simple, since we could not afford to venture into experiments with too many elements. Also our attempt was to design 'classics', products that are always liked and used, even years later. Since 'fashion' has a short life span, particularly in case of apparels, there always the risk of losing money by investing in the wrong trend.

More important, between the sample, the stencil, the cut, the joining, the finishing and the packing there are innumerable slips. Our designs focus on minimising these risks. A governing aspect is that the design should be possible for the women to stitch perfectly within the shortest possible time. Since our design decisions on aesthetics, measurement and functionality are based on these considerations we try to style products that will always have a market, and in doing so lower the risk of dead stocks.

At the same time the recognition that Kumbaya is a brand with well designed products made by village women stimulates innovation on product design. A constant effort to develop new samples is a dedicated activity at Kumbaya, both to cater to a wider clientele and to provide work to producers with varying skill levels.

Women Weave and Maati Crafts have helped us implement their contemporary range of western wear designs. Our women producers got an insight into current market trends and were also able to assess the value of their labour. Based on the complexity of the design the women negotiated the value for their labour on the new designs developed for Women Weave and Maaticraft.

It is also our standpoint that design must address fair practices, particularly in India, where multitudes of fabricators and craftspeople are unable to earn a minimum

wage while designers earn the premium for using their skill. We believe that it is in the realm of responsible design to create products that ensure not only appropriate incomes to producers, but reduce tedium while enhancing skills and capabilities.

## 4.7 Production

We follow a whole garment production system rather than an assembly line system. Although assembly line production systems are considered to be cheaper and faster, they can become exploitative and alienating. Whole garment manufacturing promotes a dignity and joy in being skilled, a connection with and regard for the creation, accountability, independence, and equality – leading to a sense of ownership. Ownership in the sense of ‘being responsible for’, is the critical driving force that should propel the expansion of Kumbaya. Most of all it whole garment manufacturing ensures better and just incomes founded on self reliance.

There are twenty industrial sewing machines installed at each of the centres in Neemkheda, Bagli and Sanawad. These are used for both producing as well as training. The capacity and quality of our fabrication unit has been consistently improving in the last few years. But trying to create employment for tribal women in a remote and backward area - where the government provides almost no power supply and no public transport, imposes external constraints on production capacity. Overcoming these involve astronomical additional costs of diesel for generators and vehicles and still limit output below optimal levels. For instance, bus timings only allow a 6 hour work shift which fix one woman's productivity to only 2.5 - 3 shirts per day and optimally sized generators fix the size of a production unit to only 20 machines. So the assumption of "economies of scale" does not work as it should. Even large orders do not reduce our daily running costs, as the pieces do not get done any faster or cheaper.

To clear this bottle neck we plan to increase our production capacity without increasing installed capacity by incentivising decentralised production. We have found that after reaching the required skill level the first thing women want is to invest in are sewing machines. They prefer to work from homes as it enables flexibility – allowing them to fulfil their responsibilities as well as earn, and gives them a greater sense of control over their time. We are already partly dispersing production to those women who want to work in the evenings. Apart from the 2 or 3 pieces made at the centre they now deliver 4 or even 5 pieces comfortably without compromising on quality. We can then visualise that after a year of working at the centres, women will be confident and committed enough to take pieces home, making room for more women to join full time. In this way, we hope that Kumbaya will be able to fulfil its promise of including more women, at the same time meeting the ever increasing demand from the market as well.

## 4.8 Management

The key challenge has been to manage all this. The struggle to develop the diverse, intricate and skilled requirements that run Kumbaya has shaped a team of proficient local managers. With no professional experience and no formal training our managers have emerged from the process and have devised apposite strategies for management. The note-worthy point here is that instead of a hierarchical, rigid structure, a collaborative team has evolved. Highly differentiated in terms of capabilities, aptitude and experience, this kind of team has had in many situations an edge over domain specialists or professionals - as their work in Kumbaya necessitates nimble-footed adaptiveness and complex interdependence. Their combined knowledge is what continuously helps Kumbaya to find robust solutions in an unfamiliar, volatile market environment.

## 4.9. Marketing Strategy

Our value proposition to the customer is an affordable, aesthetic, distinctive, quality finished product in line with international trends for the discerning urban buyer. At the same time our emphasis is on provoking and satisfying emotional needs - by using our products customers should feel a strong sense of participation in the empowerment of women. Embodied in the brand Kumbaya is the idea that the product has been made by women who are proud to challenge and change their circumstances, and that by purchasing this product the customer aligns, supports and participates in their endeavour. We will also be strengthening the brand by applying for fair trade certification so as to reach out to a more cognisant international market.

Kumbaya's product portfolio ranges from garments for men women and children, accessories, home linen and gift items. Combined with our pricing strategy the products are designed to cover a wide and diverse customer segment that can gain access to multiple distribution channels.

In the domestic market as well as the export market, our competition comes from two sectors. The intricate networks of agents and small fabricators in urban centres, who reproduce designs and undercut prices, and the state of the art garment manufacturing companies who produce at scale. Even at our scale, our designs, quality and pricing still find a favourable space with retail chains and speciality stores, apart from those committed to selling products with social impact goals. In this context we are working with Sandhi Craft Foundation, an organisation that intermediates on developing products and identifying partners in the domestic and export market. They link up with stores like Shoppers Stop, Pantaloons, Yamini, Westside, Wellspun, Contemporary Arts and Crafts etc. We are at the sampling stage with them for several stores in India and

some export firms. Collaborating with organisations like Sandhi Craft Foundation not only save us the cost of marketing products on our own but also give us the advantage of their expertise and experience. In partnership with them we also plan to evolve customised product lines like corporate gifts and special craft packages.

We plan to participate in as many institutional marketing events as possible with the clear objective of taking advantage of the high frequency retail sales as well as the enhanced visibility to meet wholesale buyers.

For us the concept of internet marketing is an extremely useful and cost-effective device. Kumbaya will advertise its products on the internet through an especially dedicated website. The website will catalogue all products and display thumbnail images of these products. It will also display the price of each item and the quantities in stock of the item. Potential buyers will be able to place orders through credit card. Once funds are transferred into Kumbaya's account, the goods will be shipped on a freight-to-pay basis. The website will also prominently display contact details so that buyers interested in placing special orders may be able to do so regardless of what the web catalogue says. The focus on e-commerce efforts would be in website design to incorporate strategies for search engine optimization and evolve web based marketing strategies in order to build traffic on to the Kumbaya website through cross referencing from other e-commerce sites.

What such a marketing strategy enables is completely doing away with costs of establishing retail outlets, which is an extremely expensive proposition and promises a costless way of reaching a huge market.

## 4.10. A Financial Analysis

The financial analysis of Kumbaya as a social enterprise, with projections of costs and returns calculated over a time horizon of six years, are as follows:

### 4.10.1 Demand Projections

Over the past 3 years, Kumbaya sales have registered a 70 to 75% increment per annum. This is a startling fact because this growth is that it has been achieved entirely under minimalistic conditions – prudent growth in capital investments, virtually no investments in marketing or advertising due to shoe-string budgets and so on. It would be more than reasonable to assume that at an expanded scale, with investments in capital and opening up of more work sites, Kumbaya would be able to achieve a 30 to 35% growth every year. This assumption forms the basis for the analysis of this section. In the first year of the analysis, the demand is poised for a quantum jump because this is the year when the enterprise really takes off by shedding its past so to speak. After that, it is assumed that demand continuously grows at a steady and modest 30% per annum. Apart from past sales, such projections are also based on an informed understanding of the

market. Kumbaya is continuously besieged by demands from the domestic wholesale market, from retail segments in the country, from exporters in India and from importers in the West. So far it has hesitated to exploit this huge potential market because it has not had the requisite resources to expand and deliver. It has also been constrained as an enterprise located in the rural areas in which by definition agriculture remains the primary occupation. So the capacity of women producers to deliver in other sectors varies according to season. With the expansion in the SHG programme of SPS to many more locations, several of which are located in urban and semi-urban areas, this constraint may be removed. In such locations Kumbaya comprises women who are already into tailoring or garment manufacture as a full time, dedicated profession but are looking for better, more remunerative and more fulfilling working conditions. If the constraints of capital investment are eased, up-scaling Kumbaya can actually become a reality.

#### 4.10.2 Alternative Scenarios

Given the above demand projections, we have outlined 3 alternative scenarios for Kumbaya:

**Scenario I:** Sale takes place only in the local market.

**Scenario II:** Part of the sale takes place outside the country, through internet marketing. But the share of outside sale is constant at 10% of the total quantity produced.

**Scenario III:** Part of the sale takes place outside the country, through internet marketing. The share of outside sale grows from 10% to 25% of the quantity produced between the initial and terminal year.

#### Assumptions

The analysis is based on the following assumptions<sup>1</sup>:

- Demand in the enterprise grows at an annual rate of 30%
- For the sake of simplicity, we assume that the enterprise produces only one type of good (for instance, shirts).
- In order to cater to this demand, the production capacities of women are taken to be about 3 pieces per day per woman. It is expected that this capacity will be achieved in all centres and some centres will actually exceed this capacity.
- All costs (whether capital, working capital, labour or professional) are worked out on the basis of "what it takes" to cater to this demand
- There are no inventories at the end of each production cycle.

---

<sup>1</sup> These are assumptions for the sake of making the analysis more human-understandable. They do not take away from the analysis but make it more simple by abstracting from issues that are not central to the understanding of the problem at hand

- The price of goods sold is escalated at an annual rate of 10%
- Price realized in the outside market is 1.5 times the price of items in domestic market
- All capital investment is made only in the first year
- Recurring costs are worked out on the basis of the expansion plan outlined in the proposal. The expansion plan itself depends on the demand projections made and outlined above
- The deficit in the initial years will be covered through sale of existing inventories and through SPS' own funds.

On the basis of these assumptions, we construct three scenarios of costs and returns:

<b>SCENARIO I - WITH ONLY LOCAL SALE</b>							
		<b>YEAR I</b>	<b>YEAR 2</b>	<b>YEAR 3</b>	<b>YEAR 4</b>	<b>YEAR 5</b>	<b>YEAR 6</b>
	<b>PRODUCTION QUANTITY</b>	22500	29250	38025	49433	64262	83541
<b>1</b>	<b>COSTS</b>	<b>7461850</b>	<b>10067709</b>	<b>13498211</b>	<b>18327595</b>	<b>25387097</b>	<b>25704056</b>
<b>2</b>	<b>RETURNS</b>						
	Quantity	22500	29250	38025	49433	64262	83541
	Price	270	297	327	359	395	435
	<b>Amount</b>	<b>6075000</b>	<b>8687250</b>	<b>12422768</b>	<b>17764558</b>	<b>25403317</b>	<b>36326744</b>
<b>3</b>	<b>NET RETURNS</b>	-1386850	-1430459	-1125443	-613037	-33780	10572687

<b>SCENARIO II – LOCAL + CONSTANT INTERNET SALE</b>							
		<b>YEAR I</b>	<b>YEAR 2</b>	<b>YEAR 3</b>	<b>YEAR 4</b>	<b>YEAR 5</b>	<b>YEAR 6</b>
	<b>PRODUCTION QUANTITY</b>	22500	29250	38025	49433	64262	83541
<b>1</b>	<b>COSTS</b>	<b>7461850</b>	<b>10067709</b>	<b>13498211</b>	<b>18327595</b>	<b>25387097</b>	<b>25704056</b>
<b>2</b>	<b>RETURNS</b>						
	<b>1. LOCAL SALE</b>	0.9	0.9	0.9	0.9	0.9	0.9
	Quantity	20250	26325	34223	44489	57836	75187
	Price	260	286	315	346	381	419
	Amount	5265000	7528950	10766399	15395950	22016208	31483178
	<b>2. INTERNET SALE</b>						
	Quantity	2250	2925	3803	4943	6426	8354
	Price	390	429	472	519	571	628
	Amount	877500	1254825	1794400	2565992	3669368	5247196
	<b>TOTAL SALE (1+2)</b>	<b>6142500</b>	<b>8783775</b>	<b>12560798</b>	<b>17961941</b>	<b>25685576</b>	<b>36730374</b>
<b>3</b>	<b>NET RETURNS</b>	-1319350	-1283934	-937413	-365653	298479	11026318

<b>SCENARIO III - LOCAL+GROWING INTERNET SALE</b>							
		<b>YEAR I</b>	<b>YEAR 2</b>	<b>YEAR 3</b>	<b>YEAR 4</b>	<b>YEAR 5</b>	<b>YEAR 6</b>
	<b>PRODUCTION QUANTITY</b>	22500	29250	38025	49433	64262	83541
<b>1</b>	<b>COSTS</b>	<b>7461850</b>	<b>10067709</b>	<b>13498211</b>	<b>18327595</b>	<b>25387097</b>	<b>25704056</b>
<b>2</b>	<b>RETURNS</b>						

	<b>1. LOCAL SALE</b>	0.9	0.9	0.9	0.8	0.8	0.75
	Quantity	20250	26325	34223	39546	51410	62656
	Price	260	286	315	346	381	419
	Amount	5265000	7528950	10766399	13685289	19569963	26235982
	<b>2. INTERNET SALE</b>						
	Quantity	2250	2925	3803	9887	12852	20885
	Price	390	429	472	519	571	628
	Amount	877500	1254825	1794400	5131983	7338736	13117991
	<b>TOTAL SALE (1+2)</b>	<b>6142500</b>	<b>8783775</b>	<b>12560798</b>	<b>18817272</b>	<b>26908699</b>	<b>39353972</b>
<b>3</b>	<b>NET RETURNS</b>	-1319350	-1283934	-937413	489677	1521602	13649916

The internal rate of return (IRR) and the Benefit-Cost Ratio (BCR) of each of the scenarios are given in the following table:

		<b>Scenario I</b>	<b>Scenario II</b>	<b>Scenario III</b>
	Internal Rate of Return (IRR)	24%	30%	45%
	NPV of Costs	68035980	68035980	68035980
	NPV Of Returns	70448075	71230831	74055449
	Benefit Cost Ratio BCR	1.04	1.05	1.09

The table shows that the IRR of the enterprise is higher than the market rate of interest (12%) in all scenarios and the BCR is more than one as well. This shows that even in purely financial terms, Kumbaya is a sound and viable proposition.

It further effectively demonstrates that the constraints to Kumbaya's growth are not supply-side in the sense of possibilities of cutting costs, improving efficiency etc. While these may be important in themselves, a proper revenue model based on reasonable pricing and exploration of markets abroad in addition to local marketing holds the key. Reasonable pricing means a price which guarantees Kumbaya proper operating profits and over time helps it to expand on its own steam without appearing to buyers (whether end-consumers or others in the supply chain) to be excessive. In other words a price which fetches Kumbaya returns and enables it to meet its primary commitment to its stakeholder women, while at the same time cuts out competition by appearing economically irresistible to buyers.

It must be remembered that the objective of Kumbaya is not profits alone but creation of employment and empowerment of women. If one introduces these considerations and views Kumbaya as a social business, many items that currently appear on the cost side (such as wages paid out to women producers, production and training supervisors) would also figure on the returns side. Needless to say, if we bring in these considerations, the overall financial ratios of Kumbaya will go up substantially. In short, investment in Kumbaya is immensely justifiable on the grounds of both financial

viability and social justice.

## 4.11. Social Impact

How do we describe the tangible effects of Kumbaya as an instrument social change? Against a curtain of invisibility, creating alternative modes of production for women to control how much they earn enables us to achieve more than just enhanced incomes. The tension of the process itself is filled with possibilities of radical change.

First, that skill, productivity and higher incomes for women are desirable and necessary. The Kumbaya centres on the main road stand as visible statements. They are institutions in the area dedicated to women. They are equipped to provide employment and training, with motorised industrial machines, a generator, lights, and supervisors. People not only acknowledge it but want to participate in the activity.

Secondly, that the well being of women is important and deserves separate consideration. We have experienced the change of attitude in all these years. From violent opposition, today the programme has strong support from hundreds of families and villages. There is a demand for other centres as well. Earlier, women were not permitted time on training as there was an unwillingness to release them from their household chores. Families were even suspicious and resentful about women becoming independent with a new skill. Today this training is perceived to be invaluable. Many women learn stitching for their own selves, not only to become better earners, but as an enjoyable activity. Most women refuse to leave after their training is over. They do not allow the centres to close down for more than a day or two even during festivals.

Third, it breaks the isolation of women from society and from each other. Stepping out of their homes to catch a bus for a workplace that is not exploitative is an entirely new experience that gives pleasure and confidence to women. Interacting with women from other villages and communities opens up their worlds to similar and different experiences.

Fourth, it gives women a feeling of strength and independence. Knowing a skill like stitching gives them a choice to be free of oppressive employers and exhausting manual labour. Instead of being resigned to their problems, they seek help in trying to solve them. The important thing is that they feel that they deserve better, and hope that there will be a positive outcome.

The Kumbaya centres signify change. We hope that by empowering women economically, they will be in a better position to exercise choice in removing the basic deprivations that restrict their freedom to live a healthy and happy life.

Kalabai from Neemkheda village was one of the first women to start Kumbaya. She continued to learn despite being intimidated by the neighbourhood men. Her husbands' family still threatens to disown them from their share in the ancestral property

for supporting the work of our organisation. She has been earning by stitching at home. Today she has so much of work that she has purchased a motor for her machine to complete her orders on time.

Others, benefiting from our training, have been able find solutions to oppressive situations by supporting themselves. Rangu, a poor dalit girl from Sobalyapura village, paid for her own education, when her father refused to support her. Today she has passed her board exams with physics, chemistry and biology as her chosen subjects and is working with our organisation as a group accountant in the micro- finance programme. Similarly Mamta, also supported her education by stitching at Kumbaya and opened her own shop after marriage. Today she is one of our leading SHG Mithans. Maganbai was able to opt of an abusive marriage on the sole confidence of being able to earn her income through stitching at her natal home. Not only has she reformed her husband, today she is one of the leaders of our SHG Federation. Many women have taken loans from their SHG's to purchase sewing machines so that they can earn or save money by stitching.

One of the most successful of the Kumbaya women is Geeta. From being one of our best producers, she became a supervisor, working far away from home, professionally handling the Bagli centre on her own. While working at Kumbaya, she completed her education, while supporting her parents and the rest of her family. Today both her divorced sister and her younger brother work as producers and trainers in Kumbaya. Together they independently take on regular orders of over Rs.7000 for school uniforms, apart from what they earn everyday at Kumbaya.

Since most of our women producers are also members of SHG's their income from Kumbaya accrues as increased savings. This in turn leads on to enhanced and crucial investments in asset formation and in improving the quality of their lives and future. For instance, increased incomes make possible education for their children, access to health care and insurance against the risks of survival in unfavourable circumstances. Most importantly it affords a chance at freedom from oppression, exploitation and defencelessness.

However, the most rewarding impact of Kumbaya has been for differently-abled people. In poor households their situation becomes acute as their families are equally helpless. In Kumbaya, another Geeta, thrown out of her husband's home for being unable to contribute manual labour due to a permanent injury on her leg, learnt how to stitch and began earning. Her husband begged her to come back home. Gora and Gabbu both do not have legs and earn over Rs.100 today by stitching products especially designed for them.

## 4.12. The Failure of Kumbaya at Sanawad: Experiences, Performance, Viability

The expansion of our micro-finance programme to other areas of Dewas and Khargone districts has meant the inclusion of more itinerant women – landless, migrant, displaced, desperately seeking survival. Forced into menial and exploitative jobs in alien surroundings these women see Kumbaya as an immeasurable chance at a decent life - as a prospect that promises regular incomes and security from uncertainty.

Over the last three years, despite limited capacities and resources, Kumbaya has had to stretch itself to fulfil the need in these areas - with the idea that it may be able to transcend the limitations of locating a manufacturing unit in a predominantly agricultural area (in our experience production levels fluctuate and become uncertain with women whose primary investments lie with their family's lands). In the process of expansion efforts are being made to generate reciprocal outcomes with the hope that as one centre feeds resources into the other a chain of restitution will occur. Inputs will be optimally utilized, outputs will increase which will foster better management, quality, accountability and growth. While some of this has happened, new experiences continue to skew the curve.

Kumbaya started working at Sanawad, nearly four hours away from Bagli and Neemkheda, because there was very strong demand for a garment fabrication centre from the SHG's promoted by Samaj Pragati Sahayog. These were women working under exploitative conditions doing sub-contractual job work for the unorganised ready-made garments sector. Our initial survey revealed that there were nearly 144 women, earning on an average Rs. 30 - 50 a day by 'assembly line production' (stitching only a part of the garment). They would work on sewing machines set up in a small corner of their makeshift homes, when electricity was available, late into the night or at the crack of dawn, to complete 30 to 40 collars, cuffs or sleeves. For which they were paid an abysmal rate of Rs.1 or Rs. 1.50 per piece. In such a situation, starting a production centre at Sanawad seemed to serve the dual purpose of giving these women with alternative and increasing our own production capacity as well. We wanted to help them earn a respectable living by providing proper infrastructure like lights, electricity, motorized machines and just wages for their skills. Therefore, we opened a third centre at Sanawad for these women in September 2008.

### 4.12.1. Efforts and Investment

The enthusiasm of the women and the possibility of establishing a successful production and training centre and a generous grant from Caring Friends motivated us to put in the following efforts in Sanawad:

## Production

We started the centre with 13 women. Since these women had already been stitching for years, we focused on directly training them on garments instead of going through the entire training process that otherwise begins with perfecting straight stitching for several days. To make it even easier on them and because of their familiarity with stitching parts of a childrens shirt, they were trained to stitch a shirt first. Since then they have been trained in stitching all the garments, accessories, home linen and patchwork made by Kumbaya.

## Wages and Travel Allowance

In a another radical departure from our policy - where women at other centres are not paid till they become producers of work that is good enough to sell, the women from Sanawad were privileged with payment for whatever they made right from the beginning. This was to compensate for the loss of income from job work that they wanted to give up. Our assumption was that they would learn very quickly and begin earning much more in a short time. They were also paid travel allowance.

## Training

A year down the line we realised that our assumptions were wrong. Most of these women were unable to understand the need for quality stitching and were in tearing hurry to finish as many pieces, indifferent to quality, to increase their earnings. Despite several specialised trainings, exposure visits, and continuous effort, we failed. To improve the standard of production we began a fresh training session with other SHG women who did not know stitching or were willing to learn afresh. A total of 9 more women joined the centre. In a intensive training schedule of 90 days, the women were first taught how to stitch straight. After this they were taught different types of joining and finishing, like double stitching, hiding the seams, facing, piping, hemming, attaching pockets, collars, etc. Then they learnt how to stitch sari blouses, salwar-kurtas, pajamas, kurtas, shirts and frocks for children with an emphasis on export quality stitching and precision.

## Supervision

Our products have always been known for the quality of stitching in the market. The credit goes to continuous inputs given by expert supervisors to our producers. We tried to provide **the best supervision to these women by placing our master trainers Dhanna Lal and Shankar** initially at Sanawad. Dhanna Lal set up and continued at Sanawad for a year. A new experienced supervisor Radheshyam and an assistant supervisor were also appointed. Apart from this, supervision was also provided by Pushpa, Rajkumar and Shankar by making visits at the centre as and when required.

## Training New Supervisors

Training is continuous process in the programme. To train and ensure quality from the producers, the supervisors are also regularly trained at Kumbaya. The supervisors at Sanawad regularly attended special trainings organised for them at Bagli to learn how to execute our products and designs. **It was our hope that by being with our best supervisors at Bagli and Neemkheda would help them understand and follow the work ethic at Kumbaya better.**

## Infrastructure

The core concern of Kumbaya has been to provide and protect human rights at the workplace. Women at Sanawad had a history of exploitation and discrimination in terms of labour and a work environment. Therefore we tried to provide basic infrastructure to compensate, in some way, for the losses they had suffered over the years. The centre was right in the middle of the market, easily accessible to all the women. We installed a generator to enable them to work uninterrupted, at speed with motorized machines to maximise their earnings. We also changed the electrical wiring and fittings to light up and make their work area safe.

Broadly, the investment on Sanawad centre may be divided into two parts: **Financial and Human.**

**I. Financial Investment** - The total expenditure of Kumbaya in 2008-09 and 2009-10 was Rs. 39.5 lakhs and Rs. 49 lakhs respectively. The expenditure on Sanawad during these years was Rs. 7.2 lakhs (September to March 2009) and Rs. 6.7 lakhs which constitutes 18% and 14% respectively of the total expenditure of Kumbaya. The table given below shows the details of the expenditure made.

### Percentage Expenditure at Sanawad Centre

No.	Expenditure/Year	2008-09	2009-10
1	Total Expenditure of Kumbaya (Rs.)	3950000	4900000
2	Expenditure on Sanawad Centre (Rs.)	726000	673000
3	Percentage of Expenditure on Sanawad Centre	18	14

Since Sanawad is a city adjoining Barwah and relatively more developed than Neemkheda, or even Bagli, the labour rates for supervision are also higher than what we offer at the other centres.

### Expenditure at Sanawad in Rupees

No.	Head	2008-09	2009-10	Total
1	Administration	38488	29739	68227
2	Rent for the Centre	40150	47300	87450
3	Genset Fuel and Maintenance	9006	12327	21333
4	Equipment	91329	0	91329
5	Production Raw Material	191414	396331	587745

No.	Head	2008-09	2009-10	Total
6	Payment Programme Officer	243000	0	243000
7	Payment to Supervisor Dhanna Lal	26725	5690	32415
8	Payment To Supervisor Radheyshyam	10210	48438	58648
9	Payment Helper	10086	35611	45697
10	TA/DA Programme Officer	3521	0	3521
11	TA/DA to Supervisor Dhanna Lal	18527	2679	21206
12	TA/DA to Other Kumbaya Supervisors	0	0	0
13	TA/DA to Supervisor Radheyshyam	970	5732	6702
14	TA/DA Helper	557	878	1435
15	Production Labour	38028	82710	120738
16	TA DA Labour	3598	5706	9304
	<b>Total</b>	<b>725609</b>	<b>673141</b>	<b>1398750</b>

Apart from the substantial expenditure, we also tried to provide every possible input in terms of human resource at Sanawad. Despite the continuous pressure on our teams to deliver on orders, our top supervisors helped in trying to improve the performance of this centre to the best of their ability by training the production women and the supervisors at Sanawad. Radheyshyam, the supervisor appointed at Sanawad, had seven years of work experience in the export garment industry in Indore and yet could not provide adequate supervision to the women. Perhaps the supervisors at Neemkheda and Bagli were Kumbaya producers before they assumed the responsibility and so set standards of commitment and ownership that were not emulated by him.

#### 4.12.2. The Experience at Sanawad

**The vision was to organize these women into a producer company.** As these women were used to assembly-line stitching, our supervisors had to train them in whole garment production first. We had hoped that they would value the new opportunity of learning under expert supervision, the experience of being skilled, earning just wages and assured employment through the year.

However, inspite of helping them with skill enhancement, the capacity to understand better design, expert supervision and better infrastructure, we could not see any improvement in either the quality of stitching or their productivity. We even tried to **decentralise production** for them with the idea that they might find it easier to manage that way. We realized too late that **they only had a rudimentary ability to do low quality, assembly line stitching, at high speed. Moreover, even after two years they were not able to adapt to the impeccable high speed stitching of an entire piece** like the other Kumbaya centres. This resulted in high rate of rejection of items which added to the cost. The multiple rounds of checking quality and alterations in the stitched

pieces added more to the cost in terms of time, human resource and back and forth transport from Sanawad to Neemkheda.

The other factors responsible for our failure at Sanawad could be:

The attitude of the women

Coercion by the contractors

Availability of easier options

Even though our supervisors put in efforts to train these women in export quality stitching, the attitude of women was a major hurdle to improvement. They spent more time trying to beat the system than learning how to stitch properly. Also they were **in a hurry and more interested in immediate returns on a daily basis, unable to understand the long-term benefits of working with Kumbaya**. As there was no quality norms followed in stitching for the local Indore market, they **remained unskilled and unaware and thought that they would be able to make money faster by compromising on quality**. Therefore, we were never able to give any orders to Sanawad, except for shirts. Reluctantly at that, considering the high rate of rejection.

Secondly, the contractors of the area, afraid to lose out on easily exploitable labour, compelled some of these women to leave Kumbaya by locking significant amounts of their payment for months.

Third, perhaps there were more options of work available in Sanawad than in Neemkheda and Bagli especially for women. Apart the ready made garment sector, there were other options like agricultural labour, making *donas* and plastic mats, cooking for homes, work at ginning mills etc. Moreover, some of these women may not have required work that would have to be done outside the home probably because of better socio-economic circumstances than the women at Neemkheda and Bagli.

### 4.12.3. Performance: Some Disappointing Facts

**1. Productivity and Wages** - In spite of the continuous training and supervision, **the productivity of the women barely increased from 1.7 to 2.5 pieces per day per woman**. This was far less than what the women of Neemkheda or Bagli were able to produce in a comparatively shorter span of time (average 4 pieces per day per woman).

**Productivity of Workers**

No.	Pieces/Year	2008-09	2009-10
1	Number of Pieces Produced	1591	3949
2	Number of Person Days Created	932	1572
3	Average Productivity Per Labour	1.7	2.5

Therefore the **average earning per woman per day remained less** as compared to the average earning at Neemkheda and Bagli. Women on an average easily earn upto Rs. 60 - 75 per day at Neemkheda and Bagli centres.

**2. Contribution in Sales** - Kumbaya's total production during 2008-09 and 2009-10 was Rs. 25 lakhs and Rs. 40 lakhs respectively. The total sales during these years were approximately Rs. 21 lakhs and Rs. 32 lakhs. The **contribution of the Sanawad centre to the sales was a mere 9% and 13%.**

**Contribution in Kumbaya Sales from Sanawad**

No.	Sales/Year	2008-09	2009-10
1	Total Value of Production at Kumbaya	2500000	4000000
2	Total Sales of Kumbaya	2060000	3200000
3	Contribution of Sanawad in Sale	190000*	400000
4	Percentage of Sale of Goods Produced at Sanawad	9	13

\* September 2008 to March 2009

**Most of the items produced at Sanawad remained unsaleable due to the poor quality and defective stitching,** adding to the losses of Kumbaya. The table below shows the value of goods produced, the sales and the percentage of unsaleable goods produced at Sanawad centre.

**Percentage of Unsaleable Goods Produced at Sanawad**

No.	Value/Year	2008-09*	2009-10	Total
1	Value of Products Made at Sanawad	370000	840000	1210000
2	Value of Products Sold	190000	400000	590000
3	Value of Products Unsold	176000	440000	616000
4	Percentage of Unsaleable Goods	48	52	51

\*September 2008 to March 2009

**3. Attrition Rate** - We observed a **high attrition rate during the training period** in stark contrast to the initial enthusiasm of the women when the centre was started. The table given below shows the dropout rate:

**Attrition Rate**

No	Training Schedule	No. of Trainees	Total Drop Outs	Producers Working with Us
1	First Batch of Garments Workers (Sep 2008-09)	13	9	4
2	First Batch of Fresh Trainees (Nov 2008-09)	9	8	1
3	Second Batch of Trainees (Sep 2009-10)	10	9	1
	<b>Total</b>	<b>32</b>		<b>6</b>

In the year 2008-09 (September to March), we had opened the centre for 141 days and created 932 person days of employment while in the year 2009-10 (April to March), we had opened it for 233 days and created 1572 person days of employment. **The average number of women present at the centre was 7 in the year 2008-09 and 2009-10.**

During the current financial year situation has worsened to 6 producers only. This results in impossibly poor economies of scale considering the high fixed costs like the generator (which runs on an average for four hours per day), the rent of the centre, equipment and supervision.

No.	Days/Year	2008-09	2009-10
1	Total No. of Days the Centre was Open	141	233
2	Total Person days Created	932	1572
3	Average Per Day Attendance	7	7

### Feasibility Analysis

A	Head/Year	2008-09	2009-10	Total
i	Operating Expenses	725609	673141	1398750
ii	Equipment	91329		
iii	Depreciation on Equipment @ 10% per annum	9133	8220	24751
	Total Operating Expenses (i-ii+iii)	643413	681361	1324774
B	Sales Revenue Sanawad			
i.	Value of Sales	191120	394375	585495
ii	Margin	31860	65742	97602
iii	Actual Cost of Goods Sold (i-ii)	159260	328633	487893
<b>C.</b>	<b>Operating Income or Losses (B-A)</b>	<b>-484153</b>	<b>-352728</b>	<b>-836881</b>

Kumbaya has invested approximately Rs.14 lakhs since the opening of the Sanawad centre. In spite of the considerable investment of money and human resource at Sanawad the net return has been negative. Continuing with investment on Sanawad is not only financially impossible for Kumbaya but is an injustice to the women producers of other centres - especially the centre at Bagli that had to sacrifice resources while we focused on trying to make a success of Sanawad. Therefore Kumbaya has decided, after considerable deliberations and sadness, to shut down the centre at Sanawad as soon as possible.

## 5. RIGHT TO FOOD

---

The area where SPS is working is one of the poorest, remote and drought-prone tribal pockets in Madhya Pradesh. The area is characterised by high incidence of poverty and malnutrition, low levels of literacy, poor availability of health and education facilities etc. The implementation of government programmes, historically speaking, has been marked with serious delivery problems. One of the underlying reasons behind this may be attributed to rampant corruption at different levels in the area. Here, for the last few years, SPS has been trying to improve the quality of delivery mechanism of these government programmes, particularly the food-related schemes like Mid-day Meals Scheme (MDMS), Integrated Child Development Scheme (ICDS), Targeted Public Distribution System (TPDS), Antyodaya Anna Yojana (AAY), Indira Gandhi National Old Age Pension Scheme (IGNOAPS), National Maternity Benefit Scheme (NMBS), Janani Suraksha Yojana (JSY), National Family Benefit Scheme (NFBS), NREGA etc. Our work attempts to improve the delivery of these schemes by using the space created by the intervention of the Supreme Court in the ongoing Right to Food case wherein the Supreme Court has passed a series of interim orders.

### 5.1 Highlights of Work Done in Bagli and Kannod Tehsils

This work requires continuous awareness campaigns among the people of the area so as to ensure their active participation in the implementation process. Our attempt has been to engage with the local community and empower them about their entitlements under these schemes as also to familiarise them with the whole system of delivery of the schemes.

**Table 1: About the Locations**

No	Location	Total no. of villages covered	Total no. of Gram Panchayats covered	Total no. of Nagar Panchayats covered	No. of SPS SHGs providing MDM	No. of SPS SHGs providing SNP to Anganwadis under Sanjha Chulha Scheme	No. of SPS supported SHGs included in RTF regular awareness generation program

							e
1	Bagli	40	23		16	9	146
2	Udainagar	49	24		27	18	78
3	Kantaphod	33	15	3	24	15	180
	Total	122	62	3	67	42	40

Therefore, the approach adopted to do this work has been to pro-actively try and prevent many of these “leakages” from taking place by empowering the people. It also requires active liaising with the local administration and various government departments to facilitate smooth functioning of the schemes. In the last couple of years, the implementation process of these schemes has acquired a greater deal of momentum than before, thereby rekindling some hope in the people about the benefits entitled to them. We have been trying to bring together the stakeholders of the schemes, and the people involved at various levels of implementation (some of whom are also directly involved in petty corruption) while also making use of the Supreme Court's Commissioner-Advisor process. The different kinds of initiatives adopted in this direction by us are summarised below:

**Table 2: Major Work Achievements at a Glance**

No	Scheme	Bagli	Udainagar	Kantaphod	Grand Total
1	Improvement in MDMS in Primary Schools (no. of schools)	44	60	28	132
2	Improvement in MDMS in Middle Schools (no. of schools)	14	18	6	38
3	No. of SHG women trained in running MDMS	26	206	164	396
4	No. of (1 day) Training Programmes conducted for SHG Mitans in MDMS	3	4	3	10
5	No. of SHG Mitans Trained in MDMS	46	40	50	136
6	Improvement in	62	55	42	159

	ICDS functioning (no. of Anganwadis)				
7	No. of villages where measurement of weight of children in the age group of 6 months to 6 years to identify malnourished children	15	15	21	51
8	No. of children weighed (in the age group of 6 months to 6 years) to identify malnourished children	1026	874	1409	3309
9	No. of children with SAM admitted to NRC	77	6	60	143
10	No. of Malnourished children identified during weight measurement exercises in the villages whose performance is regularly being followed upon by the SPS team	96	15	85	196
11	Promotion of Good Practices: Positive Deviance Approach to improve nutritional status among the children in the age group of 6 months to 6 years (no. of villages covered)	9		6	15
12	Promotion of Good Practices: Positive Deviance Approach to improve nutritional status among the children in the age group of 6 months to 6 years (no. of mothers and a few fathers involved)	150		206	356

13	No. of children whose levels of malnutrition were upgraded due to promotion of Good Practices: Positive Deviance Approach				36
14	No. of SHG women trained in running Sanjha Chulha scheme	26	34	54	114
15	No. of SHG Mitans trained in Sanjha Chulha scheme.	5	17	30	52
16	New ICDS centres opened	2	7	35	44
17	New ICDS centres proposed	6	3		9
18	BPL household survey completed but yet to be ratified by the Tehsildar (Near completion)	260	325		585
19	BPL household survey approved. Issue of Ration Cards awaited	175			175
20	BPL household survey in the process of being verified by an external evaluator (ADEO)	552	93	712	1357
21	No. of new BPL ration cards distributed to beneficiaries	6	6		12
22	No. of FPSs Monitored	7	12	5	24
23	No. of families benefited under NFBS			7	7
24	No. of eligible families under NFBS whose applications			2	2

	are in the process of being sanctioned				
25	No. of old people benefited under IGNOAPS	48	22	15	85
26	No. of Bank Accounts opened for IGNOAPS beneficiaries	31	75		106
27	No. of Job Cards recovered from illegal occupants and handed over to the right owners	35	63	25	123
28	No. of Bank Accounts opened for the beneficiaries under MGNREGA	0	13	15	28
29	No. of poor families who have received DDAUY Cards	104	5		109
30	Women benefited under JSY	52	50	85	187
31	Follow up with eligible JSY beneficiaries		645	150	795
32	Number of Girls benefited under LLY	27	6	40	73
33	No. of LLY applications in the process of getting sanctioned	6	5	15	26

DDAUY - Deen Dayal Antyodaya Upchar Yojana

FPS - Fair Price Shop

SAM - Severe Acute Malnutrition

NRC - Nutritional Rehabilitation Centre

LLY - Ladli Lakshmi Yojana

## 5.2 Mid-Day Meal Scheme

### About the Scheme

Hot cooked meals have to be provided in school to the students of all Government and Government aided Primary and Middle Schools on all working days. The Menus are different for different areas in Madhya Pradesh as it depends on whether it is a predominantly wheat eating area or a rice eating area. There is a weekly menu issued by the government in our area to provide a variety in meals which includes Dal, Vegetable and Roti daily for 5 days in a week and Kheer, Puri and Vegetable every Tuesday. In drought affected areas the MDM has to be given during the summer vacations also. Grain is provided free of charge by the Government to all schools. The grain allocations in our area are: 100 grams of wheat per child per day for the primary school students and 150 grams of wheat per child per day for the middle school students. Financial allocations for Primary schools is Rs.2.08 per child per day and for the Middle schools is Rs. 2.60 per child per day. This amount covers wages of the cooks apart from the conversion costs. SHGs have been given the responsibility to provide MDM. The Supreme Court has given very strong directives to ensure the quality and the quantity of meals while also trying to correct some social and economic inequalities in the process.

### SPS Efforts to Facilitate Better Implementation

- Awareness generation among the community to get their children enrolled in school and to send them to school on a regular basis.
- Awareness generation among the community about their legal entitlements, the MDM norm for food, monetary allocation per child per day etc.
- Good quality meals as per government norms are regularly provided to the children.
- There has been a steady rise in the attendance after better implementation of the MDMS in schools. It has been reported by the local community that the attendance this year has gone up by almost 50%.
- In the primary school of Badpura village, in Bagli location, the school teacher was irregular in his visits to the school and would very often come to the school in a drunken state. This used to badly disrupt the classroom activities. With constant dialogue and engagement with the teacher and by mobilising the community to carefully monitor the activities of the teacher, the SPS team was able to turn the situation around.
- In village Bawdikheda of the *Ghat Upar* area of Bagli block, we came across a

strange problem where a large number of children were simultaneously enrolled in the village Anganwadi and the Primary school. As a result, neither the school nor the Anganwadi could ever record full attendance. During close monitoring of the mid-day meals and meals given at the Anganwadi by the SPS team, the issue that the same set of children were eating meals in both the places was brought to light. After which the school and the Anganwadi records were closely scrutinised and the mistake was detected. It was of course, conveniently blamed upon the parents for furnishing wrong information about the age of their children to the school teacher. The mistake was then corrected and the children above 6 years of age were sent to the school and the ones below 6 years were sent to the Anganwadi.

- One of the important interim orders passed by the Supreme Court has been that the benefits of MDM should be provided to the children in drought-affected regions in the summer vacations also. In our area, we ensured distribution of MDM during summer vacations in all the primary schools.
- With constant effort by the SPS team, the children have now started eating in the school premises unlike before where they used to carry their food home. This has also positively impacted the post meal attendance.
- Better hygiene has also been observed in the children in most of the schools as they wash their hands and utensils before and after the meals.
- 18 new kitchensheds were made due to special efforts made by the SPS team in Bagli, Udainagar and Kantaphod locations. One of the villages in Udainagar location, Bisali, was motivated by the Gram Sabha to rebuild its dilapidated kitchen shed. In some of the newly constructed kitchensheds, an attempt was made by the SPS team to improve the design for ventilation so as to make way for the smoke to go out of the kitchen shed and make the environment healthier for the women working in it. The conventional design of kitchensheds in government schools in general suffers from a serious problem of lack of proper cross ventilation. This lacuna in architectural design, acquires a fairly serious proportion in rural areas because the fuel used for cooking is firewood, which generates a huge amount of smoke on burning. The smoke produced by cooking remains trapped in the kitchen shed and it not only causes great inconvenience to the cooks while cooking but actually poses a big threat to the health of those working in that environment.
- Despite the problem of ventilation that still remains with most of the old kitchensheds, the SHG women had expressed the need for a kitchen shed for cooking particularly in the rainy season. So the SPS team has helped the SHG women get access to kitchensheds in most schools which had kitchensheds.
- Helping the women of some new SHGs who had been given the responsibility to

provide MDM, first of all to understand their various responsibilities involved in the process of providing MDM and then to help them complete some formalities in order to enter into a mandatory contract with the government for the same.

- To help the same SHG women open their new bank accounts for this purpose.
- In the absence of any real training programme for the SHG women conducted by the government before handing over the responsibility of providing MDM, the women found themselves at a loose end. So the SPS team took upon the responsibility of training the concerned members. Many refresher training programmes were also carried out to empower the women about the provisions under the scheme. The training programme touched upon all aspects of the scheme but focussed mainly on the flow of funds and grain, the menu, quantity norm for providing meals, quality of meals, hygiene, maintaining the record of income and expenditure under the scheme.
- Holding meetings with the members of SHGs running the MDM and school teachers to facilitate better coordination between them as also to help them resolve problems in some places which had arisen due to shifting of MDM responsibilities from the teachers to the SHGs. This is particularly significant in cases where the teachers are hostile towards the SHG women and try to withhold the permit issued by the government (which is routed to SHGs through them) for buying wheat.
- Special interventions were made to help several SHGs resolve intra-group conflict arising out of the newly created opportunities of having additional incomes from the wages earned by cooking MDM.
- Helping SHGs to file applications to get utensils for cooking MDM.
- Liaising with the local administration to hasten up delays in the release of funds and grain which keep arising from time to time.
- Constant dialogue with the members of SHGs who are running the scheme to give them feedback on their performance.
- Greater participation of SHG women in supervising the cooking and distribution of meals. In Bagli, 8 to 10 SHG women go to supervise while in Udainagar about 14 women perform the same role and in Kantaphod it is done by a number of women through rotation.
- The SHG women have also started experimenting with community purchases to minimise on expenses of the MDM. This was done in Bagli by a group of 15 SHGs who pooled in their resources to make purchases jointly to benefit from the economies of scale. This was a successful initiative which opened up possibilities of replicability in other locations.
- It was observed that since this was the second year in succession of running of

MDM it further boosted the confidence of SHG women as it gave them an opportunity to maintain accounts on a daily basis and fostered greater economic equality among the group members where the cooking was done by rotation.

## 5.3 Integrated Child Development Services (ICDS) Scheme

### About the Scheme

The scheme was started in 1975. Six different services are provided under this scheme from the ICDS centres popularly known as Anganwadis. The services are: Supplementary Nutrition Programme (SNP), Informal Education to Children, Health Education, Immunisation, Referral service and Take Home Ration (THR) service. Celebration of Mangal Diwas is another service which has been added recently to this scheme by the state government. The scheme is meant for the children under the age of 6 years, pregnant women, nursing mothers and adolescent girls. Under this scheme supplementary nutrition have to be provided for 300 days in a year to all the beneficiaries in the Anganwadis. There have been many menus to provide supplementary nutrition under this scheme but they have changed rather frequently. The financial allocations currently under this scheme as per the Supreme Court Orders are: Children (6-72 months) – Rs.4 per child per day, Severely Malnourished Children (6-72 months) - Rs.6 per child per day, pregnant women, nursing mothers, adolescent girls - Rs.5 per child per day. The responsibility of providing hot cooked meals to Anganwadis was given to the SHGs run under the Sanjha Chulha Scheme. The Sanjha Chulha scheme is based on the concept of a common kitchen for cooking for MDMS and ICDS. Two hot cooked meals ( Breakfast and Lunch) are currently provided to children (in the age group of 3 to 6 year) daily at the Anganwadis. On Mangal Diwas all beneficiaries are provided hot cooked meals (Kheer, Poori and Vegetable) at the Anganwadis. During the remaining 5 days of the week , the children under the age of 3 years, the pregnant and lactating women are given pre mixes of ready to eat packaged food under the Take Home Ration scheme. There are varied Menus for different categories of beneficiaries.

### SPS Efforts to Facilitate Better Implementation

- Awareness generation among the community to get their children under the age of 6 years, pregnant and nursing mothers and adolescent girls enrolled at the Anganwadis and to regularly send the children between 3 and 6 years of age to the Anganwadi.

- Awareness generation among the community about their legal entitlements, the ICDS norm for supplementary nutrition as well as the benefits under other services provided along with the information about the monetary allocations per beneficiary per day.
- Constant monitoring of the supplementary nutrition helped the beneficiaries get better quality meals as compared to the baseline situation.
- The Sanjha Chulha scheme made a very popular start and had a positive impact on the attendance. The Menus became so popular that children started coming on their own instead of being called by the AWW.
- However, the Sanjha Chulha Scheme suffered a temporary blow due to delayed funding. The SHGs were compelled to stop giving meals to the Anganwadis for sometime due to a fairly long delay (of about 3 months) in the payment to the SHGs by the government. It was beyond the capacity of these groups to sustain the programme beyond 3 months at their own strength. The delay in funding had arisen due to a very detailed accounting procedure which was difficult for most SHGs to fulfil in the absence of adequate training of all SHGs being done for the same. While the SPS supported SHGs were able to submit their accounts on time there were many SHGs outside of SPS who were unable to submit their accounts on time due to lack of adequate training. Therefore, the whole process got delayed. The matter was taken up by SPS through the Advisor's office to simplify procedures.
- In order to ensure a proper place for running an Anganwadi in the absence of a dedicated structure for the same as also to ensure greater transparency in the work done by the AWWs, SPS had suggested to the local administration that the Community Centres should be used for this purpose. After our suggestion, the ICDS department issued an order that all Anganwadis which are run in the houses of the AWWs will have to be shifted out to of their homes to some other locations to ensure greater transparency.
- Learning from the examples of good work being carried out in West Bengal and Orissa, SPS has also initiated Good Practices or Positive Deviance Approach for improving nutritional status of children in the same socio economic environment in a few villages on a pilot basis. By showcasing the Good Practises adopted by families of normal children, the mothers and community were motivated to adapt the Good Practices to improve nutritional status of malnourished children. This was done by organising meetings in small groups where the mothers of healthy children shared their feeding practices along with other types of care that they took with the mothers of the children who were malnourished. These interactions were found to be very successful in improving the nutritional status of the malnourished children.

- SPS has been able to impact the distribution of the packaged food under the Take Home Ration scheme positively at the local level. This was further strengthened by the smooth flow of supply from the district. Although the total supply of THR is still not adequate in terms of the number of beneficiaries but there is a marked improvement when compared to the baseline situation. SPS is constantly working on this issue to improve it.
- Immunisation coverage has also improved when compared to the past across all three locations.
- In a major drive launched by the SPS team, a large number of Immunisation cards were distributed to the mothers by the Anganwadi Workers (AWWs) which are otherwise usually kept with the AWWs (who needless to say, use it to falsify data either at their own will or at the command of the higher authorities).
- Helping the SHG women first of all to understand their various responsibilities involved in the process of providing SNP (hot cooked meals) under the Sanjha Chulha Scheme and then to help them complete some formalities in order to enter into a mandatory contract with the government for the same.
- To help SHG women open their new bank accounts for the Sanjha Chulha scheme.
- In the absence of any real training programme for the SHG women conducted by the government before handing over the responsibility of providing Meals under Sanjha Chulha, the women found themselves at a loose end. So the SPS team took upon the responsibility of training the concerned members. Many refresher training programmes were also carried out to empower the women about the provisions under the scheme. The training programme touched upon all aspects of the scheme but focussed mainly on the flow of funds and grain, the menu, quantity norm for providing meals, quality of meals, hygiene, maintaining the record of income and expenditure under the scheme.
- The Anganwadi Workers (AWs) were constantly motivated and gently nudged to perform their duties well.
- Through a series of meetings with the concerned officers, motivated the ICDS department in Bagli and Udainagar use the upgraded growth monitoring charts as per the WHO guidelines so as to ensure that the correct system of growth monitoring is followed particularly in identifying children with SAM.
- The Nutritional Rehabilitation Centre located in Bagli was suddenly faced with a threat of closure due to under utilisation of the facilities offered by the centre but the situation was retrieved due to timely intervention made by SPS. As it happened, the occurrence coincided with the SPS's drive to identify children with malnutrition in the area. The SPS team had been going from village to village conducting growth monitoring exercises in order to identify malnourished chil-

dren as per the latest WHO growth monitoring guidelines. A number of children with SAM were discovered during these visits. Many of the children thus identified needed urgent medical attention. So the SPS team painstakingly on the one hand tried to motivate the parents of the SAM children to get their children admitted at the NRC in Bagli where they had to stay for 14 days under medical care while on the other hand negotiated with the doctors, medical staff at the NRC to get these children identified under SAM category. The task for the borderline cases to get identified under SAM category was difficult so it required compassionate attitude and skilful negotiations with the medical staff to get the poor families their due entitlement. It is extremely difficult to convince the parents from a poor family to stay at the NRC ( It is mandatory for one of the parents to stay at the NRC with the child who is under treatment but the government gives a monetary incentive of Rs. 65 per day for 14 days and Rs. 200 for travel expenses). We also intervened to get one fruit daily for the children admitted in the NRC. SPS had to undertake this growth monitoring exercise because despite our constant engagement with the AWWs, on the subject, we have felt that there are many children who either get left out during the weighing sessions or the machines at the Anganwadis give faulty readings. Keeping in view the underlying causes of malnutrition, SPS is in the process of working out a larger reform policy for ICDS to address the problem of malnutrition in the whole of Madhya Pradesh through the Supreme Court Commissioner-Advisor process.

- SPS does a regular follow up of the children who it recommends to the NRC. SPS has a policy of following up with these children for at least one year of their treatment.
- Most Anganwadis started opening for longer hours than before. Before SPS's intervention the Anganwadis were only known as distribution centres of food. People were not aware of other services that are supposed to be provided by Anganwadis.
- Liaising with the local administration to prevent and sort out fund and THR delays.

## 5.4 Janani Suraksha Yojana (JSY)

### About the Scheme

It is a centrally sponsored scheme aimed at promoting institutional deliveries among the poor families and to reduce over all maternal mortality ratio and infant mortality rate. There is a cash assistance provided for antenatal care during the pregnancy period, institutional care during delivery and immediate post-partum period in a health

centre by establishing a system of coordinated care by field level health worker. In a rural area, the cash assistance provided to the beneficiary is Rs. 1400 and the beneficiary is also eligible for transportation hiring charge of Rs. 250. The Facilitator (*Prerak*) gets Rs. 350 per delivery. In an urban area, the cash assistance is Rs. 1000 to the beneficiary and Rs. 200 to the Facilitator.

The SPS team:

- does a close follow up of expecting mothers eligible under JSY
- informs them about their entitlements under this scheme
- tells them about their nutritional needs during pregnancy
- and tells them about the benefits of having delivery done at a health institution.
- Has been attempting to empower the SHG women to support the expecting mothers who go to avail JSY benefit and are faced with the undue demands of the medical staff for money at the health institutions in a large number of places where they go for their deliveries. The case study mentioned below is one such example.

## 5.5 Selected Case Studies

### **Janani Suraksha Yojana**

On the 16th of July 2009, 14 women beneficiaries of Janani Suraksha Yojana (JSY), most of whom belonged to the poor families of Bagli block, complained to the RTF team of SPS that the nurses employed at the Bagli Community Health Centre (CHC) were demanding money to hand over the cheques which were due to these women under JSY (Under the JSY, a pregnant woman is legally entitled to a financial benefit of Rs. 1400 on having her delivery at a government health institution in a rural area and Rs. 1000 in an urban area. In rural areas, in addition to the above she is also entitled to Rs. 250 for transportation charges in case, she has to hire a private vehicle to reach the place of delivery). The SPS team helped the women discuss the matter with the Block Medical Officer but when no action was taken by him, the women were advised to move forward and report the matter to the block authorities. When the matter was reported to the SDM Bagli, Shri R.S. Chowdhary, he took immediate action.

During this landmark event, among other things, 10 JSY beneficiaries were returned back their share of money (ranging from Rs.100 to Rs.300) by the nurses in the midst of public presence inside the hospital premises.

The 3 nurses involved in taking bribes were suspended after the incident. The event was widely reported by the media.

### **NREGS Job Cards**

In Gram Panchayat (GP) Hirapur of Kannod tehsil, the job cards of 262 families from villages Jaswantpura, Hirapur and Radhakrishna hamlet had been illegally kept by the panchayat secretary, Dharmendra Joshi with himself. The matter was taken up by the women under the able leadership of Basu Bai, Secretary, Kantaphod Pragati Samiti, in

the Gram Sabha meeting where Mr. Joshi promised to return the job cards fairly soon, with in a week. But even after fifteen days he did not do so. Notwithstanding this, the SHG women of the area decided to hold a Jan Sunwai on the 8<sup>th</sup> of December 2009 in the presence of ADEO and members of the GP in which Mr. Joshi once again promised to return the job cards to the concerned owners. The women waited for another 10 days for Mr. Joshi to act but since he did not show any signs of heeding the advice to return job cards, the SHG women got together, even firmer in their resolve for justice, and started a signature campaign in the area to take Mr. Joshi to task. As soon as Mr. Joshi heard of this, he got scared at the thought of women landing up at his house in huge numbers so he hurriedly returned all the job cards to the concerned beneficiaries.

## 6. BABA AMTE CENTRE FOR PEOPLE'S EMPOWERMENT

---

### 6.1 Training

Exposure and training were carried out for 931 persons in 31 major programmes between April 2009 and March 2010 at the Baba Amte Centre for People's Empowerment (BACPE) amounting to 2,052 person-days of training (see table below).

#### Training at BACPE: 1<sup>st</sup> April 2009 to 31<sup>st</sup> March 2010

No	Date	Name of Programme and Partner Organization	Purpose	Persons	Person-Days
1	2.04.09 to 15.04.09	TISS Mumbai	Orientation to Rural Development	6	84
2	22.04.09 to 24.04.09	World Vision	Exposure visit NREGA Watershed	27	81
3	2.05.09 to 6.05.09	ACWADAM and SPS	Training on Hydrogeology for NREGA Consortium Partners	27	135
4	27.05.09	SPS	Field visit and exposure on watershed	21	21
5	10.06.09 to 10.08.09	GB Pant Social Science Institute, Allahabad	Summer Internship	4	240
6	13.07.09 to 15.07.09	Zilla Panchyat Khandwa, MP	Exposure Visit WSD & NREGA	46	138
7	25.08.09 to 26.08.09	FES Agar	Exposure Visit WSD	15	30
8	17.08.09	NREGA Narmada Samagra Programme, SPS	Exposure Visit	44	44
9	18.08.09	NREGA Narmada Samagra Programme, SPS	Exposure Visit	47	47
10	20.08.09	NREGA Narmada Samagra Programme, SPS	Exposure Visit	36	36
11	21.08.09	NREGA Narmada Samagra Programme, SPS	Exposure Visit	50	50

12	22.08.09	NREGA Narmada Samagra Programme, SPS	Meeting Kendra	17	17
13	24.08.09	NREGA Narmada Samagra Programme, SPS	Exposure Visit	58	58
14	30.08.09	NREGA Narmada Samagra Programme, SPS	Exposure Visit	15	15
15	5.09.09	NREGA Narmada Samagra Programme, SPS	Exposure Visit	68	68
16	13.09.09 to 14.09.09	NREGA Watershed Programme, SPS	Watershed Committee Secretary Training	19	38
17	19.9.09 to 21.9.09	IIT Mumbai	Exposure to Watershed and NREGA Programme	27	81
18	12.10.09 to 22.10.09	Sahyadri School	Orientation Programme Rural Development	17	187
19	9th eve to 11th Nov.09	Aga Khan Rural Support Programme, Khandwa	Exposure Visit to NREGA & WSD	17	51
20	17.11.09 to 18.11.09	Aga Khan Rural Support Programme, Khandwa	Exposure Visit to NREGA	30	60
21	10.12.09 to 13.12.09	Indo German Social Service Society, Kashmir	Exposure Visit of Wome's Teem From Kashmir	38	152
22	17.12.09 to 19.12.09	Samarth Trust, Gujarat	Exposure Visit of NREGA & WSD	25	75
23	20.12.09	NREGA Watershed Programme, SPS	Exposure Visit to NREGA Villages Borkhaliya	50	50
24	21.12.09	NREGA Watershed Programme, SPS	Exposure Visit to NREGA Villages Agra	55	55
25	23.12.09	NREGA Watershed Programme, SPS	Exposure Visit to NREGA Villages Devnaliya	50	50
26	24.12.09	NREGA Watershed Programme, SPS	Exposure Visit to NREGA Villages Magrdeh	48	48
27	7.01.10	Zilla Panchyat, Dewas	Field Visit NREGA Watersheds in Kardi and Agra	5	5
28	20.01.09 to 21.01.21.10	Zilla Panchayat Dewas and IIM, Indore Students	Exposure Visit NREGA	14	28
29	8.03.10 to 9.03.10	PRADAN, Sukhtawa	Exposure Visit NREGA Watershed	21	42
30	23.03.10 to 25.03.10	Western Orissa NREGA Consortium	Training Cum Exposure Visit on SHG Bank Linkage	16	48

31	28.03.10	Water and Land Management Institute (WALMI), Bhopal	Exposure Visit on NREGA Watershed	18	18
				<b>931</b>	<b>2052</b>

- With the above, the total training has reached 31,489 person-days for 4,172 persons in 153 training programmes
- In keeping with the efforts of earlier years, we continued the thrust on NREGA in this reporting period also with several exposure and orientation programmes conducted specially for NREGA.
- In keeping with previous years, a special training programme for students of Sahyadri School, Pune was organized in this reporting period. The workshop was organized at the request of the school with a view to giving the students of Class X and their teachers a proper theoretical and practical understanding of rural development in some of the most backward, tribal areas of India.

## 6.2. National Consortium on National Rural Employment Guarantee Act (NREGA)

### 6.2.1 First Annual Report of the National Consortium

#### *Release of Annual Report*

The highlight of this reporting period was the preparation and release of the first annual report of the National Consortium on NREGA. The report was prepared and published by SPS in Hindi and English and released to the nation by the Minister for Rural Development, Government of India on 14<sup>th</sup> October 2009 at a special function held in New Delhi. Mr. Nandan Nilekani, Chairperson of the Unique Identification Authority of India was the Guest of Honour. Dr. Mihir Shah, Member, Planning Commission, represented both GoI and the Consortium and was the link between the two.

#### **Agenda for Release of Annual Report of Consortium (14-10-09)**

<b>Time</b>	<b>Item</b>
1400 – 1420	Welcome and Introduction to Consortium and its Main Achievements by Pramathesh Ambasta
1420 – 1430	NREGA: Possibilities, Challenges and the Role of Civil Society: Address by Dr. Mihir Shah, Member, Planning Commission
1430 – 1435	Release of Report to the Nation by Dr. C.P. Joshi
1430 – 1440	Address by Shri Nandan Nilekani, Chairperson UIDAI

1440 – 1540	Interaction of Consortium Partners with Shri Nilekani
1540 – 1600	Address by Dr. C.P. Joshi
1600-1630	Presentations by: a. Jaisamand Consortium, Rajasthan b. PRADAN, Orissa
1630-1715	Open House: Discussions of Consortium Partners with Dr. C.P.Joshi
1610-1800	Open House: Interaction of Consortium members with Dr. CP Joshi and Shri Nandan Nilekani

### ***Third Annual Meeting of the Consortium***

The report release function was on the second day of the third annual meeting of the Consortium, which began on 13<sup>th</sup> October and saw nearly 100 participants from different states of the country.

As part of the deliberations of the consortium's annual meeting, several thematic discussions were organized on the first day, as reflected in the agenda below:

#### **Agenda for Annual Meeting of Consortium and Internal Deliberations**

<b>Time</b>	<b>Theme for Discussion</b>
	<b><i>13/10/09: Aurobindo Society Auditorium</i></b>
0930 – 1000	Welcome and Introductions
1000 – 1030	Overview of Workshop Program
1030 – 1100	<i>NREGA and Convergence: Discussion led by Ravi Kumar (WASSAN)</i>
1100 – 1130	<i>NREGA, Livelihoods and Small and Marginal Farmers Discussion led by S.S. Ghanti, SAMUHA</i>
1130 – 1145	<i>Tea</i>
1145 – 1215	<i>NREGA and Forest Rights Act Discussion led by Anil Tyagi, Gram Sudhar Samiti</i>
1215 – 1245	<i>NREGA and Human Resources: Situation at Present and How it Can Change Discussion led by Ved Arya, SRIJAN</i>
1245 – 1400	<i>Lunch</i>
1400 – 1430	<i>Social Audits: The Road Ahead - Drawing from the Andhra Experience Discussion led by Dr. Mihir Shah, Planning Commission, Gol</i>
1430-1500	<i>NREGA and Women: Issues and Needs Discussion led by Neeta Hardikar, ANANDI</i>
1500 – 1600	<i>Screening of Film on NREGA by SPS</i>
1600 – 1615	<i>Tea</i>
1615 – 1645	<i>Discussion on Film</i>
1645 – 1715	<i>Anchoring NREGA at the National Level Discussion led by Pramathesh Ambasta</i>
1715 – 1800	<i>Presentation of Summary of Deliberations of Each Session and Preparation of</i>

<b>Time</b>	<b>Theme for Discussion</b>
	<i>Charter of NREGA Reforms to be presented to the Minister on the 14<sup>th</sup> October</i>
1800-1830	<i>Screening of Film on NREGA by Meghnath, Palamau</i>
	<b>14/10/09: Gulmohar Hall</b>
0930 – 1050	<i>Open House: Preparation of Questions for Interaction with Mr. Nandan Nilekani</i>
1050-1100	<i>Tea</i>
1100-1230	<i>Open House: Reflections on Consortium Work and Planning for the Future</i>
1230 – 1345	<i>Lunch</i>

The discussions were extremely rich and reflected the very wide and rich field experience of Consortium partners in the course of their work.

## 6.2.2 Main Achievements of the National Consortium: Highlights

The Annual Report of the National Consortium also highlighted the huge achievements of the National Consortium on NREGA in the short span of one year.

### Major Types of Interventions of Consortium Partners

- Mobilization of NREGA Workers
- Support to PRIs in Plan Preparation and Implementation
- Capacity building and support to each other and panchayat/line department functionaries
- Advocacy of required policy changes at the local, the state and national levels.

The Consortium has 51 CSO partners working across 59 blocks of 44 most backward districts in 11 states of India. The Consortium is a remarkable example of organisations building partnerships with a wide array of stakeholders, each partnership characterised by a unique approach and giving rise to distinctive strengths.

These CSOs have first developed relationships with Panchayati Raj Institutions (PRIs), including Gram Panchayats (GP) and Gram Sabhas (GS), in some of the most backward and neglected districts of India. On the foundation of this growing engagement with PRIs, the CSOs have sought to partner the state and central governments.

Consortium partners have engaged themselves in a wide variety of work from mobilization for worker registration, to ensuring job cards to helping GPs to form NRM-centred action plans for implementation under NREGA.

They have also got involved with training and capacity building and with providing an interface between NREGA implementation structures and workers.

### Impacts: Job Cards Issued

- In Andhra less than 50% households had job cards, the figure rose to more than 90% (increase of 60%)

- Karnataka registered 80% increase in job card coverage (In Koppal 228% over base)
- In Orissa, 210% rise overall; some partners registered between 300% to 618% rise
- In West Bengal, from no job cards to 15,365 cards
- In Chhattisgarh, 25% increase (Jashpur 87%)
- Madhya Pradesh: 37% overall, in Sidhi and Anuppur 3-fold increase; some partners have obtained 100% worker registration
- Rajasthan: 30% change
- Gujarat: 115% increase in Sabarkantha; In Devgadhi-Baria block of Dahod district, RRLJ led to 28% increase

### **Impacts: Work Demand**

- In Orissa, 182% rise overall from 3183 to 8896; some partners registered 5 to 7 fold increase
- In Chhattisgarh, 34-fold rise from 211 job applications to more than 7000
- Madhya Pradesh: 123% overall increase from 8500 to more than 18000 applications
- Rajasthan: 174% increase
- Gujarat: 273% increase in Devgadhi-Baria block and 124% increase in Dahod district as a result of RRLJ

### **Impacts: Work Sanctioned and Implemented**

- In Karnataka, works sanctioned increased from only 10 to 120, value from Rs.28 lakhs to Rs.3 crores (10-fold rise); implemented rose from Rs. 4 lakhs to Rs. 77 lakhs (18-fold)
- In Orissa, works sanctioned increase from Rs.83 lakhs to nearly Rs. 7 crores (740%); implemented increased from Rs.73 lakhs to Rs.2.1 cr (193%)
- Chhattisgarh 7-fold rise Rs.97 lakhs to Rs.7.04 cr in works sanctioned; 4-fold increase in works implemented
- Madhya Pradesh: 8-fold increase from about Rs.1.4 crores to Rs.13 crores in sanctioned works, 8-fold increase in value of works implemented
- Rajasthan: 175% increase in value of sanctioned works
- Gujarat: RRLJ's impact led to 275% increase in Devgadhi-Baria block of Dahod district and 124% rise in Dahod district

### **Planning and Implementation Support**

- In all states, partners have worked with village communities and panchayats to created detailed micro-plans worth more than Rs. 125 crores
- These plans have been ratified by the Gram Sabhas and are being used by panchayats for implementation
- Impact on incomes, indebtedness and migration have been dramatic.
- In several instances, partners have built upon the water infrastructure created under NREGA to converge livelihoods interventions in agriculture and micro-

credit.

## **The Website and E-Group of the Consortium**

SPS has designed and put up a website for the National Consortium on NREGA at <http://www.nregaconsortium.in>. The website is available in English and Hindi. Further development in additional Indian languages will be driven by partner initiatives. The website is seen as a collaborative effort of consortium partners by consortium partners.

The ideas behind the website have been to:

- provide a platform for consortium partners to exchange ideas, share experiences and resources which can have significant learning benefits for each partner's work
- to provide a layer of visibility to the Consortium's efforts as its partners struggle in their field areas with making NREGA better.

The website has a section detailing out partner locations across the country. Its Resources section hosts several manuals, papers and articles on NREGA in electronic format for download. Its News section is aimed at sharing partner experiences. The idea is to develop this section further based on contributions from partners.

The consortium also has an e-group (<http://groups.google.co.in/group/nrega-consortium>) where much of the experience sharing and discussions take place. This is presently a group whose membership is restricted to partners. This allows consortium partners a needed space to discuss strategy, debate issues and share experiences before they are articulated to the rest of the world.

## **Major Recommendations of the Annual Report**

The following are the major recommendations emerging out of the work of the consortium:

**Decentralization** at the cutting edge of NREGA implementation through the setting up of Village Development Clusters (VDCs) at every 30 villages (or 3 VDCs per block on an average). The VDC will have a dedicated team for NREGA implementation, led by a Programme Officer and comprising one Civil Engineer, 3 Technical Assistants, 1 social mobilizer, 1 EGA and 1 barefoot engineer per village. The team will be chosen from the open market and will give a qualitatively new dimension to the technical and social mandate of NREGA.

Such a decentralization should first be carried out in 2000 of the most backward blocks of the country first and then spread in a phased manner. The cost of putting in place such a professional structure would come to less than 4% of the total cost of the guarantee in these blocks, if the guarantee is extended to 2 adults per household in these blocks

**Setting up of an IT backbone for NREGA implementation** throughout the country

with requisite network hardware and a proper tightly integrated MIS which is capable of giving real time online information for monitoring and tracking of NREGA. Handheld devices, connectivity and biometrics will be at the heart of such a backbone. NREGA field correspondents will use these technologies to bring about greater transparency and ensure entitlements of the poor. Possibilities of utilization of rich synergies between the UID-AI and NREGA should be explored

**A special National Authority on NREGA (NAN)** should be set up to anchor the programme at the national level and do justice to its huge mandate. Setting up of such an authority will help to separate the functions of programme execution from monitoring, evaluation and grievance redressal, since as a matter of principle, the agency executing the programme should not be the one also monitoring its own work.

In order to ensure maximum autonomy, the Chairperson of NAN should be an individual of established integrity and eminence chosen from public life. However, until such time as the road map for such autonomy along with its legal-constitutional implications, is worked out, the Minister for Rural Development, GoI may be the Chairperson of NAN.

NAN is an autonomous body, registered under the Societies Registration Act, 1860, with the Central Employment Guarantee Council as the Governing Body of NAN. The executive arm of NAN is headed by a Director General (DG), who should be selected from the open market after a careful search and screen process. The executive arm of the authority should have at least four departments: Monitoring, Evaluation and Social Audit, Grievance Redressal, IT and Human Resources; each headed by a DDG also recruited through the same open market process

In particular, the Grievance Redressal Department will be a window for immediate response to any complaint made by wage-seekers, lay citizens, representatives of wage-seekers, organizations working with wage-seekers or any other agency or institution wishing to bring to the notice of the NAN and the CEGC any violation of the Act or its operational guidelines in any part of the country. The department will appoint Ombudsmen throughout the country (along the lines of the Advisers and Commissioners to the Supreme Court in the Right to Food Case) who will work as the eyes, arms and legs of the NAN and will investigate complaints received. They will submit a report to NAN on the action taken or not taken

**Rolling out the Forest Rights Act** so that work on NRM related projects under NREGA can effectively be carried out. Much of this work cannot take place because of inordinate delays caused by the process of forest clearances as mandated by the Forest Conservation Act. Rolling out the FRA in a timebound manner will greatly enhance the benefits to the tribal and forest dwelling communities, who are living in India's most backward and poverty stricken regions

**Upscaling the involvement of CSOs:** Despite the very good work done by CSOs on their own initiative, their role in the NREGA guidelines remains limited. This needs to be redressed so that CSOs can effectively contribute in mobilization, vigilance, capacity building, support to GPs in planning and implementation and direct planning and implementation of NREGA projects. An important leading role in this regard will have to be played by CAPART, GoI. The report presents the details of a scheme on NREGA for NGO partners of CAPART which should be rolled out at the earliest

**Reform of the Schedule of Rates:** The present SoRs are meant for a system that uses contractors and machines to carry out public works. These contractors, as a rule, do not pay statutory minimum wages to labour and get most of their work done through machines like the JCB. Deploying the same SoRs under NREGA makes it impossible for workers to earn minimum wages. This is because existing SoRs make inadequate provisions for variations in geology and climate, discriminate against women, tend to underpay workers by lumping various activities together and do not revise rates in line with increments in statutory minimum wages. This needs to change with immediate effective

**Special Provisions for the Differently Abled:** In order to safeguard the rights of the old and differently abled special detailed provisions need to be made for the work that they can do so that they too may benefit from NREGA. A recent order passed by the GoMP needs to be replicated on a wider scale.

## 6.2.3 New Partnerships in Bihar, Gujarat and Uttar Pradesh

### Bihar

Since 2009, SPS has entered into formal MoUs with organizations in Bihar and Gujarat. In Bihar, this partnership is with the Megh Pyne Abhiyan, a collective of voluntary organizations working in the flood affected areas of Bihar and looking at leveraging NREGA for drinking water and irrigation in their areas. The partners are:

- Gramyasheel in Bayriya, Ghuran, Piprakhurd, Balva and Ramdatt patti panchayats in Supaul district

- Kosi Seva Sadan in Mahishi (Uttari), Mahisaraho, Telhar, Kandha Paastwar, Mahishi Dakshini panchayats in Saharsa district

- Samta in Dahmma – Khairi – Khutha, Uttar Marar, Chatar, Sarsava and Madarpur panchayats in Khagaria district

- Ghoghardiha Prakhand Swarajaya Vikas Sangh in Lucknaur (Paschimi) Gangapur, Balia, Harna and Harri Panchayats in Madhubani district

- Savera in Dakshini Telua panchayat of W. Champaran district

Beginning with the 10-day training course in March 2009, two support visits have been made to Bihar which have brought out the following major issues and possibilities:

1. Need to Focus on Non-Flood Regions and Periods: In general, the focus of MPA partners has been only on the flood situation. While agreeing that flood is an overriding problem, we have emphasised to them that we need to go beyond floods and look at non-flood regions and those periods in the year when there are no floods. This implies a change in the mindset from being that of highlighting problem to one of solving them. They must develop an understanding of the work that can be done in non-flood regions and periods of the year.
2. Use of NREGA in Agriculture and Land Use Planning: Under NREGA, one possibility in Bihar is using NREGA for agriculture. This involves detailed land use planning for the regions usually not affected by floods as well seasons like rabi, when flood waters recede. How can NREGA be used to bring in permanent improvements in land productivity? How can these gains be harnessed by careful planning?
3. Use of NREGA in Renovation of Traditional Structures: There are many traditional structures in the region which could be revived through NREGA. The clearest example is that of the ahar/pyne and waterlogged ("chaur") areas. We should develop a clear idea of what could be done in these places to revive these structures.
4. Neglect of Canal Commands: It is also observed that the canal commands are badly neglected. NREGA and earthworks offer a possibility of reviving these canals for irrigation.

In order to achieve this however, it is our view that in order for this to happen, all partner teams need dedicated members at the intermediate level. At present, the teams of the partners comprise mainly of village level workers who (as far as NREGA work is concerned) report to the organization head. In the training held at BACPE in 2009, organization heads, along with a few of the village-level activists were present. There is clearly a need for a middle rung of mobilizers and technical assistants who are dedicated to NREGA work. This middle rung, along with barefoot mobilizers and barefoot engineers will carry forward the NREGA work for the partners. It is this middle rung leadership which will be trained at a BTC in BACPE. On-site training and support will follow after this training.

The technical assistant could be fresh engineering diploma holders or science graduates. The social mobilizers could be graduates or post-graduates from the social work/social sciences streams.

There is also a need for a civil engineer or "Technical Officer" who could give direction to the technical aspects of NREGA work being done by the technical assistants. Such a Technical Officer, could be a pooled resource, shared by organizations. The organization head would be overall in-charge of NREGA implementation.

## Gujarat

SPS has also entered into MoU with Gujarat based Samerth Trust for supporting them in working intensively in 5 panchayats in Rapar Block of Kutch district.

An exposure visit was organized for Samerth team, PRI leaders and village people from Samerth's NREGA panchayats at BACPE in December 2009. Samerth felt that gaining such an exposure before embarking upon intensive capacity building would be a better idea since it would help to seed the concept of NREGA and its possibilities in the minds of PRI leaders.

In a situation where the Government of Gujarat seems quite indifferent to NREGA, the exposure benefited the entire team in terms of understanding what can be attempted and achieved by leveraging NREGA. The feedback given to SPS by them was that it was a very enriching experience for them. The sarpanchs were very happy to see the work that is possible under NREGA and also relieved since the visit helped to dispel several wrong notions being pushed by the bureaucracy regarding the type of work and number of works that can be undertaken in NREGA (they have been informed by the Taluka Development Officer – TDO - that not more than one work can be taken up at a time in one panchayat and only ponds and nothing else may be considered). The visit empowered them to think of what they want and has given them the clarity that under NREGA, activities will be driven by them and the people's agendas rather than from the top by the district or the block.

As a follow-up to this exposure, a support visit was organized in January 2010 in consultation with Samerth. As part of the visit, 3 of the 5 NREGA panchayats of Samerth were visited. The following recommendations emerged from this visit, which have been communicated to Samerth:

- It was recommended to Samerth has a dedicated team looking after NREGA. This team should have two full time social mobilizers and one full time technical officer. These should look after the work of the village level workers and report to the field coordinator of Samerth at Rapar.
- A system of periodic reviews needs to be formalized so that the field coordinator at Rapar meets the NREGA team and takes stock of what is happening at frequent intervals. Similarly, visits from head office to Rapar area for reviewing NREGA work are clearly indicated.
- It was also observed that field level workers are not fully aware of the entitlements under NREGA. It was recommended that Samerth makes a calendar of training for their team based on different aspects of NREGA and conducts regular capacity building and capacity review exercises of its team.
- Likewise they need to plan a calendar for training of PRI leadership and village community on basic NREGA entitlements and scope of work under

it. This needs to be adhered to and systematically delivered otherwise the awareness levels regarding NREGA will remain low and the entire mobilization effort will not yield expected results.

- Further, for the whole team, there needs to be capacity building so that their NREGA work goes beyond mobilization for entitlements to planning and execution. This is under discussion with SPS and we plan to organize a training for Samerth's team in June 2010. Before this, Samerth needs to ensure that the team as outlined above is in place
- Samerth needs to seriously build more comprehensive relationships with the local administration since NREGA requires working closely with local government structures and the success of Samerth's endeavours depends crucially on the relationship it is able to build with Panchayats at different levels and the administration.
- Samerth has also been advised to carry out benchmarking or baseline survey of chosen panchayats from the NREGA point of view.

## Uttar Pradesh

The Consortium's work in Uttar Pradesh is poised for further expansion this year. In April, 2010, PANI, an organization working in Faizabad sent its team for an exposure visit to SPS to understand how NREGA work could be undertaken in their districts as well. PANI also closely works with a network of several organizations who are all active in very backward districts of UP where there is urgent need to leverage NREGA for comprehensive livelihoods security.

SPS is hopeful of taking this relationship forward this year and build a strong and robust network of organizations working on NREGA in the state.

## 6.4 SVO for the Right to Food

SPS has been working as an SVO for the Right to Food. We have 6 partners in Madhya Pradesh - Spandan Samaj Sewi Sanstha (Khandwa), Nirman (Mandla), Gram Sudhar Samiti (Sidhi), HARD (Anuppur), Parhit (Shivpuri) and Sambhav (Tikamgarh). The partners are working in the following districts and blocks:

	Name of Organization	District	Tehsil
1	Sambhav	Tikamgarh	Prithvipur
2	Nirman	Mandla	Bichia Mavai
3	HARD	Anuppur	Kotma
4	Parhit	Shivpuri	Pohri
5	Spandan	Khandwa	Khalwa
6	Gram Sudhar Samiti	Sidhi	Sidhi Majholi Kusmi

Total	6	9
-------	---	---

Our attempt has been to provide support and handholding to organizations in the field for the work of the NREGA consortium as well as the Right to Food work

This support function has focussed on the one hand on thematic issues. On the other hand, it has dealt with issues relating to record keeping, accounting, documentation, visioning, governance and management systems of partner NGOS and the problems therein

Detailed interactions with them on these issues has helped to stabilize the internal functioning of these partners as well as streamline them in the direction of best practices. We intend to take this practice to the next level in the coming months

A team of 2-3 support persons has visited partners working in 6 districts of MP. The support visit also comprised detailed interactions with partner teams and with village communities, Performance of partners on each of the following parameters was assessed and feedback given:

- the interaction between the community and the organization to ascertain the strength of the organization in the field
- understanding of the team members of the Supreme Court interim orders in the Right to Food (RTF) case
- awareness of the village community with regard to food related schemes
- the communication skills of the team members
- the organizational ability of the team
- redressal mechanism adopted by the team to resolve complaints related to RTF schemes
- the team's ability to liaison with the local administration

After finishing all the village meetings, the SPS team had an exhaustive meeting with the team members of the partner organisation, where detailed feedback was given on each of the above parameters and more. Appropriate suggestions were made to enable mid-course corrections in the execution of the partner programme.

Another aspect of the support visit was to look closely at the structure of implementation of the programme – how the work responsibilities are distributed, how the village visits are planned, frequency of village visits and so on. The SPS team also made an assessment of the communication within the organization and advised the organization so that proper coordination is ensured between different arms of the organization.

In certain cases, where the SPS team came across serious lacunae, we engaged with the partner team to understand the issues concerned thoroughly. On the basis of this engagement, the team was advised on how to go about correcting the lacunae.

The SPS team also scrutinised the documents maintained by the partner organization, such as register of complaints, applications/forms etc. filed with the administration, follow-up on these and so on.

The efforts of the partners and SPS as SVO put together have led to substantial benefits to a large section of the population in these target districts. We are working hard to generate awareness among the people about these schemes and also build pressure on the government to reform the way these are run and increase the resources allotted to them. Our work has provided extensive relief to people living in malnutrition hotspots of Madhya Pradesh and also ensured greater transparency and accountability in the functioning of the administration.

#### **District Anuppur (NGO partner HARD)**

<b>No</b>	<b>Scheme</b>	<b>Place</b>	<b>Achievements</b>
1	BPL	District Anuppur	1959 new BPL ration cards were made in 40 villages.
2	AAY	District Anuppur	35 new AAY ration cards were made
3	NSAP & SSP	District Anuppur	Rs 4,38,200 sanctioned for the whole block
4	NSAP	District Anuppur	160 beneficiaries were given the benefit.
5	MDMS	District Anuppur	Rs.33, 02,390 were distributed by the CEO Zila Panchayat to make the scheme run properly. MDM is now given in the Middle schools also.
6	NREGA	District Anuppur	Works worth Rs 30, 79,000 sanctioned for 106 villages in Changeri. Work has been completed in 50 villages. In the remaining 56 villages it is still ongoing
7	ICDS	District Anuppur	42 new Anganwadis were opened
8	NFBS	District Anuppur	39 families were given this benefit
9	NMBS	District Anuppur	45 women benefited by the scheme

#### **District Shivpuri (NGO partner Parhit)**

<b>No</b>	<b>Scheme</b>	<b>Place</b>	<b>Achievements</b>
1	NREGA	Blocks Pohari and Pichor	7448 new Job cards made
2	SSP	Blocks Pohari and Pichor	376 persons benefited
3	NOAPS	Blocks Pohari and Pichor	806 persons benefited
4	FPS	Blocks Pohari and Pichor	Improved functioning of 29 FPSs
5	Ration Cards	Blocks Pohari and Pichor	7440 new ration cards made

#### **District Khandwa and Badwani (NGO partner Spandan)**

<b>No</b>	<b>Scheme</b>	<b>Place</b>	<b>Achievements</b>
1	ICDS	Block Khalwa	Shaktiman project was started in all 299 anganwadis of the block after the death of 52 children due to malnutrition
2	FPS	Block Khalwa	FPSs were made to open daily after deaths of children due to malnutrition. Full quota of 35 kgs was given to AAY and BPL ration card holders after the deaths

**District Sidhi (NGO partner Gram Sudhar Samiti)**

<b>No</b>	<b>Scheme</b>	<b>Place</b>	<b>Achievements</b>
1	AAV	Block Kusmi	1244 new ration cards made
2	AAV	Block Sidhi	805 new ration cards made
3	AAV	Block Majhauri	2137 new ration cards made
4	NREGA	Block Kusmi	6011 new job cards made
5	NREGA	Block Sidhi	3657 new job cards made
6	NREGA	Block Majhauri	11471 new job cards made
7	NSAP & SSP	Block Kusmi	90 beneficiaries given pension and 334 are in the process of getting it done
8	NSAP & SSP	Block Sidhi	30 beneficiaries given pension and 61 are in the process of getting it done
9	NSAP & SSP	Block Majhauri	374 beneficiaries given pension and 389 are in the process of getting it done
10	NREGA	Block Kusmi	Pending wages worth Rs 673317 were distributed
11	MDMS	Blocks Sidhi, Kusmi and Majhauri	Improvement in the quantity and quality of the meals

Note:

AAV- Antyodaya Anna Yojana

MDMS- Mid-day Meal Scheme

ICDS- Integrated Child Development Scheme

NMBS-National Maternity Benefit Scheme

NFBS- National Family Benefit Scheme

NOAPS-National Old Age Pension Scheme

FPS- Fair Price Shop

NSAP- National Social Assistance Programme (includes NMBS, NFBS and NOAPS)

SSP- Social Security Pension (includes Widow Pension, Disability pension etc)

NREGA- National Rural Employment Guarantee Act

# 7. RESEARCH, TRAINING MATERIAL AND POLICY INITIATIVES

---

## 7.1 Films and Training Material

SPS has a full time media unit that has been producing films of national importance. This unit has produced 2 films during the period of current grant from the BMGF.

### 7.1.1 Watershed and Livelihoods: Community Dairying

The film narrates the story of how watershed works in a dryland area have created a possibility for a new livelihood option for the poor local tribal community. Dairying as a livelihood was for long considered unviable in the tribal area where SPS is implementing watershed projects. Apart from the fodder problem, frequent seasonal outmigration was another major reason which rendered this activity unviable. But once water availability in the watersheds increased due to SPS' programme interventions, the land became productive and the farmers did not have to migrate elsewhere in search of employment. As a result, keeping livestock for producing milk became possible. The women then organized themselves in community-based dairy co-operatives and began production of milk for marketing. Along with this, SPS arranged programme support for this activity through loans for induction of new cattle, insurance, investments in new fodder sources and provision of veterinary support for animals. The film narrates the story of how the initial skepticism over the viability of dairying in the minds of the people was overcome and how the dairy programme grew into a full-fledged livelihood option for tribal communities of the area. Hence, this is a story of the impact of a successful watershed programme. Made in the local tribal language, the film is already being extensively used in the area for the campaign to offer and expand the dairy program to wider area. It is being regularly screened in the villages through the SPS Mobile Cinema unit. The witty and spicy local dialect makes the film very enjoyable for the local audience.

### 7.1.2 Basic Principles of Watershed Management

SPS has prepared training manuals on watershed management where we have tried to de-mystify the knowledge of the experts and make the idea of integrated

planning of natural resource use accessible to even members of the local community. We have used these training manuals to build capacities in our partners for the last 13 years of existence as the SVO. This film builds on the work done in these manuals and attempts to visually present the basic principles of watershed management in a simple manner for the practitioners and the local community to understand. The film describes how the specific characteristics of the topography and lay of the land could be measured and studied in detail and how the choice of the most appropriate form of watershed interventions for each type of situation could be made on that basis. Shooting for the film is complete. The film is in the post-production stage. The film describes the importance of watershed management and its relevance in eco-restoration and preservation while making water available for the farmers locally.

### 7.1.3 Participatory Videos with Digital Green

One key factor explaining low levels of productivity in Indian agriculture is the virtual collapse of the extension system that played a very critical role in the Green Revolution. Scientists tend to be isolated in their ivory-towers, with farmers benefiting little from their inputs. A new exciting option has opened up recently in this direction through the work of **Digital Green (DG) on participatory community videos** and their **mediated instruction**. This initiative to disseminate targeted agricultural information to small and marginal farmers using cost-realistic technologies integrated within local social contexts can make agricultural extension much more effective. We propose to initiate a phase of learning and piloting to tailor DG to adapt to a diversity of local conditions. The DG system would be useful in stimulating the widespread adoption of information and technologies that can enhance farm productivity, reduce the costs of cultivation, mitigate risks, and provide market linkages to improve the livelihoods of smallholder farmers. We are planning a potentially much larger scale-out of the programme across the areas of our agricultural interventions as well as the operational area of the partners of the National Consortium for NREGA. At present the Consortium has 51 CSO partners working across 59 blocks of 44 most backward districts in 11 states of India

For this programme of participatory videos, we hired three full time video production persons (two girls and a boy) from the nearby villages and this youth was trained as **Video Resource Persons (VRPs)**. These VRPs were trained to produce content-based videos on relevant subjects. They were trained on how to use basic cameras and microphones along with initiation into the usage of computers for editing and reporting. Building **in-house capacity of video production** in the form of these trained VRPs has been one of the major achievements of our collaboration with DG during the grant period.

We have till March 2010 produced 35 quality videos, out of which 29 are related

to agriculture and 6 on livestock. All the movies are made in the local language (“Nimadi”) and feature local women and men farmers. Having this threshold number of videos in the Digital Video Database was very important in order to allow a systematic, uninterrupted flow of disseminations with time and seasonally relevant topics to be shown every week. The films are being disseminated to the village community through farmer group meetings. We have trained a group of Community Resource Persons (CRPs) to take on the process of dissemination. They have weekly training meetings with the professionals of our agricultural programme to review, discuss, and understand the videos that have been produced. The entire Agriculture team, consisting of 4 professionals and 12 CRPs meets in a monthly meeting with the VRPs to generate new topics for video production and the timing and mode of shooting these videos. The DG staff has trained many of the Agriculture CRPs on the participatory video dissemination model.

Trial runs of video screenings have been done in 7 villages with local farmer groups and Self Help Groups. The initial response is extremely positive. In the second phase of implementation the focus will now be turned onto regularizing these screening on a weekly basis and generate more topics and content from the screenings and the subsequent discussions.

In the remaining part of the project period, we will complete 15 more videos on selected topics and also conduct widespread dissemination of these in the project villages. The list of videos produced till now is shown in the following table:

**List of Participatory Videos Produced till March 2010**

	<b>Movie Title</b>	<b>Summary of Content</b>
1	Semi-looper	Semi-looper is one of the major pests of soybean. This film describes how the pest could be identified and in what ways it could be managed to minimize crop loss.
2	Neemark	Demonstrates the steps involved in extracting <i>Azadirachtin</i> , from Neem seeds and fruit, in order to manage many insect pests. It is made using ripened neem fruits, which are crushed and mixed with water and allowed to ferment. Then the extract is diluted and sprayed on different crops.
3	Top ten	Demonstrates steps involved in making another bio-pesticide extract of 10 different plant leaves. These leaves from wild plants are taken in varied proportions, crushed and fermented to prepare the extract.
4	Fat test	Describes how the fat test is done in a typical milk collection centre. And also emphasis on the importance of the fat and CLR (Corrected Lactometer Reading) with respect to the payment.
5	Moisture Conservation	Shows how to conserve and utilize the residual moisture, after the harvest of kharif crops, for the forthcoming rabi crops.

6	Seed germination test (Chickpea)	Demonstrates steps involved in testing Chickpea seeds for their germination potential. It describes the importance of testing for germination of seeds, before sowing them in the main field.
7	Seed treatment (Chick Pea and Wheat)	Demonstrates seed treatment process of Chickpea and Wheat seeds with Rhizobium (for chickpea seeds), Trichoderma (in both chickpea and wheat seeds) and Azetobacter (for wheat seeds).
8	Maize harvesting	The movie shows the importance of harvesting maize (corn) at the right time to prevent crop damage. The film also describes methods of post harvest storage of cobs, safely away from rodent pests.
9	Vermi-wash	This film shows how minerals could be extracted from vermi-compost, albeit in a small scale, and used as a soil nutrient to support plant growth.
10	Care of Pregnant Cattle - 3 month before parturition	Demonstrates the care and precautions to be taken for pregnant cattle at a critical stage of pregnancy i.e.; 3 months before parturition.
11	Soybean Seed Storage and Preservation	Demonstrates the caution that needs to be exercised during seed production of soybean crop. It shows how plants with good yield are identified for seed collection and how weeding out of rogue plants is to be done.
12	<i>Telan</i> (Blister Beetle - <i>Mylabris pustulata</i> )	The movie shows how 'Telan', an insect pest that feeds on pigeon pea, attacks the plant on a large scale and destroys its flowers. It also shows ways of managing the blister beetle in ecologically friendly ways.
13	<i>Sanjeevak</i> pit digging	<i>Sanjeevak</i> is a liquid organic manure preparation made from cattle urine. This film demonstrates the steps involved in construction of pits for preparation of <i>sanjeevak</i> and the materials used for that.
14	<i>Sanjeevak</i> making	The movie shows the different ingredients and their respective quantities required to make the organic manure. The examples of pits being constructed in farmers' fields is provided, along with their testimonies of the effectiveness of the liquid organic manure in their fields.
15	<i>Sanjeevak</i> application	The movie demonstrates the method of spraying/ application of the liquid organic manure, <i>sanjeevak</i> .
16	<i>Kutch</i> NADEP Compost Pit Construction	The movie explains the construction of a <i>kutch</i> NADEP compost pit using locally available wood and twigs. Dimensions of the frame (made of twigs of crop residue) required for construction are explained here.
17	<i>Kutch</i> NADEP Compost Pit Filling	Demonstrates how the different layers of crop residue and cow dung slurry are laid out in the compost pits, in order to decompose the same for organic manure production.
18	Indore Process of Composting ("Bhoo-Nadep")	This film describes an alternative, anaerobic method of composting known as the Indore Process ("bhoo-NADEP, in local language) and explains the dimensions of the frame, materials used in composting and the method of construction.
19	Azolla making (Brick Framework)	Azolla is an important ingredient which could enhance the nutrient content of the cattle fodder. This film explains the dimensions of the Azolla pit, method of construction and the precautions to be taken while growing Azolla.
20	Feeding Azolla	The movie shows the quantity and frequency at which azolla could be used as an additional feed in order to increase the nutritional value of fodder for the cattle, especially in case of milch animals.

21	Vaccination- FMD	The movie describes the importance of the timely vaccination in order to prevent the occasionally occurring Foot and Mouth Disease (FMD), a major disease that infects cattle.
22	Richa 2000	Richa 2000 is a farmer-developed, pigeon pea variety we used in our agricultural programme last year. This movie provides a description of this crop variety and the conditions under which it can give the best results.
23	Weed Compost	Composting and recycling of weeds is an important way of enhancing soil nutrient status. The movie shows how weeds can be managed and how the uprooted weeds can be in turn utilized in making compost manure.
24	Dairy Campaign	The movie is a promotional video, which motivates farmers to bring their cattle on the day of campaign and get their cattle treated, most of the time free of cost.
25	Maize De-cobbing	The movie demonstrates the post harvest method of de-cobbing, i.e., detaching the ripened maize seeds from the cobs, which is a superior method compared to the traditional system of storing the whole cob.
26	Chickpea Seed Treatment	Seed treatment of chickpea is important in getting proper germination. This movie focuses exclusively on chickpea seeds and demonstrates why and how chick pea seeds are treated before sowing.
27	T-guard or Bird Perches	The movie shows a low cost technology of managing insect in their larval stage. The structure used is in the shape of "T" and hence the name. This structure acts as a bird perch.
28	Wheat variety- Swarna	The movie describes the characteristics and ideal soils suited for growing this variety of wheat.
29	Wheat variety- Naveen Chandosi	Naveen Chandosi is a promising variety of bread wheat ( <i>Triticum aestivum</i> ). The movie shows the best time for its sowing, most suitable soils and the growth characteristics of this variety of wheat.
30	Wheat variety- Purna	The movie is a description of Purna, a variety of wheat suited to limited irrigation conditions.
31	Wheat variety- Poshan	This is a new variety we are trying to promote in our area. This film describes the varietal characteristics and most suitable conditions for growing this variety of wheat.
32	Wheat variety- C-306	The movie is on another new variety of wheat, C-306, which we have introduced in the area during last year.
33	Chickpea Variety- <i>Desi Kaantewali</i> Seeds	The indigenous variety of chickpea is supposed to be low productivity. However, this film documents the experience of different groups of farmers and shows that the local variety is well-suited to medium-deep black soils and produces a good yield. Therefore, it could still be a major crop option for farmers with limited access to water.
34	Chickpea Variety- Kak 2	Kak-2, a kabuli variety of Chickpea developed at the ICRISAT, Hyderabad, has been part of our agricultural programme for the last 8 years. This variety required limited irrigation but has good yield and stable market. This film describes the characteristics of this variety and the conditions most suitable for its cultivation.
35	Chickpea Variety- Shweta	This is another chickpea variety developed at ICRISAT, Hyderabad, which we have used for varietal trials and seed multiplication under our agricultural programme. This film describes the characteristics of this variety and the conditions under which it gives the best results.

#### 7.1.4 Primer on Groundwater Management

India is now the biggest user of groundwater for agriculture in the world (Tushaar Shah, *Taming the Anarchy*, IWMI, 2009). Groundwater irrigation has been expanding at a very rapid pace in India since 1970s. With some 27 million odd

groundwater structures, India is fast hurtling towards what Tushaar Shah rightly terms 'groundwater anarchy'. As a stern warning, the report of the *Expert Committee on Groundwater Management and Government*, 2007, states that, in 2004, some 28% of India's blocks (nationally recognized administrative units) were showing dangerously high levels of groundwater development as compared to 4% in 1995 (Planning Commission, 2007).

Careful management of groundwater requires an understanding of the nature and occurrence of groundwater in the aquifers. The accumulation and movement of groundwater in an aquifer depends on the physical properties of the strata (such as void space, size and inter-connectedness of the voids), its thickness, spatial spread, extent of weathering, structural features (such as fractures, folds and faults) etc. **The Primer on Groundwater Management** is designed in such a way as to help the implementers visualize these essential characteristics of the underlying rock strata, which set the natural limit to groundwater availability in any given region. This Primer has been prepared in consultation with the Advanced Center for Water Resources Development and Management (ACWADAM), Pune, with whom SPS has developed a strong partnership over the last 15 years. The Primer will be truly accessible to the non-specialist practitioner. It will use graphics and images and convey to the development practitioners a basic understanding on how to study and assess the groundwater potential of their own area. The Primer will be a useful tool in empowering the practitioners and the members of the local community with simple techniques of well water level measurements, stream-flow measurements, water level contouring and marking flow directions, estimation of annual recharge and runoff, marking recharge and discharge zones on a map and finally to draw up appropriate protocols for protection and long term sustainable use of groundwater.

## 7.2 Revising *India's Drylands*

A landmark achievement of the research done by SPS was the publication in 1998 of *India's Drylands: Tribal Societies and Development through Environmental Regeneration*. This book argued for a decisive shift in macro-economic policy towards India's neglected drylands. In the last decade we have been happy to note major changes in India's policy regime that reflect an affirmation of the arguments made in specific chapters of the *India's Drylands*. These include:

➤ Recognition by the Central Ground Water Board that the **situation vis-a-vis groundwater** was indeed far more critical than they had hitherto been willing to admit (This was argued in Chapter 3).

➤ Setting Up of the **National Rainfed Areas Authority** in 2006, specifically focused on the issues of development of the dryland regions (Chapter 4 brought out the problem of backwardness of dryland areas and the need for a special focus on them);

➤ Passage of the **Forest Rights Act, 2006**, (as a vindication of the strong case made by us in Chapter 5 of *India's Drylands*);

➤ Passage of the **Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA)** in 2005 (Chapter 6 had argued for full public employment guarantee for rural households in view of the worsening unemployment situation); and

➤ Formulation of the new **Common Guidelines for Watershed Development** following the *Report of the Technical (Parthasarathy) Committee on Watershed Programs in India (GoI, 2006)* (Chapter 7 provided a case for watershed development interventions in dryland areas).

With these changes happening, we felt that we must re-visit the key arguments of the various chapters of the book and cast them in a new form in the light of the learnings from the subsequent experience. Satisfactory progress has been achieved during and work on **five out of seven chapters** is nearing completion:

### **Chapter 1: Towards a New Theoretical Synthesis: The Interface of Ecology and Economics**

Chapter 1 of the book discusses the interface of ecology and economics and argues that the economic system is a sub-system of the natural ecosystem. Hence, concerns of ecological sustainability must inform all our actions and interventions in the economy. Drawing from a discussion of time and uncertainty in economics, this chapter develops the argument that the irreversibility (for instance, climate change, groundwater mining or gene pollution) and uncertainty of human interventions should make us more careful while dealing with complex ecosystems like the rainfed drylands. This chapter, thus, centrally addresses the question of sustainable economic development and emphasizes the need to bring in natural resources into the centre-stage of economic discussions.

### **Chapter 2: Poverty, Inequality and Regional Development: Case for Providing a Special Thrust to the Drylands**

Chapter 2 of the book deals with the historical exclusion that rainfed drylands have suffered in India's economic policies. Operating with a model of economic growth and modernisation based on technical progress, Indian planning embarked on a course of industrialisation since the Second Five Year Plan. The consequent neglect of the agrarian sector led to the emergence of an agrarian demand constraint on growth, and caused rising food prices forcing food imports in the early 1960s. While the subsequent Green Revolution successfully transformed India from a net importer to a food surplus country, the neglect of the rainfed drylands was a direct consequence of this strategy of "betting on the strong". This chapter illustrates that the neglect of the drylands continued with policies favouring irrigated tracts. However, we have now reached a situation where addressing the challenge of rainfed drylands is no longer a matter of choice but an imperative.

### Chapter 3: Crisis of Groundwater and Emerging Management Options

Chapter 3 of the 1998 book provided a detailed analysis of the groundwater situation in India at a district level. We used the 1995 estimation of groundwater resources by the Central Groundwater Board. The crisis was not very visible to the eyes of the policy maker then. Subsequently, there are major reports of a growing crisis of groundwater and its quantitative and qualitative aspects from various parts of the country, especially in the agriculturally most advanced parts. During the period of this grant, we substantially revised this chapter, incorporating data from a more recent (2004) estimation of groundwater resources. We find that in a span of about 9 years (1995-2004), the crisis has spread to more districts (9 to 31%), covering more area (5 to 33%) and affecting more people (7 to 35%). A snapshot picture is provided in the following table:

**Comparative Status of Level of Groundwater Development, 1995 and 2004**

Level of Groundwater Development*	% of Total Districts		% of Total Area		% of Total Population	
	1995	2004	1995	2004	1995	2004
0-50% ("Safe")	82	55	89	52	80	45
50-70% ("Safe")	10	15	7	16	13	20
70-90% ("Semi-Critical")	4	13	2	14	3	17
90-100% ("Critical")	1	4	1	5	1	3
>100% ("Overexploited")	4	14	2	14	3	15
<b>TOTAL</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>

Source: CGWB, 2006

Hence, the major argument of this chapter is for a National Groundwater Programme, focused on regulation of groundwater use based on considerations of equity and environmental sustainability.

A preliminary look at the data shows that the problem of over-extraction is considerably more alarming in the dryland regions characterized by low and variable rainfall, absence of annual-flowing streams and hard-rock geology. The chapter also discusses the major weaknesses of the official methodology of groundwater estimation (even after revision in 1997). We feel that the situation where resource depletion escapes the eye of the policy maker is very much on account of inadequate methodology of assessment of the resource. The methodology needs immediate revision.

### Chapter 4: Performance and Prospects of Dryland Agriculture: Challenges and Emerging Opportunities

Crop information in India is organized at district and block levels. Following the FAO's classification of Agro-Ecological Regions (AERs) and Sub-Regions (AESRs) on the basis of the length of the growing period (LGP), we will classify India into dryland and non-dryland districts, estimate their agricultural area, production and productivity and compare performance over the last four decades (1970-2010). It is useful to look at rates of growth of output in physical terms in addition to value terms. The long term

trends in production of important crops and crop groups are shown below:

**Rates of Growth of Production of Principal Crops, All India**

<b>Crop</b>	<b>1960/63 to 1970/73</b>	<b>1970/73 to 1980/83</b>	<b>1980/83 to 1990/93</b>	<b>1990/93 to 2005/08</b>
Rice	1.87	2.15	3.72	1.60
Wheat	8.28	4.51	3.73	1.92
Coarse Cereals	0.90	1.16	0.81	0.88
Pulses	(-) 0.92	0.35	1.41	0.59
Total Foodgrains	2.41	2.36	2.94	1.51
Oilseeds	1.79	1.98	6.19	2.34
Cotton	0.88	2.54	3.28	5.28
Sugarcane	1.78	3.81	3.15	2.03

Source: Indian Agricultural Statistics, various issues

The table shows that the growth rates of output of nearly all crop groups declined during the 15 year period from 1990/93 to 2005/08, compared to the earlier decades. In particular, the growth rates of coarse cereals, pulses and oilseeds (covering about 45% of total cropped area and grown mostly in the rainfed drylands) was distinctly lower than what has been achieved in the previous decade. This re-emphasises the fact that the gap between irrigated and dryland agriculture has steadily widened, with the productivity of the latter being less than half of the former. This chapter builds the story of the exclusion of rainfed drylands with more district-level crop data.

This chapter also assesses the emerging opportunities for dryland agriculture opened up by **Genetic Engineering (GE) technology**. The two major challenges in dryland agriculture are water stress and multiple pest attack on crops. Conventional plant breeding has indeed provided varieties with the twin qualities of drought and pest resistance. Yields of such composite varieties are relatively lower and unsatisfactory to farmers, now much used to the green revolution cultivars. Therefore, GE/Recombinant DNA technology comes as a new option for small and marginal farmers in the dryland regions. Only through GE can we independently transfer the gene of a positive trait like pest resistance, even though it is linked to a negative trait as low yield, in the same chromosome. Some protocols have been developed for the production of transgenic crops that can withstand water stress and multiple pest attacks. Both objectives require delivering of multiple genes or “gene stacking” because both the traits are polygenic. Other major research thrusts in GE technology at present are: a) containment of the transgene and other elements as marker genes, to prevent gene contamination of crops in adjoining fields through pollination; b) use of positive harmless selectable marker genes rather than the possibly harmful, negative marker genes (such as the commonly used antibiotic resistance genes); c) production of marker free transgenic plants; and d) site directed transgene insertion based on nuclear genome sequence database and bioinformatics support. While all these advances are useful to the farmers in rainfed

regions, biosafety is the most important consideration to be kept in mind. Hence, our conclusion is that it would be wiser to take precautionary measures and not rush into commercialisation of a technology that is currently still being perfected by our scientists. One should wait till truly bio-safe GM crops, especially bio-safe food crops have been produced using advances in plant transformation technology.

### **Chapter 5: *Differentia Specifica* of India's Tribal Regions**

This chapter develops a detailed analysis of the specifics of the demography of tribal India and how it overlays with the dryland map of India. The chapter argues that the distribution of the tribal population (“Scheduled Tribes”), especially in the central India drylands, is characterized by an “enclavement effect” – the tribal communities exist as small islands surrounded by a vast ocean of non-tribal population. This provides an objective basis for the operation of interlocked modes of exploitation and internal colonialism of tribal economies. While they form only 7% of the total population of the country, the development indicators of the tribal areas show that the tribal communities have been the most deprived of the fruits of development among all sections of the population:

#### **Malnutrition and Anemia among Women and Children and Adult Literacy Levels, NFHS –3 Data**

	Malnutrition %		Anaemia %		Literacy %	
	Women	Children	Women	Children	Male	Female
<b>Total</b>	<b>35.6</b>	<b>42.5</b>	<b>55.3</b>	<b>69.5</b>	<b>77.5</b>	<b>55.1</b>
Scheduled Tribes	46.6	54.5	68.5	76.8	59.9	33.4
Scheduled Castes	41.1	47.9	58.3	72.2	72.4	43.8
Backward Communities	35.7	43.2	54.4	70.3	78.5	51.8
Others	29.4	33.7	51.3	63.8	85.5	70.9

*Source: National Family Health Survey – 3, National Summary Sheet, 2007*

Two recent legislations, the Panchayat (Extension to Scheduled Areas) Act, 1996 (PESA) and the Forest Rights Act (FRA) attempt to empower the local, self-governing institutions (Gram Sabhas and Gram Panchayats) in the tribal areas. In this chapter, we incorporate a discussion on the provisions of these legislations and to what extent the opportunity provided by them could be used to address the challenge of poverty and backwardness of the tribal regions of India. Work on this chapter is likely to extend beyond the current grant period.

### **Chapter 6: Towards an Alternative Paradigm of Nature-Based Livelihoods: The NREGA Context**

India has a history of public provision of employment since early 1970s. This chapter provides a synoptic view of the history of employment programmes in the country and analyses their strengths and weaknesses. The chapter argues that the National Rural Employment Guarantee Act (NREGA) of 2005 marks a fundamental

shift in employment programmes in India. First, it is not a programme anymore but an act, an acknowledgment by the state of its duty to provide jobs to its people. Second, its implementation architecture is completely different from the earlier programmes. The manner in which it entitles local governments and the local community to take decisions, the process of project selection, sanctioning, execution, fund flow and monitoring, the steps taken to prevent leakages - these are some of the innovative aspects of the NREGA's architecture. The analysis of the chapter shows that enactment of this legislation was in response to the worsening of the employment situation in the country. The current expenditure under NREGA is Rs. 40,000 crores (USD 9 billion), which is about 1% of the GDP. The chapter develops a strong case for increasing allocation under the programme by extending the guarantee of 100 days employment to all adult members instead of only the households. The expansion of the coverage of the programme will also mean that there could be greater convergence brought in between NREGA and other development interventions. Such massive investments could provide a broad basis for initiating sustainable livelihood opportunities in the drylands of India by strengthening its water infrastructure and raising agricultural productivity. The issue of “NREGA Reforms” is discussed extensively in the chapter.

### **Chapter 7: Implementation Issues: The Case for Reform of Public Sector Institutions**

The last chapter of the book deals with the issues of reform of public sector institutions in India for delivering development. For historical reasons, the state has become the principal agent in rural development in India. However, “government failure” in the poor quality of delivery and the unequal distribution of gains of development is also widely noted. This has led to arguments in favour of reducing state provision, dismantling the state machinery and moving towards privatization. We argue that change of ownership alone never ensures better performance. Hence, one has to go beyond the private versus public debate. The real issue is the reform of public sector delivery systems in a way that makes them available, accessible and affordable to the poor. Profit-driven private initiative has not been and is unlikely to be forthcoming in a backward area with a huge “infrastructure deficit”. Developing a critique of New Public Management and incorporating ideas from the welfare states of Scandinavian countries, we will develop a theoretical framework on how to reform the public sector in rural development in India. Research on this chapter will need to continue beyond the current grant period.

## **7.3 Publications and Presentations**

In continuation with the practice in earlier years, SPS team members continued to contribute articles on NREGA for policy reforms which were carried in major

newspapers (see below).

Date	Title	Author	Newspaper/Journal/Book
30/04/09	Multiplier Accelerator Synergy in NREGA	Mihir Shah	The Hindu (leader page)
28/05/09	UPA's Challenge: Rural Governance Reform	Mihir Shah	The Hindu (leader page)
14/08/09	Taking goals of NREGA-I forward	Mihir Shah	The Hindu (leader page)
August 09	NREGA Reforms: Building Rural India <i>First Annual Report of the National Consortium of Civil Society Organizations on NREGA</i>	SPS	
31/10/09	Programming NREGS to succeed	Pramathesh Ambasta	The Hindu (leader page)

The first Annual Report of the National Consortium on NREGA has become a major reference document for policy issues in NREGA. Several of its recommendations have found their way in the Planning Commission's Mid Term Appraisal of the Eleventh Plan and have been advocated at various high level government review meetings. It is hoped that this will pave the way for eventual implementation of much-needed reforms in the NREGA space.

Shri Pramathesh Ambasta was invited as a speaker to the GB Pant Social Science Institute, Allahabad for a workshop on MGNREGA organized by Jean Dreze on *NREGA: Recent Evidence, Unresolved Issues, and Possible Innovations*. He spoke on Capacity Building needs in the context of MGNREGA and the role of Civil Society Organizations. He highlighted the main achievements of the National Consortium on NREGA as part of his presentation. Other speakers in the workshop included Aruna Roy, Abhijit Sen (Member, Planning Commission), Dr. B.K. Sinha, Secretary, Rural Development.

## 7.4 Policy Initiatives

### 7.4.1 Planning Commission, GoI

Dr. Mihir Shah, former Secretary, Samaj Pragati Sahayog was invited by the Prime Minister of India to join the Planning Commission as Member for Rural Development, Water Resources and Panchayati Raj.

This has opened up several possibilities for taking the agenda of changes in rural development policy forward through a meaningful dialogue which has the potential for becoming a win-win situation for civil society as well as government. Already, several of the key issues of concern for SPS and the voluntary sector, with regard to rural

development have found articulation in government policy. In the coming period, we are hopeful that these will also be implemented on the ground.

## 7.4.2 Central Employment Guarantee Council

The CEGC is the apex body of the country looking after NREGA implementation. Mr. Rangu Rao, Co-Founder SPS is a member of the CEGC and has been involved in its deliberations for bringing on board various MGNREGA reforms.

### **Working Groups for MGNREGA**

In March 2010, vide its order no. No.J-11011/2/2010-MGNREGA, the Ministry of Rural Development, GoI, constituted the following 6 working groups which would “recommend measures for strengthening the implementation of Mahatma Gandhi National Rural Employment Guarantee Act”:

- Planning and Execution
- Wages
- Transparency and Accountability
- Capacity Building
- Specific Needs of Specific Category of Workers
- Works to be taken up on Individual Lands

Mr. Rangu Rao is the Chairperson of the Working Group on Planning and Execution. Mr. P.S. Vijay Shankar, Co-Founder, SPS is also a member of this working group.

Mr. Pramathesh Ambasta is a member of the Working Group on Capacity Building.

All working groups have been given a time frame of two months to submit their reports on these key areas for MGNREGA reforms. The following are the terms of reference of the two groups (Group 1 and Group 4) in which SPS members are involved:

### **Ombudsmen Selection Committees for MGNREGA**

Mr. Rangu Rao has been nominated by the MoRD to be a member of the Selection Committee of Himachal Pradesh for the appointment of Ombudsmen in the state. He has been steering the deliberations of this committee and ensuring that selection of this crucial link in the MGNREGA grievance redressal apparatus is in line with what is required to make MGNREGA effective on the ground.

## 7.4.3 CAPART

Mr. Pramathesh Ambasta has been nominated as Member of the Executive Committee of CAPART. In August 2009, the newly constituted EC met for the first time in New Delhi. The major objective of the meeting was to decide on a course of action

for structural and systemic reforms of CAPART. The movement was led by Union Minister for Rural Development, who is also Chairperson, CAPART and the Member Planning Commission (RD), who is a Special Invitee to the CAPART EC.

As a consequence of this first meeting, it was decided to set up different sub-groups of the EC, with a clear mandate to suggest a road map for CAPART. The sub-groups were on:

- a.Capacity Building, Social Mobilisation and People's Institutions (wsrt NREGA, NRLM, FRA, RTI, FSA etc)
- b.Nature-based Livelihoods and Appropriate Technology (wsrt NREGA and NRLM)
- c.Micro-finance, Rural Industrialization & Marketing (wsrt NRLM)
- d.CAPART Reforms (including Monitoring and Evaluation)
- e.Disability
- f.Innovative Rural Housing, Sanitation & Habitat Development

Of these, the first four were duly notified by CAPART and were requested to submit their reports early so that action could be taken on them. Shri Pramathesh Ambasta was a member of two of these Sub-Groups (Group 1 and 4).

After a series of very serious deliberations and discussions, the reports were submitted to CAPART for further action.

#### 7.4.4 Watershed Development

Mr. P.S. Vijay Shankar, Co-Founder, SPS is on the Steering Committee for the Integrated Watershed Management Programme (IWMP), and has been responsible for scrutinizing and sanction of watershed development proposals for implementation across the country.

Mr. Vijay Shankar is also Adviser to the International Water Management Institute's project on Agricultural Water Management and has been responsible for reviewing the progress of the project as well as recommending ways forward across the globe. He has travelled to Africa and is also scheduled to visit Rome as part of this review committee process.

#### 7.4.5 New Initiatives with GoMP

Towards the end of March 2010, the SPS team was invited for discussions by the CEO, Madhya Pradesh Employment Guarantee Council. The purpose of the deliberations were:

- to work out ways in which SPS could collaborate in the Time and Motion Studies being held across different districts in MP with a view to revising the Schedule of Rates (SoR) for MGNREGA
- to request SPS to assist GoMP in the finalization of the report for SoR Revision
- to request SPS collaboration in providing SPS training manuals and other source

material for MGNREGA training

- to discuss with SPS a road map for training of block level personnel in the MGNREGA execution interface, who are in-charge of implementing projects under the GoMP's new Convergence guidelines for MGNREGA

- to request SPS to help them with finalization and modification of GoMP's orders and guidelines on MGNREGA and convergence

SPS has been in close contact with MPSEGC and the Rural Development Department, GoMP in operationalizing each of these. Already, on the request of the GoMP, copies of all 16 NREGA training booklets have been supplied to GoMP for distribution to blocks and GPs. They have also requested that a fresh lot of the main NREGA-Watershed Manual be printed specially for their requirements.

SPS teams have visited several sites where Time and Motion Studies and Surveys are going on and have given their inputs. They have also been in discussion with the GoMP and its engineers on the crucial SoR reforms that are required to be put into the main report of the GoMP.

## 8. ARTICLES AND PAPERS PUBLISHED

---

# THE HINDU

30/04/09  
The Hindu (leader page)

### Multiplier Accelerator Synergy in NREGA

Over the last few months, just as the economy entered its current recessionary phase, the mainstream media, which till then had been uniformly unswerving in their antipathy to NREGA (National Rural Employment Guarantee Act), suddenly began to sing its praises. In all the gloom and doom, we are told, rural India is shining.

All this talk of a shining rural India must, of course, be dismissed as it was by the electorate five years ago. India's countryside continues to be characterised by a sluggish agrarian economy, marred by malnourished children and anaemic women, as also suicide by farmers in distress. But there is no question that NREGA has put money into the hands of the poorest of the poor on a scale that is unprecedented in the history of independent India.

The concepts of the multiplier and accelerator borrowed from macroeconomics and adapted to an agrarian economy help explain what such money could do in a recession. Till the 1930s, mainstream economic theory was steadfast in its denial of the very possibility of large-scale unemployment under capitalism. The work of two great economists (Michal Kalecki and John Maynard Keynes), following up on the Great Depression of 1929-33, changed this view forever. They showed that without appropriate government intervention, widespread unemployment would be a characteristic feature of capitalism.

Government intercession in a recession can take the form of various counter-cyclical policies to stimulate demand. One is to reduce taxes so that there is more money in the hands of taxpayers. Another is a large-scale public works programme like NREGA, which creates purchasing power among workers. When those receiving tax breaks or working on NREGA sites spend this additional money, they create demand for commodities. The production of these commodities, in turn, creates demand for capital, raw materials and workers. The extra incomes so generated cause further demand, which

again provides a stimulus to production, employment and demand ... and so on in a spiral. This demand stimulating process is called the multiplier.

The value of this multiplier depends on the marginal propensity to consume (mpc) of those benefiting from government intervention. The mpc is our extra spending out of the additional rupee we earn. Clearly, the higher the mpc, the greater the stimulus provided to demand. The great thing about NREGA from this point of view is that it is putting money into the hands of those whose mpc is the highest. Those on the margins of existence are more likely to spend than save most of what they earn.

This explains the celebration of NREGA in the media. Apparently demand in the economy is being sustained by rural buying, which has received a boost from NREGA incomes. But this is not even half of NREGA's full potential. For NREGA is much more than an ad hoc relief programme dishing out doles (or what these days are more fashionably called direct cash transfers). It promises transformation of rural livelihoods. To understand how NREGA can deliver on this potential, we need to grasp a curious unrecognised fact about agricultural labour in the most backward regions.

Not many people know what data from the Rural Labour Enquiry of the National Sample Survey confirms, that a very high proportion of agricultural labour households in India actually owns land. The percentage is around 50 in Rajasthan and Madhya Pradesh, 60 in Orissa and Uttar Pradesh and over 70 in Chhattisgarh and Jharkhand. And if we focus on Adivasis, the proportion shoots up to as high as 76-87 per cent in Chhattisgarh, Jharkhand and Rajasthan.

Why are these facts important? Because they help us understand that NREGA workers are not just consumers stimulating demand in a recessionary economy. They also include producers — millions of small and marginal farmers forced to work under NREGA because the productivity of their own farms is no longer enough to make ends meet. NREGA will become really powerful when it helps rebuild this decimated productivity of small farms. Public investment in the programme incentivises private investment by small farmers and gives them a chance to return to full-time farming. I have seen hundreds of such examples, especially in the central Indian tribal belt, arguably the poorest parts of the country. Here earthen dams on common land have recharged wells of those poor farmers who earlier worked as labourers to build these dams. These farmers are now busy making a series of investments to improve their own farms.

Thus, a mutually reinforcing relationship between investment and income is catalysed by NREGA. First, investment generates demand and income through the multiplier. Then, income stimulates investment via the accelerator. Giving rise to a spiralling cycle repeated in successive rounds. Although not usually deployed in such a context, the accelerator principle in macroeconomic theory describes the positive impact of growing incomes on private fixed investment. Rising incomes also improve capacity utilisation and happier expectations act as incentives for more investment. Under

NREGA, farmers have come back to land they long abandoned, as increased output, in an atmosphere of renewed hope, spurs further investment. Converging NREGA with other programmes for rural livelihoods would carry this momentum forward in a positive upward spiral, which will broadbase the growth process via downstream multiplier-accelerator effects. Effectively a wage employment programme can thus be transformed into a source of sustainable livelihoods generating self-employment. Which would permit reductions in allocations for NREGA over time, not only because landed labourers get back to their own farms but also because of a general rise in demand for labour in the rural economy.

Ten years ago, in our book, *India's Drylands*, my colleagues and I sketched precisely this kind of scenario. With the key proviso that investments in an employment guarantee programme must be in productive, eco-friendly assets. This would ensure that the resultant growth dynamic is both sustainable (by regenerating the environment) and non-inflationary (by easing the agrarian constraint). Not only does demand need stimulation, growth has to be sustainable in both economic and ecological terms, especially in these times of climate change. So what we require is not just a stimulus *a la* Keynes but a specific new kind of stimulus *a la* Schumpeter!

There is no way this multiplier-accelerator synergy can fully come into play without the most important piece of the NREGA jigsaw falling into place – radical governance reform. NREGA is a revolutionary Act that seeks to bring real democracy to India's grass-roots. By replacing the contractor raj, which has dominated rural development in India, with Panchayat Raj — planning, implementation and social audit of works by gram panchayats under the oversight of the Gram Sabha. This requires the creation of a new cadre of dedicated executive agencies serving panchayats, with a team of barefoot engineers and social mobilisers supporting them. Only then can NREGA yield rejuvenated watersheds and recharged water tables. Without which the multiplier-accelerator synergy will remain a distant dream.

Radical governance reform challenges the very fabric of rural social relations. Strong state support is essential to dismantle the fossilised yet exploitative system and to build an effective alternative. Even the few hesitant steps in this direction have produced a violent reaction. As we approach the first anniversary of the martyrdom of Lalit Mehta, a crusader in the NREGA cause, it is time to remind the state of its duty to protect the unsung heroes who continue to risk their lives to make NREGA a success.

While entering untested waters, there are other fresh challenges. Paradoxically, the attempt to check corruption by making payments through banks or post offices has backfired in transition. The additional NREGA load is proving impossible to handle and workers also find it hard to reach these sparsely located distant offices. Local elites with greater mobility and access take hold of workers' job cards and swindle them by fudging entries both on job cards and the centralised computer database. As the social audit

process picks up and workers become more aware of the scams taking place in their name, things will improve but there is no alternative to making banks and post offices better equipped and more effective. Could these expenses be met through the 6 per cent administrative costs provided under NREGA? NREGA has fallen short of its potential because the preparation needed for this revolutionary Act was not in place before it was launched. Let us focus radical governance reforms on the 200 most backward districts or even better 1,000 most backward blocks. Where NREGA really matters and should have been restricted to in the first place. If a new architecture of implementation is put in place here, we could see not only the multiplier but a productivity enhancing accelerator in action that transforms livelihoods for millions of our poorest people, in a manner that is sustainable in both economic and ecological terms.

## UPA's challenge: rural governance reform

Mihir Shah

*Respect for Verdict 2009 obligates comprehensive rural governance reform. Livelihoods, education and health are not polio drops to be mechanically administered to the people. Complex outcomes demand participatory processes and imaginative solutions.*

A hitherto dismissive Indian media has gone characteristically overboard in ascribing Verdict 2009 to initiatives such as NREGA. The complex verdict delivered by the electorate affords a more nuanced reading. While greater sensitivity to the needs of the people was an important contributor to the UPA victory, the result appears a complex conglomerate of various state-level verdicts, reflecting diverse factors, many purely accidental.

A serious problem created by facile electoral analyses is that they give rise to even worse prescriptions for the new government. The most common of these, much like a Bollywood formula for a hit film, is a juicy mix of reforms and handouts, a little-bit-of-the-Right and a little-bit-of-the-Left, kind of please-all concoction. This formula has two presumptions – one, that reforms are identical to disinvestment and privatization and two, that India's poor deserve condescending dollops of sympathy and money.

Both the specific direction and content of this formula seem badly off-the-mark. For example, if a sop like the farm loan waiver were to become policy, it could irretrievably compromise the integrity of India's banking system, whose robustness has been a life-line for the rural poor, especially since the nationalisation of banks in 1969. Similarly, in the absence of far-reaching governance reform, NREGA is nothing but a handout. And will do little to dent rural poverty. On the other hand, if it can fulfill its promise of overthrowing contractor raj, then it could become a powerful source of millions of sustainable livelihoods in rural India. This is the kind of reform we require.

For the most critical needs of the Indian people, shockingly unmet even 60 years after independence, reforms cannot be equated with privatization. Market fundamentalism and an indiscriminate advocacy of privatization so dominates our deeply uniformed discourse today that certain basic tenets of economic theory and the universal experience of capitalist countries bear reiteration. This is not some form of subversive,

closet socialism. These are truths about the functioning of capitalism drawn from work that has won many Nobel Prizes in Economics!

Markets fail when there are no profits to be made for capitalists or when the private rate of return on investment is significantly lower than the social rate of return. This is why thousands of Africans continue to die from Sleeping Sickness, even though the cure for the disease has been known since the early 1990s. There are no profits to be made out of producing a drug that people who need it cannot afford to buy. Similar reasons explain why the proportion of malnourished children in India refuses to fall below 45-50% even after two decades of economic reform. Or why we have the largest proportion of pregnant anemic women in the world.

Yes, reforms in India correctly entail privatization in sectors like airports, airlines, hotels, cars etc. but throughout the world, public goods like health, education and the environment have been provided for or protected by governments. Ever since the Great Depression of the 1930s, capitalist democracies have seen major investments by the state in the fundamental rights of its citizenry. The difference is that in the US, Europe, South-East and East Asia, the state has invariably delivered. In India it has failed – both in the magnitude of its effort, as also in its quality. Thus, deprivation of our people is not just a tale of market failure. It is also a failure of governance. Which is where reforms for the poor must focus.

P.S. Vijay Shankar and I argue, in a study just completed for the UNRISD (United Nations Research Institute for Social Development, Geneva), that the proportion of national income spent by the government on health and education in India is among the lowest in the world. Our health sector is already overwhelmingly private. And has failed miserably in delivering to the most vulnerable sections of the population, especially in rural areas. How can reform here be achieved by more privatization?

Our challenge is to improve the functioning of the public sector in rural development, something that does not figure on the agenda of either India's political Right or Left. Perhaps a fundamental reason for this neglect of rural India is what may be termed the "urban telos" implicit in almost all development thinking, across the political spectrum. Ever since the Second Five Year Plan in 1956, it has been assumed that the salvation of India's people lies in urbanization and industrialization. As a result, those who need government support in rural areas, have received second-rate treatment. If this appears a harsh judgment, I would invite you to only come and look at the condition of schools and hospitals in large tracts of village India. You would be shocked to find, even today, 60 years after independence, most of them operating out of a single dilapidated room with a handful of teachers and doctors in attendance, if at all. When we are anyway expecting rural areas to be eventually emptied out, why bother to make a very big difference to their quality of life?

This is perhaps where the handouts mentality stems from. This old, misplaced thinking needs urgent change. One look at the ecological nightmare our cities have already become, should be enough to convince us that a completely fresh view has to be taken of the possibility of any more movement from country to city. Let us work towards making our villages first-rate habitats. That will give us breathing space to improve our cities as well. But to change villages, we have to reform the public sector in rural development, which includes health, nutrition, education, banking, watershed, irrigation, NREGA and the Forest Rights Act.

Both NREGA and the Forest Rights Act are potentially revolutionary initiatives but have so far remained transformative only on paper, much like the land reform legislations of the 1950s. They have opened up a space that demands unprecedented boldness of action, which has been badly lacking on the ground so far. On the Forest Rights Act, which calls for a full democratization of our forest bureaucracy, and can be said to be the key to addressing Naxalism, nothing at all has moved. On NREGA, what we are expecting our Gram Panchayats to deliver, has absolutely no correlation with what we have provided them in terms of human resources. How have we enabled them to dismantle contractor raj? Where is the comprehensive cadre of functionaries fully accountable to them, which would be the alternative implementation mechanism they require? One of the last, most welcome cabinet decisions of the outgoing UPA government was to raise the administrative allocation under NREGA to 6% of its total outlay. But what is to say where this money will go? Why do we not stipulate that specific proportions will have to be spent on professional support cost and on building capacities of those running NREGA? Without these kinds of specifications, it is difficult to see NREGA become the multiplier-accelerator propelling investment it needs to metamorphose into.

Detailed blueprints of reforms for rural India are now available. The UNRISD study mentioned earlier contains suggestions for both the magnitude of investment and structural changes required for quality education and health. The Parthasarathy Committee provides a wealth of insights on watershed reforms. On NREGA, there is the upcoming report of the National Consortium of Civil Society Organisations. Reports of the Commissioners of the Supreme Court are a gold mine of suggestions for restructuring mid-day meals and ICDS. Distinguished scholars and practitioners have recently drafted a comprehensive agenda of panchayat reforms.

Freshness of ideas from a new generation of politicians led by Rahul Gandhi was a theme-song of the Congress campaign in these elections. The Indian people have provided them a golden opportunity to venture long-term fundamental change. History will judge whether they could muster courage in transcending the ossification of both the political Right and Left in India. They must not ridicule the voters by offering them more handouts. Livelihoods, education and health are not polio drops that can be

mechanically administered to the people. They represent complex outcomes that demand participatory processes and imaginative solutions. Merely throwing money at the people through direct cash transfers is not only insulting, it does not work. What ensures translation of outlays into outcomes is the software we put into place. This includes deployment of high quality human resources and systems that ensure accountability and stakeholder participation.

Democracy is the best insurance against the abuse of power our people have long suffered from. But democracy does not begin or end when citizens vote in Lok Sabha elections. It becomes real for people only when they become partners in shaping the destiny of the nation, as a dynamic hub of compassionate and sustainable growth.

## Taking Goals of NREGA-I Forward

*Envisioning NREGA-II is important to realise the unfulfilled dreams of NREGA-I that has failed thus far to break free of the shackles of a debilitating past*

The National Rural Employment Guarantee Act (NREGA) promises a revolutionary demand-driven, people-centred development programme. Planning, implementation and social audit by Gram Sabhas and Gram Panchayats can potentially engender millions of sustainable livelihoods following initial rounds of wage employment. But NREGA-I has had to battle with the legacy of an ignominious past. Rural development programmes over the last 60 years have been dependent on the willful munificence of the state. They have been implemented in a top-down manner using labour-displacing machines and contractors, who have customarily run roughshod over basic human rights.

The NREGA is poised to change all that. And there is no doubt that its promise has charged the hearts and minds of India's rural poor with unprecedented hopes and expectations. But the first three years of the programme have also shown that NREGA suffers from many ills -- leakages and delays in wage payments, non-payment of statutory minimum wages, an average of 50 days of work per annum as against the promised 100 days, fudged muster rolls, few durable assets and even fewer sustainable livelihoods.

Envisioning NREGA-II is important to realise the unfulfilled dreams of NREGA-I that has failed thus far to break free of the shackles of a debilitating past. At least seven key elements need to characterise NREGA-II. *One*, strengthening Panchayati Raj Institutions (PRIs) by providing them requisite technical and social human resources so that plans can be made and implemented in a genuinely bottom-up manner. Without a cadre of social mobilisers or *lok sewaks* (at least one in every village) it is difficult to convert NREGA into a truly demand-driven programme, where works are undertaken in response to the needs and aspirations of a fully aware citizenry. Otherwise the current practice of works imposed from above will continue unchecked. And without much greater technical support to PRIs, it will be hard to stop backdoor entry of contractors.

*Two*, a renewed focus on improving the productivity of agriculture and convergence to engender allied sustainable livelihoods. We need to understand that NREGA is not the usual run-of-the-mill relief and welfare programme of the past. It is not merely about transferring cash to people in distress. It is about creation of durable

assets that will ultimately lead to a reduced dependence of people on NREGA. The percentage of agricultural labour households in India who own land is around 50 in Rajasthan and Madhya Pradesh, 60 in Orissa and Uttar Pradesh and over 70 in Chhattisgarh and Jharkhand. And if we focus on Adivasis, the proportion shoots up to as high as 76-87 per cent in Chhattisgarh, Jharkhand and Rajasthan. Millions of our small and marginal farmers are forced to work under NREGA because the productivity of their own farms is too low to make ends meet. NREGA will become really powerful when it helps rebuild this decimated productivity of small farms and allows these people to return to full-time farming, thereby also reducing the load on NREGA.

What would accelerate this strengthening of small and marginal farming in India is the proposal to allow asset creation through NREGA on their lands. This is element *three* of NREGA-II and would help the poorest people in our country who constitute 80% of farmers in India. It is not entirely clear why certain sections of civil society are opposed to this idea, which will also mitigate the apparent conflict perceived by some Gandhians between small farmers and NREGA. Especially given the just demand for extending the work guarantee of 100 days to every person (as promised in the Congress Party manifesto), there is need to extend the scope of NREGA to small and marginal farmers' lands. This remarkably inclusive provision can potentially transform Indian agriculture, which is crying out for greater public investment.

Apparently there is an apprehension that if work is allowed on poor farmers' lands, this provision will be misused by powerful rich farmers in the village. Let me begin by stating that Magsaysay award winner Deep Joshi believes that NREGA should actually be used for asset creation on all lands, much as in a watershed programme, so that plans can be made and implemented on a watershed basis. I disagree with him only because I feel priority must be given to the poor. But I fail to understand opposition to work on farms of the poor themselves. Misuse of NREGA provisions is a genuine fear but that requires element *four* of NREGA-II – strengthening social audit.

Here we have two possible ways forward, what I call MKSS-I and MKSS-II. The Mazdoor Kisan Shakti Sangathan (MKSS) blazed the trail of social audit in Rajasthan. I call that MKSS-I, a process that has been fraught by violent opposition from vested interests, and by the MKSS's own admission, has been less than successful. MKSS-II refers to the social audit pro-actively promoted by the Government of Andhra Pradesh and guided by the MKSS that has achieved unprecedented success. However, this remains a predominantly top-down approach with relatively weak roots. What we need is to combine the strengths of MKSS-I with those of MKSS-II, because social audit is undoubtedly the weakest link of NREGA so far, even though it was hailed initially as its most attractive *differentia specifica*. Pramathesh Ambasta, National Coordinator Civil Society Consortium on NREGA is working on a blueprint of a National Authority for NREGA, which should become a matter of serious reflection and debate if we are to

strengthen social audit, evaluation and grievance redressal, by making them independent of the implementing agency.

Element *five* of NREGA-II has to be more creative use of information technology (IT), which can greatly strengthen social audit and reduce chances of fraud and leakage. As in Andhra Pradesh, computer systems need to be tightly integrated end-to-end so that any work registered in the system is alive, status-visible and amenable to tracking. Delays at any stage can thus be immediately identified and corrected. The system keeps track of the work from the day the work-ID is generated and flags delays in the payment cycle as soon as they occur. Because the network secures all levels from the ground up to the state headquarters and data are transparently and immediately available on the website, a delay at any stage is instantly noticed by the monitoring system. The free availability of this information on the website also facilitates public scrutiny, greater transparency and better social audit.

IT has one more new dimension. Ever since the decision to make payments only through banks and post offices, NREGA-I has run into serious trouble caused by delays and corruption in wage payments. Workers, especially in remote rural India, find it very hard to travel long distances to get money. This promotes a nightmarish variety of malpractices. It is now imperative that we roll out the banking correspondent model using handheld computer devices and mobile phones to all gram panchayats in India by the end of the eleventh plan period. Government needs to commit the support required to make this happen in a time bound manner to achieve unprecedented financial inclusion at the doorstep for our poorest people living in distant hinterlands. The demand-driven, pro-poor unique ID project can play a key role in this regard and also greatly benefit from the demand created by this exercise.

Element *six* of NREGA-II is reformed schedules of rates (SoRs). The commitment to pay real (indexed to inflation) wages of Rs.100 per day can never be fulfilled if we continue to use antediluvian SoRs that were meant to serve the “contractor-machine raj”. Using these rates will inevitably underpay labour, especially women. We need gender, ecology and labour-capacity sensitive SoRs that are themselves indexed to the real minimum wage, undergoing revisions with each revision in the statutory wage. Otherwise complaints of underpaid labour will never cease.

Finally, element *seven* – the role of civil society, which is crucial in making NREGA realise its potential. Whether it is grass-roots activists assisting PRIs in social mobilisation or developmental NGOs building capacities of panchayats and supporting them in planning and implementing NREGA works or academic institutions helping improve standards of evaluation or eminent citizens acting as ombudsmen for grievance redressal, there is an urgent need to mandate civil society action in strengthening NREGA. On its part, civil society needs to adopt a strategy of dialogue and support to make NREGA a success. Revamped and revitalized CAPART (Council for People’s

Action and Rural Technology) and NIRD (National Institute of Rural Development) based on vibrant partnerships with civil society could help facilitate this change.

Each of these seven elements was part of the original NREGA vision. What NREGA-II will do is to place renewed emphasis on key aspects of this vision and build new strategies to help the programme realise its true potential. It is good that the Ministry of Rural Development is engaging in detailed discussions with various stakeholders as also the Central Employment Guarantee Council before unfurling the NREGA-II blueprint

## Programming NREGS to Succeed

Pramathesh Ambasta

*A humungous programme like NREGS needs an independent body that looks after IT, human resource development, evaluation, social audit and grievance redress, without which quality outcomes will remain elusive.*

In two general elections since 2004, the “other” India has spoken loud and clear to the few enclaves of prosperity that dot the country’s grim development landscape: if growth is not inclusive and broad-based, its wheels will come off, severely undermining the very fabric of Indian democracy. In this context, the National Rural Employment Guarantee Scheme acquires great significance. For, it marks a historic opportunity for pushing ahead with governance reforms in rural India. However, much more needs to be done before NREGS possibilities become a reality. For, the average days of work per household were only 48 in 2008-09. The record of productive assets creation has been poor if not altogether dismal. Long delays in wage payments, sometimes for several months, and the spectre of corruption rearing its ugly head indicate the failure of entitlements reaching the poorest of the nation, thus defeating the very purpose of NREGS.

An analysis of these symptoms suggests that there are clear reasons why the results are not along expected lines. Though no magic bullet or quick fixes exist, solutions may well be within our reach. As several observers have remarked, a critical lacuna in the implementation of NREGS has been the shortage of dedicated human resource, with an overloaded bureaucratic structure given “additional charge,” leading to delays and poor quality output. Attempts to piggyback a radically new people-centred programme on to a moribund bureaucratic structure of implementation simply do not work.

However, a dedicated implementation structure will only solve part of the problem. The second crucial missing link in the implementation chain is concurrent monitoring. Here, Information Technology (IT) has a huge role to play in making necessary information available transparently and at high speed. Rich though the NREGA Management Information System (MIS) is, there is much scope for improvement. The MIS, for instance, is not able to raise an alert on delays in wage

payments because data are normally updated post-facto, thus undermining the very basis of monitoring.

Evaluation and social audit are the third aspect of NREGS implementation in need of qualitative improvements. Both are integral to the bottom-up architecture of the scheme. Finally, despite the best design and rollout, problems and gaps in execution will always persist. It is here that a lack of any grievance redress mechanism is glaring for, such a system can work wonders in building confidence in the scheme.

Taken together with other reforms, changes in these four essential directions — human resource development, better use of IT, independent evaluation and social audit and effective grievance redress — can begin to make NREGS perform to its potential. However, the important question here is: who will oversee these key functions and ensure that all implementation agencies across the country comply with standards and norms established in all these aspects? We strongly believe that the largest employment programme in human history must be armed with an independent, dedicated National Authority to anchor and steer it. Such a national authority for NREGS (NAN) should be set up as an autonomous body. The function of coordinating the implementation and monitoring of the programme by the States would remain with the Department of Rural Development, as at present. But evaluation, social audit and grievance redress would become independent of the department. For, as a matter of principle, the agency executing the programme should not be the one evaluating its own work. In addition, NAN would be charged with the key functions of human resource development (deployment as well as capacity-building) and streamlining IT systems to facilitate effective monitoring and social audit.

In order to ensure maximum autonomy, the chairperson of NAN should be an individual of established integrity and eminence chosen from public life. The road map for autonomy along with its legal-constitutional implications should be worked out through detailed deliberations in the public domain. The executive arm of NAN should be headed by a Director-General (DG), an officer not below the rank of Secretary to the Government of India, competitively recruited from the open market using a search committee headed by the Cabinet Secretary and including persons of eminence/experience working on NREGS. Serving government officers would also be able to apply for the post. The DG will report to the chairperson of the Authority.

NAN should have four departments — evaluation and social audit, grievance redress, information technology and human resource development — each headed by a Deputy Director-General (DDG), a Joint Secretary rank officer, again recruited in the same manner as the DG.

The evaluation and social audit department will be responsible for mounting evaluation through a carefully selected panel of experts and institutions from across the country, and ensuring that social audits are undertaken and monitored. The grievance

redress department will be a window for immediate response to any complaint made by wage-seekers or their representatives or organisations, lay citizens, or any other agency wishing to bring to the notice of NAN any violation of the Act anywhere. The department will appoint ombudsmen throughout the country — citizens of proven eminence, integrity and track record of service to the nation who will be fully empowered by NAN to work as its eyes and ears, arms and legs. The ombudsmen will receive complaints and take them up with the district administration and the State Employment Guarantee Council. If needed, they may go to the site from where the complaints originate, or appoint a team to go there, or organise a multilateral committee made up of representatives of the government, the ombudsman concerned and the complainant, to find out the true facts within a time frame. The committee would submit a report with clear recommendations specifying the time within which action needs to be taken. The ombudsman would report to the NAN about the action taken or not taken.

In order that NREGS becomes a vehicle for governance on the doorstep of the poorest, the speed and power of computer networks must be harnessed with a thorough understanding of the needs of different stakeholders. IT must enable availability of updated information which is as close to reality as possible for tracking NREGS. There must be a system in place, which is tightly integrated end to end, in which IT deployment is central to the workflow, so that data are as real time as is possible. In addition, there is need for a hardware and connectivity backbone which allows real-time online update of data. The system must also constantly innovate to bring more and more such areas, which have traditionally belonged to note-sheets, files and red tape, under its purview. It must constantly seek to harness newer ideas and innovations to fulfil the goal of digital inclusion. The Unique Identity can find a place within this information system to deliver much more than a number to every Indian, by allowing for real-time, non-repudiable authentication of beneficiaries in critical NREGS transactions. The NREGS worker will biometrically confirm receipt after the payment has been made. Given the importance of information systems, NAN's IT department must use the best technical expertise available in the country, which will take responsibility for putting in place and constantly streamlining the IT backbone for NREGS implementation. The department will also ensure that the States comply with the ICT requirements of data returns and updation.

The people-centred architecture of NREGS requires delving deep into complex technical and social processes. This necessitates personnel equipped to do the job. While such a human resource requirement is treated as obvious for infrastructure projects of “national importance,” it is tragically never understood that the demands of governance and development in partnership with the rural poor require as much creativity, skill and professionalism, if not more. The human resource department of NAN will be responsible for ensuring that a professional tier is created for the cutting edge of NREGS implementation, work out standards for the personnel recruited, and a system

of certification. It will set needs-based standards for training institutions across the country to build the capacities of NREGS implementers. It will also work out a detailed policy, aimed at rewarding performance, weeding out non-performers, low attrition and high retention of people who perform.

For the flagship programme to be effective, it needs to be programmed to succeed. A central anchoring agency such as NAN may well hold the password to such a programme, in the course of time, unlocking the gates to let the necessary changes in.