

PROJECT SYNOPSIS

The proposed Special SGSY Project would be implemented in the Khunti, Torpa, Arki, Murhu and Raniya blocks of the newly created Khunti district in Jharkhand. The main focus of the Special project would be large scale **capacity building** of poor families to facilitate adoption of improved technologies and practices **to attain rapid growth in farm and farm allied sectors** and enabling them **to access mainstream markets** to sustain the economic gains. The initiatives would aim at **supporting 5700 poor households** to move out of the poverty bracket.

This Special SGSY Project is designed to capitalize on the extensive social mobilization of women achieved under "**Community-based Pro-poor Initiatives (CBPPI)**" Programme followed by "**Social Mobilisation around Natural Resource Management (S.M.)**" both collaborative programmes of **Ministry of Rural Development (MoRD), Government of India** and **United Nations Development Programme (UNDP), India** implemented through a network of NGOs involving PRADAN in project implementation in Khunti district. The proposed project would create sustainable livelihood opportunities for 5700 poor families. Further, the project envisages mobilizing an additional 3900 poor families through promotion of Self-Help-Groups (SHGs) of women. A majority of the target families would be from Scheduled Tribes and Other Backward Communities (OBCs) and would belong to poor categories. **Using a group based approach**, the project would demonstrate the potential of integrated development of natural resources and appropriate farming systems along with unleashing opportunities in farm allied sectors, financed through a combination of people's own labour, bank loans and government subventions as a strategy to remove mass poverty in the endemically poor Agro-Ecological Zone VII encompassing large portions of eastern India.

By way of activities, the project would:

- Nurture approximately 350 women's SHGs in the project area to take up livelihood activities and promote up to 260 new SHGs to saturate the project area,
- Promote block level SHG federations in Khunti, Torpa and Raniya blocks. These institutions will be solidarity bodies to help the empowerment process of the women, in seeking their rights and entitlements.
- Implement a variety of land and water development activities for 80% of the target families aiming at harnessing/ recycling rainwater in a highly dispersed way (in-situ),
- Assist the selected households to diversify current *Kharif* paddy centric farming to include cash crops, horticulture, agri-silviculture, livestock rearing etc.
- Intensify and modernise crop-based agriculture,
- Introduce livestock based enterprises for marginal farmer families,
- Promote a cadre of community based service providers to provide hand holding assistance and linkage with credit, market and technical agencies to the participating SHGs member families.
- Promote and nurture suitable producer organisations (cooperatives or producer companies as per the new Act) to provide sustainable systems for services to the project participants,
- Develop market linkages for various tradable farm products being promoted by it.

Most families reached by the project would be assisted to take up a mix of activities suited to their resource endowments and needs.

The outputs of the project would be:

- Land husbandry and plantation of fruit trees, lac host trees and timber plants in 300 ha. of uplands.
- Protective irrigation from harvested rainwater to 335 ha of cropland during the kharif season and 70 ha during the rabi and summer seasons (for vegetables),
- Year round irrigation facilities for 750 ha. of medium uplands from micro lift irrigation systems.

- Potential to enhance cereal production by about 5,000 ton a year, vegetable production by 5,000 ton a year and fruit production by 800 ton a year, lac production by 380 ton a year, poultry production by 800 ton a year and meat production by about 60 ton a year each.

These would lead to additional income of approximately Rs 15,000 each for 5,700 households.

The **total budget for the project for three years is Rs.14.98 crore**. Of this, **people's own contribution is Rs. 1.45 crore**. In addition, the project would leverage **bank loans of Rs.2.30 crore**. A **grant of Rs. 11.23 crore is being sought from the Government of India** as a Special Project under SGSY.

The project will be implemented by the agency **PRADAN (Professional Assistance for Development Action)**, an NGO operating in the district for over a decade to promote livelihoods among poor rural families.

Why Special SGSY?

The project envisages a convergence of multiple sectoral interventions at the family level based on the resource endowments of the families. This would entail improving land and water resources and intensification and modernization of farm sector, introducing better flora management for forest based activities such as lac, creation of individual assets such as poultry sheds for individuals and creation of common infrastructure for aggregation, storage and marketing. Vision building, capacity and skill creation, handholding and organizing production and marketing support around each of the participating families would form the focal point of interventions. The project would endeavour to promote and nurture producers' collectives to sustain the initiatives and enterprises at the grassroots. Thus in terms of content and processes, the project has quite a few elements of innovativeness. Resources for such multi-dimensional interventions cannot come from single windows as existing poverty alleviation programmes of the Government are schematised. Convergence of these discrete programmes to some extent is possible but the idea of launching a time-bound livelihood promotion programme, including multi-sectoral interventions, would be difficult to conceive specially in backward districts. Thus the need of the hour is to take up a dedicated programme that can support multi-sectoral interventions through a single window. The overall approach, based on social mobilization, will create further scope for convergence of other existing schemes of the government e.g. NREGP, Tribal sub-plan funds, etc. to deepen and intensify the impact of this programme. Considering the above points, the project deserves consideration to be treated as a Special SGSY Project.

In terms of costs, the project compares favourably with normal SGSY projects. The subsidy proposed for programme support is **Rs 14,273 per family compared to Rs 11,000** per family in case of normal SGSY (including revolving fund to groups at the pre-project stage). The grant requested towards capacity building and technical support is **Rs 3,215 per family against Rs 5,667** per family permissible (including group promotion cost of Rs 10,000 per group and assuming 15 members per group) under normal SGSY.

The contribution by the people and bank credit together at Rs. 375.01 lakh is little over 33% of the grant of Rs 1,122.62 lakh sought from the Government of India; in other words, **the GoI contribution is under 75% of the total "non-credit" cost of the project**.

Replicability

Relevance, cost and administrative feasibility are the key parameters of replicability.

The project villages represent the Agro-Ecological Zone VII, spanning several States, including Jharkhand, West Bengal, Orissa, Chhattisgarh, Maharashtra (eastern) and Madhya Pradesh (eastern). Endemic poverty, high concentration of Scheduled Tribes, undulating and hilly terrain, medium to high rainfall, sub-humid climate, low level of landlessness and a preponderance of small and marginal farmers are some key features of this region. Though livelihoods are predominantly farm-based, productivity of natural resources and farming systems is at abysmally low levels with low coverage of irrigation and poor penetration of modern farming technologies. Clearly, then, there is vast scope to enhance livelihood security, create employment opportunities and reduce poverty in the district through improved management of natural resources and strengthening farm and farm allied sectors and forest based economy. Harnessing water resources, intensification of farming system and enhancement of forest-based activities are the obvious avenues to expand livelihoods. The project being proposed here thus has vast scope for replication across this entire region.

Administratively, the project can be conceived at the level of a few hundred families at a time, as long as a watershed approach is followed. It would therefore be possible for DRDAs to take up such projects in phases by working with groups at the level of small hamlets.

The total project cost per family and subsidy proposed are comparable to normal SGSY. These would further go down as the ideas are demonstrated and poor people are either willing to take larger loans or contribute more by way of unpaid, unskilled labour, which is a significant component of costs.

At the pilot stage, significant investment is proposed for capacity building. This is so because the overall perspective and the specific activities being proposed are radically different from the prevailing practices and there is no significant demonstration to draw on for the target people. Once the viability of the activities is demonstrated, these costs would be significantly lower because there would be demonstration on the ground and local people would also be trained to do many of the things that PRADAN staff presently do.

Bankability

The internal rate of return of all the activities besides upland development (26%) and poultry (15%) is in excess of 40%; in some cases it is well above 100%. Technically, therefore, the project is bankable. Bankability also requires willingness of target families to take loans, existence of mechanisms for easy access of bank loans and availability of suitable loan products. Evidence locally shows that the demand for loans picks up once an activity is demonstrated to be attractive. The SHGs have proved to be an effective mechanism to enhance access poor people's access to bank loans. Further, suitable loan products are presently available for most of the activities.

THE PROJECT

Project Area and the General features of the district:

The proposed project area is in the newly created district of Khunti in the state of Jharkhand, covering five CD blocks namely Khunti, Torpa, Murhu, Arki and Raniya (Map in Annexure 1, showing the location of the district in Jharkhand).

Khunti district was till recently a sub-division of Ranchi district and is situated on the southern side of the Ranchi. The district, in spite of its proximity to the State capital, is considered among the poorest districts in Jharkhand with lesser-developed infrastructure. Tribal population in rural areas of Khunti is 66% as opposed to about 27% in the overall state. *Munda* tribe constitute the major poverty among the tribal population. The proposed project areas are the major poverty pockets in the district. The following table depicts the situation of Khunti district compared to the overall situation of the State vis-à-vis some of the key and surrogate poverty indicators (based on data available from census 2001):

SL.	Indicators	State Average	Average of Khunti district
1.	% of households under BPL	44.00	70.50
2.	Literacy percentage		
2.1	Male adult	67.30	
2.2	Female adult	38.90	
3.	% of houses made of mud-walls	61.96	78.67
4.	% of houses using country tiles	59.22	83.88
5.	% of households with access to drinking water		
5.1	Tap	12.56	1.51
5.2	Hand pump	26.98	14.05
5.3	Tube well	3.10	0.57
5.4	Open well	51.77	77.65
5.5	All others	5.60	6.22
6.	% of families with access to sanitary latrines:	19.67	3.45
7.	% of families access to electricity:	24.30	10.28
8.	% of families using Fire wood as cooking fuel:	55.94	94.22
9.	% of households owning following assets		
9.1	Radio, transistor	26.37	12.20
9.2	Television	14.40	3.60
9.3	Bicycle	50.32	44.20
9.4	Scooter, Motorcycle, Moped	6.20	1.30

Existing livelihood sources of people:

As in most of rural Jharkhand, people's livelihoods revolve around agriculture and to some extent, forests. Most land holdings are small and almost 75% of the families are small and marginal farmers. 60 % of the area here is under cultivation and most of the area is mono-cropped. Rainfed second crop is rare. Irrigation coverage is about 7% of the net sown area. Thus quantum and distribution of rainfall¹ have a profound impact in the overwhelmingly rain-fed agriculture based economy of the area. Below average or erratic rain means crop failures, especially in uplands and medium uplands held by the poor. Consequently, forced migration increases. Distress migration is

¹ Average rainfall is about 1200 mm, concentrated during the three monsoon months from July through September.

widespread, including those of young girls and women who venture to cities to find employment as domestic help. The major crop in this area during the Kharif season is Paddy (70% of the cultivated land) which is grown in lowland, medium upland and upland. The other crops taken in the upland area: finger-millet, black gram, sweet potato, Niger etc. However, yield of all the crops are far below the national average as would be evident from the adjoining table.

Crop	Productivity (Kg/ha)
Paddy	1,500
Finger Millets	1,000
Oilseeds	450
Pulses	450
<i>Government of Jharkhand estimates</i>	

Though landlessness is non-existent, cases of land alienation due to mortgaging of lands to the moneylenders are many. These primarily arise out of credit needs for consumption and emergency purposes. Only a small portion of the families in the area has access to formal banking system. Only one in every five families has some linkage with the banks. The families using banking services regularly are even lower.

Coming back to agriculture, apart from erratic rain, which makes rainfed agriculture an extremely risky proposition, the general topography is highly undulating with 2~5% slopes. Most upland and medium-land plots are only partially levelled. Most families bund their plots, but heavy downpour wash sections of bunds, leaving the paddy crop vulnerable during the long dry spells. Generally the land husbandry practices are primitive, paddy field are ploughed only 1-2 times a year. The practice of summer ploughing, which is an important agricultural practice, is virtually non-existent. Fertilizer, both organic and inorganic, is seldom used. Farmers are interested to put organic fertilisers but it is simply not available in significant scale with individual families. As for the chemical fertilisers, cash investments in agriculture are generally at low levels. By-and-large agriculture in the area remains at the subsistence level, with as little as Rs. 300-400 cash investment for an acre of paddy. The cycle of low yielding traditional seeds, with low intensity practices² and low cash investment leading to meagre yields is visible in the family economy of most families in the area. Linked to the primitive land husbandry practices, the animal husbandry practices are equally poor. Inferior quality bullocks, used as draught animal, do not ensure proper tillage (both in terms of area and depth). Shortage of cowdung for composting is also linked with low breed bullocks. On the other hand, people do not have sufficient agriculture produce to feed and maintain improved breed cattle. Most families own some local breed goats, which are reared on free grazing system. Despite huge demand-supply gaps in livestock in Ranchi, no significant livelihood is generated from these activities for poor families in this area. Most of the deficits are met from livestock supplies from adjoining states.

Majority of the families are able to grow about 6-7 months of food from own land. Rest is managed from wage labour in Ranchi or through seasonal migration, and in forest fringe areas, a large chunk of the livelihoods come from forest based activities ranging from fire-wood selling to collection and trading of minor forest produce-such as Mahua, Tamarind etc. and lac cultivation.

Lac cultivation is an important secondary livelihood option in this area. *Lac* is produced by scale insect (*Laccifer lacca*) that are harboured on the young, succulent twigs of host trees such as *Ber*, *Kusum* and *Palash*. The insect secretes *lac* resin. The resin is scraped off and processed to manufacture shellac. This area produces about 35% of the national production of raw *lac*, which is estimated to be about 17,000 MT valued at about Rs. 80 Cr. More than 30% of the families have a significant number of host trees. However, the last decade has seen steady decrease in the number of families cultivating *lac* due to the uncertainty in production. Almost all families engaged in *lac* cultivation do this activity without scientific knowledge of even basic facts relating to production. Locally, *lac* production is seen as a gamble, some years one has a bumper crop, other years there is nothing. Again, the production system has very little cash investment; a family use own brood and harvest it 8 months down the line. Literally no intercultural operation is done between inoculations and harvesting.

² Large areas paddy is grown under seed broadcast method,

The Need for Special Project:

This Special SGSY Project is designed to capitalise on the extensive social mobilisation of women achieved under "Community-based Pro-poor Initiatives (CBPPI)" Programme followed by "Social Mobilisation around Natural Resource Management (S.M.)" both collaborative programmes of Ministry of Rural Development (MoRD), Government of India and United Nations Development Programme, (UNDP) India implemented through a network of NGOs. During the first phase (2000-2004) large number of women were mobilised to form SHGs, their systems and processes put in place. Many SHGs were linked to banks and large numbers had received cash-credit facilities from local banks to supplement credit needs of the families. However, inspite of funds being available to the SHGs from own sources or supplementary credit from banks, during project period itself it became clear that "credit" by itself was not able to impact on the economic status of participating women. SHG women shared that they did not have remunerative options to invest available funds. It became evident that significant investments were required in improving existing productive assets³ or invest for creation of new productive assets. In this context the MoRD in collaboration with UNDP launched a project to systematically make investments in improving productive assets and creating new productive assets primarily around natural resources. The project titled "Social Mobilisation around Natural Resource Management" was taken up in 11 districts in 3 states, including five districts of Jharkhand of which Ranchi (now Khunti) is one, between 2004 and 2007. This project focused on convergence of various government programmes to help the SHG members take up various livelihood activities. During the project period, significant progress on the livelihood promotion of the SHG members was made.

Salient learning from the earlier two programmes could be summarized as following:

- The group-based approach in Social mobilization enables women to acquire space and effective 'say' in the development processes. They would otherwise remain marginalized in the mainstream development processes.
- The social mobilization approach has demonstrated the need for a paradigm shift from the delivery based development processes so far receiving patronage from the mainstream, towards creation of demand systems at the grassroots that could effectively draw on the mainstream, with organization of women taking charge of the development processes.
- Convergence of various stakeholders is essential for creating significant impact in livelihoods and other well-beings of poorer households. Concerted actions among major stakeholders such as Government, NGOs, Banks, Research Institutions and markets, could play important roles in strengthening the "Agencies" of poor people and in directing resources for various livelihood programmes.
- The period of Engagement with poorer households needs to be on a longer term of 2-4 years, to enable people, especially the women, to effectively take part in planning, implementation, evaluation and governance processes. These call for substantial investments in their capacity creation and for organizing linkages and support for their institution building.
- SHGs of women require aggregation at various levels- Clustering at Panchayat level and Federations at the block level to strive for, improving financial performance of the SHGs, creating space for women in the public domain, creating a sense of solidarity among the women and enhancing their level of confidence to deal with the mainstream to uphold rights and entitlements of the poor households.
- It is important to create robust sectoral organizations that can sustain the initiatives and enterprises of people. Organizations like Agri-Horti Cooperative, Poultry Cooperative etc. have

³ Most poor families in the area have land, but it is in degraded state and required significant investment to get optimal productivity.

demonstrated a viable mechanism to deliver various livelihood services and in nullifying the adversities of market forces.

During the Social Mobilization phase of work in Khunti, there is ample demonstration of possibilities of significant improvement of livelihoods of very poor families on a large scale. The stage is now set to **scale up the different sectoral prototypes** developed under the two successive MoRD-UNDP programmes and to **converge multiple sectoral interventions at the level of the family** to eliminate poverty. The issues involved in scaling up and convergence of multiple activities at a family level, that would require support are:

- Improvement of land and water resources lying under-utilised in the hands of poor families using an Integrated Natural Resource Management (INRM) perspective,
- Creation of new productive assets to add value to the output from farm and allied activities,
- Helping poor families acquire necessary knowledge and skills to adopt improved techniques and practices,
- Federating SHGs at appropriate levels to sustain the momentum of social mobilization and to enable women to exert on the mainstream.
- Institution building for creating producers collectives to deal with sectoral issues on a sustainable basis, wherever required,

Existing support for poverty alleviation from central and state government are schematically organised, and each programme has specific focus. Convergence of these programmes to some extent is possible but the idea of launching a livelihood promotion programme intervening in multiple activities addressing issues related to various sub-optimally used assets of poor families is difficult to conceive specially in backward districts. Thus the need of the hour is to take up a dedicated programme that can support multi-sectoral interventions through a single window. The overall approach, based on social mobilization, will create further scope for convergence of other existing schemes of the government e.g. NREGP, Tribal sub-plan funds, etc. to deepen and intensify the impact of this programme.

Proposed Outreach, People and the Poverty Context:

The project will focus on hamlets with existing SHGs covering 5,700 poor families in Arki, Khunti, Murhu, Torpa and Raniya blocks of the district (Map in Annexure 2, depicting the proposed outreach). The project will also expand SHG outreach covering 3,900 poor families in unsaturated interior pockets of Arki, Murhu and Raniya to create conducive conditions for future expansion of the model.

Most families proposed to be included in the project have marginal or small land holdings, which have low agricultural productivity. The average landholding of the community in the area is about 1 hectare. Of this, about 0.4 ha. would be located in the upper ridges with varied degrees of degradation. This category of land either remains fallow or sporadically cultivated with minor pulses or millets. Another 0.4 ha. of medium uplands (including homestead) would be sown with paddy and maize, cultivated mostly under rainfed conditions and are fraught with risk of crop failure due to erratic monsoons.

Only about 0.2 ha of land situated in the valley areas can be considered as better quality lands with better capacity to retain nutrients and moisture. This category of lands is cultivated with long duration paddy with higher certainty of production. For poorer households, the average food sufficiency from own lands is about 6 to 7 months.

Forests continue to be an important supplemental source of livelihoods for the rural people. Lac rearing and collection and trade of firewood and bamboo and a variety of fruits, nuts and leaves are the sources of cash and non-cash income from forests. Declining forests and problem of access have reduced the livelihood earning from the forest areas.

Low productivity of agriculture, declining source of sustenance from the forest and lack of employment opportunities locally, drives hordes of rural people to migrate to other states mainly as unskilled labourers. People take up menial jobs in every sector and often live and work under poor and hazardous conditions.

Within the family, the women and children live in distressed situation. Women are also alienated from the mainstream development. Economic poverty, lack of food security, indebtedness coupled with poor quality of basic services in health, sanitation, safe drinking water etc. are the main constraints in the way of development.

Project Goal, Objective and Strategy

The goal of the project is to:

- Eliminate abject poverty of 5,700 poor SHG member families by income enhancement of Rs. 15,000 per annum per household on a sustained basis through diversified family resource management, and
- Sustain processes of social mobilisation in existing blocks to cover 3,900 new families.

The Objectives of the Project are:

- A. To assist 5,700 poor SHG member families from Arki, Khunti, Murhu, Torpa and Raniya blocks to significantly impact livelihoods by
- 1) Investment in improvement of existing land and water resources based on an Integrated Natural Resource Management (INRM) approach,
 - 2) Investment for creating supplementary livelihood opportunities based on farm allied or traditional activities,
 - 3) Working on productivity frontiers of farm sector leading to food security and enhanced income,
 - 4) Building capacities of all participating families in adopting skills to effectively and profitably engage in livelihood activity,
 - 5) Promoting and nurturing relevant Producer Institutions to ensure sustained availability of linkages⁴ and services for the participating families,
 - 6) Promoting block level SHG federations to ensure sustained access to rights and entitlements of member families.
- B. Expand social mobilisation by forming new SHGs in unsaturated interior pockets of Arki, Murhu and Raniya covering 3,900 poor families.

The components of the programme are:

For Objective A:

Work with identified 5,700 poor families in selected villages and hamlets belonging to the Scheduled Tribe, Scheduled Caste and Other Backward Classes organised as self-help groups (SHG). Approximately 173 villages would be covered under the SGSY-Special Project. The objectives of the project are mentioned in the following:

- i. Assist the selected households to formulate longer-term perspective plans.
- ii. Implement land-based activities for 70% of the target families.
- iii. Assist the selected households to diversify current *Kharif* paddy centric farming to include cash crops, horticulture, agri-silviculture, livestock rearing etc.
- iv. Implement farm allied activities with 15% households.
- v. Help participating families take-up traditional activities to provide supplementary income, making the family livelihoods more robust.
- vi. Promote a cadre of Community Resource Persons (CRPs) to provide hand holding assistance and linkage with credit, market and technical agencies to the participating SHGs member families.
- vii. Promote Producers' Organisations to provide sustainable systems for services to the project participants,
- viii. Promote block level SHG federations in Khunti, Torpa and Raniya blocks. These institutions will be solidarity bodies to help the empowerment process of the women, in seeking their rights and entitlements. The federation will also be engaged in helping members linkup with the government supported basic services system in the district. (i.e. education, health, water & sanitation, etc.) These federations will act as a demand system at the grass-root to energise delivery mechanisms of government support in the social sector.

⁴ For providing missing services related to inputs supply, output marketing and support services of production

For Objective B:

The project would follow an area saturation approach to organize 3900 women from poorer households in project and adjoining villages into 260 SHGs.

- i. The project will also expand the social mobilisation in the form of SHGs in adjoining villages / blocks to create a conducive environment for subsequent similar action in new pockets of the district.
- ii. Trained SHG leaders from existing SHGs will be deployed to form new SHGs in these areas,
- iii. These SHG will be assisted to adopt systems for transacting the business of saving and credit,
- iv. Each SHG will have a trained accountant paid by the group,
- v. Each cluster of SHGs will be linked to the locally operated computerised SHG accounting system operated by a "Computer Munshi"⁵,
- vi. As the groups mature they will be linked to banks to access credit-gap filling loans.

⁵ **What is Computer Munshi system and how it operates?**

PRADAN envisaged to introduce a community based service system in which a computer operator, called **Computer Munshi** (CM), sets up his enterprise to provide accounting services to the SHGs. The Computer Munshi would be an educated rural youth who sets up his business at a nodal place in an area having 150-200 SHGs with in a radius of 10 Km. The Computer Munshi will have the basic hardware i.e. a Personal Computer provided with battery back ups for 3 hours and a dot-matrix printer. He also maintains a stock of stationeries. The whole system operates at two stages as elaborated in the following:

In the first stage, a group accountant from the village maintains cashbook called Regular Meeting Transaction Statement (RMTS) at the SHG level. Every week, after the SHG meeting, a carbon copy of the RMTS is sent to the Computer Munshi. These sheets are collected from different SHGs on scheduled dates through peons engaged by the Computer Munshi (CM).

In the second stage, the Computer Munshi, after receiving the RMTS I sheets, checks the data and enters the same in the computer. The data are processed by using software called "McFinancier" that is customised to generate various financial reports (both group-wise and member-wise) including trial balance, balance sheet and financial ratios. The hard copies of the reports are returned to the SHGs by the same peons before the next weekly meeting of the SHG. The CM provides the reports to the SHG for a fee. The RMTSs are in the local language so that the group members can use them. PRADAN also gets such reports from the CM by paying fees. Each CM caters to 150 to 200 SHGs to earn about Rs. 2,000 per month. This scale of revenue commonly attracts educated rural youths to embark on this venture.

Proposed livelihood interventions under this Special Project:

Objective "A":

1. **Harvesting and Managing Rainwater:** PRADAN has been working on developing *in-situ* rainwater harvesting techniques since 1990s because a large segment of poor people in villages are small and marginal farmers with no access to irrigation and rainfall is unreliable and much of it runs off. Different low cost techniques have been tried to suit local contexts. Of these, two techniques, the 30x40 model and the 5% model became popular among farmers. The former, comprising of dividing gently sloping un-terraced land into contiguous parcels of 30'x40', each with shallow bunds and a water storage pit at the lowest corner was tried for treating wastelands. The latter consists of making a 2-3 meter deep pit at the upper corner of each terraced paddy field on 5% area of the field across a large (10 hectare or more) landscape in a gently sloping terrain.

The 5% model was conceived to protect rain-fed paddy in Jharkhand from dry spells during September, known as *Hathiya* locally. The core idea is that every plot should have a water body to hold back rainwater that would otherwise flow out as run-off during heavy showers. It captures excess water when it rains and releasing it to the field during dry spells. The pits enhance sub-surface water flow and improve the moisture regime of the whole area. Additionally, the water in the pits is used to irrigate in times of scarcity during the crop's vegetative growth phase.

Above: Plan Showing Various Natural Resource Management Interventions

Impressed by the potential of the 5% technique, the community in many districts is building larger structures covering about 10-15% area as seepage tanks. A larger water body would strengthen livelihoods in several ways and make the idea more easily replicable. It would insure the monsoon paddy against intermittent dry spells. Farmers would also be able to use the harvested water to take an early winter crop following paddy in case it rains in the late monsoon. Finally, a larger water body would make it feasible to rear fish on a small scale. Field bunds using the soil dug out of the 5% pits, gully plugs in erosion-prone portions of the landscape and large diameter dug wells in the valleys for lift irrigation are the other techniques that have been tried successfully. ***The underlying principle is that in an undulating terrain, used largely for farming and underlain with an impervious substrate, rainwater must be harvested and managed in a decentralised way to increase moisture availability to the crops through the growing season. The root zone itself can be used for storage to a great extent.*** To sum up grant funds will be

utilised to take a mix of the following activities that will be detailed after joint planning exercise at each hamlet level.

- a. **Plantations** (fruit trees / relevant Timber/ Lac hosts) in privately owned fallow / wastelands, supported by **30' X 40' model** on degraded uplands,
- b. **5 % Model** in medium lands to support rainfed cultivation,
- c. **Land Husbandry** in upland, medium upland and homestead. This will include gully plugging, terracing, levelling-bunding, contour bunding, land treatment e.g. liming, increasing organic matter⁶, dealing with micro-nutrient deficiencies etc. to improved productivity of rainfed agriculture,
- d. **Seepage tanks** in lowlands and valleys and small earthen dams on local drainage lines,
- e. **Micro-irrigation schemes** to utilise surface water to provide life saving irrigation to Kharif crop and take up cash crops on a small scale in Rabi season. Also, some schemes which tap into the sub-surface flow created in the lowlands e.g. making a lowland well and lifting water for 5-7 families.

Details of cost involved and other inputs required and the benefits of these activities are given in **Annexure 3** to **Annexure 13**.

2. **Improved Agriculture:** Most families to be participating in the programme would have about 1 Ha of land but are unable to grow enough food for the year. As discussed in the above, the project would emphasise on the improvement of the land and water resources. Subsequent to this, one of the key interventions under this project would be to enhance productivity of the farming systems. At the basic level, there is a need to improve the productivity of the main paddy crop so as to prolong the period of food security at the households. The project would build on further by intensification and crop diversification. Availability of irrigation facilities would help in taking up crops round the year. Suitable crop combination would be introduced that would aim at optimising income and stabilizing soil nutrient status. The interventions proposed to achieve this is by introducing better varieties of seeds, help families adopt improved practices of manuring and crop protection and taking up crops more suited to terrain, soil conditions and the moisture regime. Past experiences in the area have shown that introduction of good quality seeds and adoption of improved practices helped families to enhance crop productivity by more than 100%. The key problems faced by the target community can be summed up as lack of access to knowledge:

- of alternate use of different type of land,
- of improved inputs and practices for productivity enhancement, and picking up actual skills to translate the knowledge into practice,
- of the opportunities and problems to linking up with large markets.

Finally, in the current situation the families lack the self-belief that any change in their lives can be brought about by engaging in the agriculture sector. The interventions required are planning / visioning exercises, exposures to and demonstration of, new crops and technologies, handholding support to help families pick-up relevant skills, and creating linkages both forward and backward wherever required. Thus, the grant funds under this project would only be used to demonstrate new crops, better quality seeds and provide training and handholding support to the participants. Also, project funds will be used to promote basic farm mechanization in terms of sprayers/ dusters, weeders, thresher, etc. and creating missing small support infrastructure e.g. polyhouse, greenhouse from nursery, aggregation / disaggregation centers, etc. Support will be provided to create sustainable sources of organic matter, which needs to be regularly applied to improve the condition of the land in the project area.

⁶ e.g. putting vermicompost, green manuring, etc.

3. **Lac production:** Lac cultivation has been a traditional activity of tribal communities in Jharkhand. During the eighties, the advent of audiocassettes destroyed the gramophone record industry, which was the main market for Lac. This led to price crash and lot of tribal families abandoned this practice. Over the years however alternate uses⁷ of lac have emerged and now there is a large unmet demand of lac in the international markets. The project area has a large number of host plants *Kusum, Ber (Zizyphus jujuba) and Palash* trees. These host plants have a potential to provide significant income to poor families. During the last project period the activity has been taken up by a significant number of families. Under this project it is proposed to expand the reach of the intervention and bring in innovations in technology to increase the income of the poor families from this activity.
4. **Goat rearing:** Many families in the project areas rear goat of local breed. The activity is supplementary in nature, and not much investment is made to improve the activity. Large number of local goats die due to disease, thereby making this activity highly risk prone. The proposed intervention aims at making this activity more robust to be able to contribute significantly to household incomes. The intervention includes breed upgradation by inducting better quality male; interventions to improve sanitation by housing and better package of practices; organizing veterinary care support etc.
5. **Decentralised Poultry:** Over the years PRADAN has perfected a model for helping poor families take up broiler poultry rearing in small lots of 300-400 birds. The families in an area are collectivised to form a producer co-operative / producer company. This producer institution procures inputs in bulk thereby helping producers to attain economies of scale, provides marketing linkages, and buffers the member families from the price fluctuations in the market. These institutions also provide veterinary support services, production monitoring and handholding support. On an average a family is able rear 5 batches in a year, and the additional earnings are in the range of Rs. 8-10,000. Similar interventions have been done in 5 other districts of Jharkhand and 6 other districts of MP, Chattisgarh, and Orissa.

In the project area the potential of this activity has been demonstrated with about 300 families during the last phase of the project. A producer's co-operative is already functional in the area, providing support to member families. Currently, the co-operative is meeting all its operational costs from the profits of the business in addition to ensuring a net annual earning of Rs. 8-10,000 for individual producers. The significant incomes being earned by the participating families have created a demand for this activity in the project area, which is proposed to be supported by this project. Grant funds will be used to partially subsidize the construction of rearing shed and equipments and for capacity building of the participating families. Credit support will be mobilised from banks under this project.

Objective "B":

1. **Formation of SHGs:** As stated above, the project will utilise a cadre of trained leaders of existing SHGs, to expand the social mobilisation to new pockets in adjoining blocks. The activities involved are:
 - a. Mobilise women and form SHGs,
 - b. Build capability of the SHG members in group / peer processes,
 - c. Train accountants selected by SHG members,
 - d. Set up basic savings and credit systems of the SHG,
 - e. Link SHGs to banks to access for filling credit gap, following grading process,
 - f. Building linkage with Computerized accounting system
 - g. Introduce systems for SHG self evaluation

⁷ Natural food colour, pharmaceuticals, cosmetics, natural dyes, coating on fruits and vegetables to enhance shelf life, and traditional uses in varnishes and insulation industry.

Broad Implementation Strategies:

1. The project implementation team will work with all existing SHGs in the selected villages and intensify formation of additional SHGs to cover up to 70% of poor inhabitants. Social mobilisation in the form of new SHGs will be done by trained leaders from existing SHGs.
2. Visioning cum Livelihood planning exercises will be conducted with all members of SHGs in the project villages, and **Detailed Implementation Plan (DIP)** will be prepared for each village. The DIP will contain details relating to the interventions around land and water activities, off-farm allied activities and other traditional activities along with timeline and budget details. DIP will also have a training plan with a timeline and a budget.
3. The team will facilitate the community to select from among themselves a group of men and women who would be trained to provide support for implementation of planned livelihood interventions. They will also provide handholding support to the families engaging in the various productive activities to adopt improved package of practices.
4. Training of the selected "Community based Resource Persons" and deploying them to support the implementation of the DIPs in all project villages,
5. At the time of implementation of the DIPs, efforts will be made to dovetail locally available funds from standard programmes e.g. NREGS. All loans would be sourced from banks and SHGs' own funds. The funds sourced from convergence sources (such as NREGP) will be in addition to and over and above the funds allocated under this project. Thus, as per the availability of local funds some components of the DIP maybe taken up⁸, rest will be implemented under this special project.
6. Simultaneously participating families will be helped to pick up new skills to manage the improved or newly created asset. E.g. families will be trained to improve productivity of Kharif paddy, or take up seasonal vegetables, or trained to profitably rear a poultry birds.
7. The project team will undertake a brief sub-sectoral study to identify the gaps in critical linkages of crops and allied activities being promoted. Also, aggregation needs to access markets, or for taking benefits of economies of scale would be documented. Initially the project implementation team would provide these services to kick-start the activity. Once a minimum threshold scale is achieved, Producers' Collectives (PCs) will be promoted in all cases where the linkage gaps are expected to continue in the long-term. These PCs will be legally registered either under the Self Supporting Co-operatives Act, or under Section 581A of the Companies Act as a producer company, or as a Mutual Benefit Trust under the Trusts Act. The actual legal form will depend on the extent and the complexity of the activity the PC is engaging in, the financial implications of the same, the size of membership, the type of linkages it needs to maintain with the outside world, etc.
8. The project implementation team will work on all three critical areas of institution development of producer collectives i.e. "**Governance** and leadership development", "**Membership** development" and "ensuring effective and efficient **Operations**" of the created entity. These institutions on one hand will provide the required services on a sustainable basis and on the other will continue to scan the environment to look for newer opportunities for increasing benefits. A strong producers' organisation provides a robust mechanism to sustain the initiatives made under this special project. Further, in the context of large corporate entering various rural businesses including agri-business; these collectives provide the marginal and smallholders a level playing field to collectively bargain better services and prices.
9. As stated above, the same SHG leaders will also support expansion to new areas of adjoining blocks.

⁸ E.g. a few ponds planned in the DIP maybe taken up with NREGS funds available with the local panchayat.

Exit Strategy: Ensuring Sustainability

The intervention will ensure that the existing SHGs and the ones promoted under this project will not need any support for their day-to-day operations. A village-based accountant paid by the group records the routine saving and credit transactions. A local person called "Computer Munshi", again paid by the group, links each SHG to a system of computerised accounts. The computerised system provides detailed information needed by the group and banks. Further, clusters comprising of 10-15 SHGs are promoted, which provide solidarity to each other and help SHGs take up social issues and demand rights due to them. To support this further, block level collectives comprising of around 150-200 SHGs will be formed. These SHG collectives will support the SHGs and member families to access basic services and their rights and entitlements.

Systems and processes will be designed to facilitate the community to manage and maintain all the community assets created under this project. The community will be helped to devise systems for replacing the same at the end of the economic life of the asset. Similar systems will be developed and transferred to families benefiting from individual assets created at the family level.

Some activities require initial handholding for the participating families to pick up skills and adopt new practices. Once this phase is over, the families continue the activity without requirement of much further support. E.g. improved kharif paddy cultivation aimed at improving the food sufficiency status. In these activities there are no major issues related to sustainability, provided the activity has been adopted by a significantly large number of families in the area. However, some other activities require sustained systems to access inputs and link up with markets, production support services, etc. These activities require more sophisticated technical and managerial inputs, which can be provided on a sustainable basis under a framework of a Cooperative or Producer Company, owned by the community. PRADAN already has extensive experience of promoting such producer collectives in M.P. and Jharkhand. Promotion of producer collective under an appropriate legal framework will be initially facilitated by the project implementing team. The team will work to enable the members to take up the governance of the institution in a manner, which provides effective business support to producer members on a sustainable basis.

By the end of the project the cadre of trained Community Resource Persons (CRPs) will have the experience of supporting and families. Since the community would have tangibly benefited from these local youth, hence it is expected that the community will continue seeking their expertise by paying a reasonable cost of the same. There are already many examples of such service providers who are remunerated by the community for the services rendered. Some examples are: Para-vets, seed shop promoted by projects, Tasar grainage entrepreneurs, etc.

Project Implementation Agency and Partner Organisations:

The project executing agency for this project is **DRDA, Khunti**.

Partner Organisations:

- 1. PRADAN:** Professional Assistance for Development Action (PRADAN) is a voluntary organisation, registered in 1983 under the Societies Registration Act (1860) in the Capital Territory of Delhi. It works with (as of March 2007) 1,20,000 families (including 7,600 women's SHGs) in over 3,000 villages in 30 districts in seven States, namely, Bihar, Chhattisgarh, Jharkhand, Madhya Pradesh, Orissa, Rajasthan and West Bengal. In Jharkhand, PRADAN works in 12 districts with over 70,000 families of which 73% belong to ST and SC communities. The focus of PRADAN's work is enhancing livelihoods of poor people in active collaboration with the state government. At the field level, PRADAN works by placing small teams of 5 to 10 professional staff at the district level. Each team works in clusters of villages within a radius of about 40 km from the project office, spread across two to five blocks. Project teams consist of staff recruited from reputed educational institutions, with at least a baccalaureate degree in professional streams (technology, agriculture, etc.) or a master's

degree in other disciplines and undergo year-long apprenticeship before joining project teams. Project staff themselves work directly with poor households.

PRADAN has been working in this district since 1994. The professional staff based in the district have extensive knowledge of the ground realities. As stated earlier under the two consecutive MoRD-UNDP supported projects, PRADAN has done a lot of work in the district for formation of SHGs and working on different livelihood promotion programmes around agriculture development and forest based activities.

- 2. FEMALE: Foundation for Emancipation of Marginalized (FEMALE)** is a Public Trust registered in February 1998. FEMALE believes that women empowerment is the foundation of equitable and sustainable development of rural community. Promotion and strengthening of Self-Help-Groups (SHGs) of women, introducing systems of savings and credit, creating income generation opportunities and supporting women to overcome gender discrimination and attaining rights and entitlements are the major approaches of the organization. FEMALE has been a partner organization in MoRD-UNDP supported project titled 'Social Mobilization around Natural Resource Management', to take part in the implementation of the project in Raniya block of Khunti district. Following an area saturation approach, the organization has promoted 40 SHGs in the remote southern part of the block involving over 600 women. The major livelihood activities promoted by FEMALE include Paddy improvement through System for Rice Intensification (SRI), micro-Lift irrigation based multiple cropping and Lac cultivation with scientific package of practices. The organization nurtures the spirit of professionalism in grassroot actions and promotes endeavours of rural women for their economic empowerment and social justice.

Implementation Structure:

Special Project Cell:

A special project implementation cell will be created within the nodal agency District Rural Development Agency (DRDA), Khunti. The Deputy Commissioner of Khunti will be the Chairperson. Project Director, DRDA will be the Deputy Chairperson. The Team Leader, of PRADAN project implementation team will be the ex-officio Secretary to the cell. The cell would include other members such as the Director (Finance & Admn.), DRDA, and the Lead District Manager, Khunti. The cell will be staffed by competent person hired on project term contract, to provide support in tracking data, writing progress reports, liaisoning and communicating with other district level officials, maintaining MIS, etc. This person will be supported by five commerce graduates hired on project term contract, to train the accountants at the *Tola Sabha* and do internal checking and correcting accounts and other records maintained by the *Tola Sabha*.

The implementation cell will be responsible for:

- Planning for and review of progress made,
- Reporting progress including financial progress made to MoRD and the State rural development department.
- Presenting progress, success stories and taking on board local peoples' representatives,
- Manage the entire fund flow related to the project.
- Discuss problems faced in implementation and suggest ways of removing roadblocks.

The project implementation cell will meet as often as required but meet at least once in two months.

Implementation Team:

The partner NGOs i.e. PRADAN and FEMALE, will place project implementation teams in the district. The implementation teams will be responsible for the following:

- Making the DIP with all SHGs in each project village,
- Helping the community implement the DIP using funds from the SGSY special project and other support provided from existing government poverty alleviation programmes being provided in the district,
- Train a cadre of community based livelihood service providers and engage them in the implementation of this project,
- Promoting producer organisations of *swarozgaris* launched under this special project.

The proposed teams will be comprised of professional staff from diverse educational background. The teams will be backed by the extensive prior experience of PRADAN in livelihood promotion of extremely poor communities around natural resource management including improved agriculture, livestock development and micro-enterprises. Further, the implementation teams will be assisted by experts from within and outside the organisation in systematising processes for Social Mobilisation and Producer Institution Promotion and Development.

Tola Sabha (Hamlet Level Group):

Each village in the project district has a number of habitations. Most habitations comprise of families from similar socio-economic background. In this context it makes most sense to facilitate the community residing in one habitation to take charge of the development activity under this project. It is proposed that the key decision-making and implementation committee will be the "Tola Sabha" or the hamlet level committee. All the SHG member families (both men and women) in the hamlet, are members of this body.

The role and responsibility of the *Tola Sabha* are as follows:

- Identify the beneficiaries of this special project in their hamlet. The identification will be done on the basis of wealth ranking and other peer review mechanisms, so that the poorest of poor are benefited,
- Prepare the Detailed Implementation Plan (DIP) with help from the project implementation team. DIP will have family and activity details including budgets and required fund flow statements.
- The allotment of grant funds for investment in asset creation or improvement to the *Tola Sabha* will be limited to a maximum of *number of member families multiplied by Rs. 20,000*, i.e. a 30 family Tola Sabha will have a ceiling of Rs. 6 lakh for asset improvement and creation. This will ensure equitable distribution of resources across hamlets. The Tola Sabha will be free to choose the activities / components under the DIP it plans to take-up from the allotted budget.
- Training and capacity building funds will be separately budgeted and allocated and do not fall under the above-mentioned ceiling.
- The *Tola Sabha* will continue to scan local sources of funds and in its discretion take-up some components of the DIP drawing support of the local funding source. These will be over and above support received under the special project.
- The *Tola Sabha* will have special dedicated bank accounts for this project. Advances for implementing the DIP will be provided to these bank accounts.
- It will initiate works detailed in the DIP against allotted budget, with technical support from the project implementation team.
- It will make periodic assessment of the work done and make payments, using formats prescribed by the project implementation team,
- The bills related to the payments made by the Tola Sabha will be submitted every 2 weeks to the office of the project implementation team. Advances for work will be provide on settlement of bills showing an utilisation of at least 60%.

- Any future change in the DIP can be made only with the consent of 75% of the members of the Tola Sabha.
- The Sabha will meet every alternate week. The quorum for the meeting will be representation from at least 50% of the member families. All works and support in *Sabhās* defaulting meeting consecutively for two months will be suspended,
- The Sabha will have a President, Secretary and a Treasurer. Women SHG members will hold all these positions.
- The Sabha will hire a local person to maintain their records. The local SHG accountant may play this role, for a small additional reimbursement.
- Work of other livelihood service providers (LSP) will also be reviewed in the *tola sabha* meetings. The payment of will be made in the prescribed form after review of the work done by the members.

Fund Flow Mechanism:

The special project cell at the DRDA, Khunti, will have a dedicated bank account operated by the Chairperson, Deputy Chairperson and the Secretary for this project. All instalment of the central and state contribution against the special project will be deposited in this account. The project cell will provide advances to the *Tola Sabhās* and the project implementation partner agency for implementation of the project. Advances to the *Tola Sabhās* will only be provided against indents and those being recommended by Implementation team. Next advances will be provided only after 60% utilisation of the earlier instalment of funds. Project implementation partner agencies will be provided advance as per their budget and disbursement schedule annexed to the budget. Statement of accounts and utilisation certificate would have to be produced before the next instalment is released. Financial reports will be prepared by the cell and sent to MoRD with copies to the State Rural Development department.

Project Support and Facilitation:

The project aims at converging existing resources available to the district for poverty alleviation to augment the efforts being made and make the impact more significant. To aid this process it is proposed to form a **District Level Facilitation Committee** with Deputy Commissioner as its Chairperson. The other members of the committee are the Deputy Development Commissioner as its Vice Chairperson and Director (Accounts & Finance) DRDA, District Welfare Officer, two District level officer from relevant line department (e.g. Agriculture, Horticulture, Dairy, etc.), Executive Engineer, PHED, Lead District Manager, Block Development Officers of the blocks in which the project is being implemented and PRADAN Project Implementation Team Leader.

The Committee would meet at quarterly interval to:

- facilitate convergence of resources from various government poverty alleviation programmes to enhance economic well being of the beneficiaries. It would attempt to facilitate greater convergence during the implementation of hamlet level DIP in the project villages,
- generate new ideas to link the *swarozgaris* with the basic services e.g. health, education, drinking water, sanitation, roads, etc.
- discuss success stories and find ways to replicate the same in other areas,
- suggest ways of removing any roadblocks faced by the project.
- plan to supplement the interventions under this special project to make a significant difference to the lives of the participating poor families.

Project Review and Monitoring Systems:

Regular review of progress made against stated objectives of the project and making mid-course adjustments go a long way in achieving the envisaged goals. It is proposed to have a strong multi-level review and correction system to keep the project on track to eliminate poverty from the lives of 5,700 poor families in Khunti and initiate social mobilization processes with another 3,900 poor families.

Following are the proposed multi-tier systems for review and monitoring the project:

Community based supervision:

1. by the general body of the *Tola Sabha*:

The project aims at empowering the community to take charge certifying the utilisation of the funds as per the DIP. The members of the *Tola Sabha* will make the actual payments for expenses related to the project and will certifying the creation of assets or delivery of services. The community will certify by passing resolutions to that effect. This is similar to the concept of community social audit system, which has been found to be an effective method to ensure the authenticity and transparency of this large project. The tola sabha in its meetings will review the status of implementation of the DIP. If required the DIP maybe amended to reflect the changing reality, with more than $\frac{3}{4}$ of the members giving their consent.

2. by the SHG Block Level Federation:

The federation as an independent community organisation of the target community will review the progress of the project. The leaders (i.e. core committee members) of the federation promoted in each block will make physical verification of the work done in different villages in the block. They will talk to the *swarozgaris*, visit work sites and bring to the notice of the project implementation cell the success / impact made or problems / irregularities in implementation of the project. The federation will make quarterly reviews and submit a report in the prescribed format. Reimbursement of costs if any will be made by the project.

District level Special project cell:

The cell in its quarterly meetings will review the progress made in implementation of this project. Details of deviation from plan will be discussed and decision will be taken keeping in view of achievement of target of poverty elimination from the target community. If required changes will be made in plans / implementation process / strategy to achieve the final goal. Detailed minutes of the review will be provided to the Secretary, Rural Development, Govt. of Jharkhand and the Joint Secretary, MoRD, Govt. of India.

State Level Monitoring Committee:

As similar special SGSY projects are being proposed in all the five districts where MoRD-UNDP sponsored "Social Mobilisation" project was being implemented a **State Level Monitoring Committee** headed by the Secretary, Rural Development is proposed. The committee will review:

- the progress of the special projects aimed at poverty elimination in selected pockets of five districts.
- whether the administrative setup is functioning as envisaged under this project,
- whether the district facilitation committees are effectively converging various services to the target community,
- whether the fund flow and financial targets are being achieved,

- commission competent professional mid-term and end-term review of the impact of the project on the participating families.
- It will also support the project cell in establishing linkages between the various relevant departments that are critical for achieving the goal of poverty elimination.
- Disseminate success stories of the programme with an aim of replication of the same in other parts of the state.

The committee may in addition have following systems of monitoring:

- Visits by committee members from state headquarters to the project sites.
- Visits by Chairperson along with local representatives including Members of Parliament.

The other members of the committee would be Director (SGSY), MoRD, Govt. of India, Secretary, Rural Development, Govt. of Jharkhand (In charge of SGSY), Chairpersons of District Level Special Cell, representative from implementing partner agencies, representative from NABARD, Representative State Level Banker's Committee and two peoples' representatives from the project area in five districts. The committee will meet once in six months.

Baselines:

At the commencement of the project after sanction, the special project cell will document a project baseline containing data on important parameters like current levels of income and expenses, asset base, access to services, status of children's education especially girls. As an output of this study, certain Benchmark indicators shall be drawn up which can be basis of periodic review of impact on the participating family, including change in family's food, asset profile, and savings profile.

Mid course evaluation of the project and an end term evaluation would capture impact by appropriate methods. Either the state level committee or the MoRD will commission these studies.

Project Period:

It is well understood that social process and institution building require long-term engagement with the community. As the partner agency has been in touch with the community in the project area for a significant length of time, it is envisaged that the objectives of the projects can be achieved in a period of three years.

Summary of Outputs:

I. PRADAN:

	Objectives of the Project	Detailed outputs during the project period
Objective A:		
Output 1	Investment in improvement of existing land and water resources based on an Integrated Household Resource Management (INRM) approach	<ul style="list-style-type: none"> ○ Harvesting Rainwater and utilisation of the same: <ul style="list-style-type: none"> a. Plantations supported by 30X40: 245 Ha b. Land Husbandry: 125 Ha c. 5% model: 150 Ha d. Well / river based Micro-irrigation systems: 172 Nos e. Seepage tanks: 570 Nos ○ Improved Agriculture: <ul style="list-style-type: none"> a. Kharif Paddy & cereals: 5,000 families, 2,000 Ha b. Vegetables: 4,000 families, 500 Ha c. Pulses / Oilseeds: 1,500 families, 500 Ha
Output 2	Investment for creating / strengthening farm allied or traditional livelihood activities,	<ul style="list-style-type: none"> ○ Poultry: 250 families, ○ Lac cultivation: 3,000 families, ○ Goat rearing: 125 families,
Output 3	Building capacities of all participating families in adopting skills to effectively and profitably engage in livelihood activity,	<ul style="list-style-type: none"> ○ Hamlet level visioning / planning exercises, ○ Technical training for implementation of DIP, ○ Technical training for productivity enhancement, ○ Handholding support by CRPs⁹, on a day-to-day basis, ○ Exposures for adopting improved practices, ○ Selection and extensive training of CRPs. Reviewing effectiveness and providing on-field support.
Output 4	Promoting and nurturing relevant Producer Institutions to ensure sustained availability of linkages ¹⁰ and services for the participating families,	<ul style="list-style-type: none"> ○ Awareness building around the need to collectivise, ○ Membership training to build a sense of ownership and to understand the accountability as a member, ○ Exposure and training of the governing board members, ○ Training and support to staff to effectively deliver the goods and services mandated by the organisation.
Output 5	Promoting block level SHG federations to ensure sustained access to rights and entitlements of member families.	<ul style="list-style-type: none"> ○ Awareness building around the need to collectivise, ○ Membership training to build a sense of ownership and to understand the rights and accountability as a member, ○ Exposure and training of the governing board members to effectively take charge of the institution, ○ Training and support to staff to effectively deliver the goods and services mandated by the organisation.
Objective B:		
Output 1	Formation of SHGs	<ul style="list-style-type: none"> ○ Cadre of existing SHG leaders trained to support new SHG formation. At least 15 persons available. ○ 200 SHGs will membership of 3,000 poor families, ○ All groups meeting regularly on a weekly basis¹¹, ○ All groups having system for keeping financial records, ○ All groups linked to the system of computerised accounting service provider in Khunti district, ○ All groups having opening savings bank account, ○ At least 50% groups accessing bank loans.

Physical and Financial targets of PRADAN are presented in Annexure 14 and 15.

⁹ Community based Resource Persons

¹⁰ For providing missing services related to inputs supply, output marketing and support services of production

¹¹ Meeting atleast 45 times in a period of 1 year.

II. FEMALE:

	Objectives of the Project	Detailed outputs during the project period
Objective A:		
Output 1	Investment in improvement of existing land and water resources based on an Integrated Household Resource Management (INRM) approach	<ul style="list-style-type: none"> ○ Harvesting Rainwater and utilisation of the same: <ul style="list-style-type: none"> a. Plantations supported by 30X40: 50 Ha b. Land Husbandry: 20 Ha c. 5% model: 40 Ha d. Well / river based Micro-irrigation systems: 30 Nos e. Seepage tanks: 110 Nos ○ Improved Agriculture: <ul style="list-style-type: none"> a. Kharif Paddy & cereals: 700 families, 200 Ha b. Vegetables: 4,00 families, 50 Ha c. Pulses / Oilseeds: 300 families, 100 Ha
Output 2	Investment for creating supplementary livelihood opportunities based farm allied or traditional activities,	<ul style="list-style-type: none"> ○ Lac cultivation: 700 families
Output 3	Building capacities of all participating families in adopting skills to effectively and profitably engage in livelihood activity,	<ul style="list-style-type: none"> ○ Hamlet level visioning / planning exercises, ○ Technical training for implementation of DIP, ○ Technical training for productivity enhancement, ○ Handholding support by CRPs¹², on a day-to-day basis, ○ Exposures for adopting improved practices, ○ Selection and extensive training of CRPs. Reviewing effectiveness and providing and on-field support.
Output 4	Promoting and nurturing relevant Producer Institutions to ensure sustained availability of linkages ¹³ and services for the participating families,	<ul style="list-style-type: none"> ○ Awareness building around the need to collectivise, ○ Membership training to build a sense of ownership and to understand accountability as a member, ○ Exposure and training of the governing board members to effectively take charge of the institution, ○ Training and support to staff to effectively deliver the goods and services mandated by the organisation, including on the job training.
Output 5	Promoting block level SHG federations to ensure sustained access to rights and entitlements of member families.	<ul style="list-style-type: none"> ○ Awareness building around the need to collectivise, ○ Membership training to build a sense of ownership and to understand accountability as a member, ○ Exposure and training of the governing board members to effectively take charge of the institution, ○ Training and support to staff to effectively deliver the goods and services mandated by the organisation.
Objective B:		
Output 1	Formation of SHGs	<ul style="list-style-type: none"> ○ Cadre of existing SHG leaders trained to support new SHG formation. At least 5 persons available. ○ 60 SHGs will membership of 900 poor families, ○ All groups meeting regularly on a weekly basis¹⁴, ○ All groups having proper system for maintenance of financial records, ○ All groups linked to the system of computerised accounting service provider in Ranchi dist, ○ All groups having opening savings bank account, ○ At least 50% groups accessing bank loans.

Physical and Financial targets of FEMALE are presented in the Annexure 16 and 17.

¹² Community based Resource Persons

¹³ For providing missing services related to inputs supply, output marketing and support services of production

¹⁴ Meeting atleast 45 times in a period of 1 year.

OVERALL BUDGET OF PARTNER ORGANIZATIONS AND SOURCES OF FINANCE							
<i>Amount in Lakh Rupees</i>							
Sl.	Major Activity / Item Heads	Budget estimates of partner organizations		Total Budget (Amount)	Sources of funds		
		PRADAN	FEMALE		SGSY Grant	Credit	Swarojgari Contribution
1	Land and Water conservation and tree based activities	297.82	60.88	358.69	322.82	0.00	35.87
2	Micro-Irrigation Systems	284.34	51.39	335.73	302.15	0.00	33.57
3	Agriculture sector Development	208.80	42.10	250.90	60.48	179.37	11.05
4	Livestock based enterprises	151.13	0.00	151.13	98.88	28.75	23.50
5	Forest Based Activity	75.00	17.50	92.50	29.60	22.20	40.70
Expenditure on Livelihood Assets and Activities for a total of 5700 families: (Sl. 1+2+3+4+5)				1188.94	813.92	230.32	144.69
Per Family Expenditure on Livelihood Assets and Activities				0.208	0.142	0.040	0.026
6	New SHG promotion (260 SHGs)	20.00	6.00	26.00	26.00	0.00	0.00
7	Capacity building for livelihoods	110.00	15.40	125.40	125.40	0.00	0.00
8	Project implementation, documentation and evaluation	135.00	22.30	157.30	157.30	0.00	0.00
Expenditure on 5700 families on Capacity Building and Technical Support for Livelihoods: (Sl. 7+8)				282.70	282.70	0.00	0.00
Per family Expenditure on Capacity building and Tech. support				0.0496	0.0496	0.00	0.00
GRAND TOTAL: (Sl.1+2+3+4+5+6+7+8)		1282.07	215.57	1497.64	1122.62	230.32	144.69
PERCENTAGE SHARE OF VARIOUS SOURCES OF FINANCE				100%	75%	15%	10%

The total budget for the project for three years is Rs 14.9764 crore. Of this, people's own contribution is Rs 1.4469 crore. In addition the project would leverage bank loans of Rs. 2.3032 crore. A grant of Rs 11.2262 crore is being sought from the Government of India as a Special Project under SGSY. The contribution by the people and bank credit together at Rs. 375.01 lakh is little over 33% of the grant of Rs 1,122.62 lakh sought from the Government of

India; in other words, **the GoI contribution is under 75% of the total "non-credit" cost of the project.**

The payback periods for most of the activities are long due to the long gestation of natural resource based activities. Moreover, loan products presently are not available for such long durations. Secondly, the beneficiaries are yet not ready to invest large amounts of borrowed funds due to their low risk taking ability and lack of demonstration. Grant assistance is sought mainly for creation of assets such as plantations with land husbandry in the uplands, irrigation systems based on wells or earthen dams, poultry sheds and equipments, etc. and for the promotion of new Self Help Groups and capacity building of existing members for livelihood activities. For creation of assets, contribution from *Swarojgaris* in terms of labour and material would be 10% of the overall cost. Credit would be mobilized from mainstream financial institutions mainly for meeting the working capital requirement of the *Swarojgaris*. Besides working capital for Poultry and Lac, all the *Swarojgaris* would require credit for procuring agricultural inputs such as improved seeds, fertilizers and plant protection chemicals, necessary for attaining higher levels of productivity.

Notes on budget:

1. Per family average investment on livelihood assets and activities is Rs 20,850, comprising of Rs 14,280 (68.5%) as grant component from the Government of India. The Bank loan per Swarojgari family is Rs.4,040 (19%) and contribution of each of the Swarojgaris by ways of labour and material is Rs.2,530 (12%). The **investment in capital assets and working capital per family** is Rs 18,320 per household (**Rs 14,280 GoI contribution and Rs.4,040 as loan from Banks**).
2. **Investment per Swarojgari family on Capacity building for Livelihoods and Technical support for project implementation is Rs. 4,959.** Grant assistance is sought from the Government of India to meet the entire cost of Capacity building and technical support for project implementation. **The cost required per family for Capacity building is depicted separately for PRADAN and FEMALE in Annexure 18 and 19.**
3. There will be overlaps in the number of families in each activity in the sense that **one family may adopt more than one activity.** For example same family would be included under water harvesting structures, agriculture and Lac rearing. However, the activity mix would be such that the investment per family would be around the average.
4. Subsidies are needed for land and water development activities, such as "30x40" model, land husbandry, 5% model and seepage tanks as **the payback period for these is long, long-term loan products are not available and farmers (especially those we propose to work with) are unwilling yet to risk investments of the level required.** Similar reasoning applies to tree crops and irrigation systems based on wells and dams.
5. As the target people are very poor, **they tend to shy away from investing in new crop technologies such as seeds, fertilizers, crop protection chemicals, implements like weeder, sprayer etc.** A small subsidy is proposed for conducting appropriate demonstrations on improved technologies and practices. Further, a small amount of Rs. 2,000 per family, as subsidy on vermicomposting would trigger off large-scale adoption of the method among poorer households.

Project Evaluation

During the project period it is proposed to prepare physical and financial progress reports at 3-months' interval. The quarterly reports would be prepared internally by the partner NGO teams and submitted to the project cell at the district. These are to be compiled and shared with the State and the Central ministry during the review meetings. For the end evaluation the partner NGOs would draw up a panel of independent consultants in consultation with the Ministry.

For periodic review of the project the following criteria are proposed under the three broad categories.

(A) Promotion of new SHGs:

- Promotion of SHGs as per the quarterly targets
- System of weekly meetings followed across all the groups
- At least 45 meetings in a year with every member attaining 80% of the meetings
- Savings rate of Rs. 5-10 per member per weekly meeting
- Opening of bank accounts in 3 months of formation
- Every SHG would pay for accountant to maintain records of transaction
- 80% of the members would be able to access bank loan
- All the SHGs to be linked with *Computer Munshi* system.

(B) 30x40 with plantation, Horticulture

- Timely execution of task as per the month wise activity calendar
- Proper growth of plants as per set standards
- 80% survival of all plants at the end of two years
- Yield per plant as per set standards.

(C) Irrigation systems and On-farm Water Harvesting Structures

- Timely execution of work
- Ensuring utilisation of harvested water for improved agriculture- cereal and vegetables
- 80% of the families would earn an annual incremental income of Rs.15, 000
- Linkage with mainstream banks and on time mobilising & repayment of loan.

(D) Poultry and Goat Rearing

- Timely completion of sheds as per programme calendar
- All the poultry growers attain Feed Conversion Ratio of 1:1.80 in initial 3 crop cycles
- All the poultry growers take up at least 5 crop cycles annually.
- 80% survival of goat off-springs
- All goats would be insured within one week of purchase
- On time mobilising & repayment of loan
- Timely veterinary care as per the calendar
- Annual income of Rs.8,000 to 80% of the families engaged in these activities.

(E) Lac Rearing:

- All the Lac rearer adopting improved technology
- Timely completion of interculture (pruning of trees and pesticide spraying) operations.
- All the rearers receiving good quality brood
- 80% rearers receiving annual income of Rs.4,000.

