Annual Report

2009- 10

ARAVALI

Association for Rural Advancement through Voluntary Action and Local Involvement

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Chairman's Note

Dear Friends,

The 14th Annual Report of ARAVALI is in your hands. Ever since taking over the Chairpersonship of ARAVALI in November 2009, I have studied the processes and engagements of the organization- it is important to be well versed with the organization one heads. The nature of governance with its inherent dynamics of Government and Non-Government mindsets and the professional execution of the negotiated mandate of the organization, make ARAVALI a unique organization with unique character and this needs to be valued. I also understand the challenges of diverse stakeholders that ARAVALI attempts to address and also the struggles of a team that forges a way ahead balancing the mandate while keeping intact the relevance of the institution.

The year 2009-10 has seen ARAVALI focusing strongly on issues of NGO Governance as one of the essential areas of work for improving overall credibility of the Voluntary Sector. Given the positioning of the organization as a leading capacity building institution, her own governance should set the standards for other NGOs to learn from. Friends, I consider this to be one crucial area of work and soon we will be assessing the membership base of ARAVALI. Member NGOs which have strong development ethics along with relevant and cutting edge work with communities will be eligible for ARAVALI's membership. ARAVALI will continue work with other NGOs in program partnership mode to address issues relating to capacities and governance.

During the year, the organization launched programmes for strengthening small local organizations in Eastern and Western part of the state. The focus on strengthening governing boards of voluntary agencies along with human resources in the sector is a long overdue intervention and we believe it will help the thus capacitated NGOs to serve their client communities more effectively.

ARAVALI's experience has revealed that stand alone training inputs do not go a long way in enhancing organisational capacities as these capacities are more often retained by the individuals trained, and attrition leads to a drain of any such capacities built. The Fellowship mode of support, formalised and systematised by us during the year, is aimed at overcoming this challenge and our experience of rolling this out in the current year has been encouraging.

In terms of resources, ARAVALI has been supported by a variety of agencies. We appreciate and highly value the constant support demonstrated by Aga Khan Foundation, the Tata Trusts (Jamsetji Tata Trust & Sir Ratan Tata Trust) and Paul Hamlyn Foundation, by funding ARAVALI's work. It is largely because of such support that as an organization we have been able to build the agenda of regional support which has made ARAVALI relevant to a larger number of NGOs and state functionaries spread across the state. This outreach and work needs further strengthening so that the challenges of development can be shared by larger number of development stakeholders-both government and private.

I call upon our long standing supporters to further strengthen ARAVALI so that we can keep the organization relevant and live to the development needs of communities across Rajasthan. The innovative work by ARAVALI on poverty targeting approach along with building capacities of functionaries to actually make an impact on quality of life of the poorest, needs to be supported further so that it reaches a size where it influences stakeholders to focus on the needy segments. Institutional reforms have given a strong impetus to economic growth but it has also led to new challenges of inclusion and servicing communities left behind; the challenge of inclusive development requires a convergence of efforts. In this context, ARAVALI's work around livelihoods provides the nucleus around which we build up more effective and efficient interventions for the empowerment of excluded communities.

From the Government of Rajasthan, there will be a renewed endeavour to leverage ARAVALI's experience and capacities on organizational development and livelihoods to address the development challenges of the state. In this context I have guided the organization to reflect upon the mechanisms needed to strengthen the Panchayati Raj set-up through collaborative efforts with NGOs.

I invite suggestions and critique for our work so as to further strengthen our organization.

Bharat Singh
Chairman, ARAVALI
Minister for Rural Development & Panchayati Raj,
Government of Rajasthan

About ARAVALI

Association for **R**ural **A**dvancement through **V**oluntary **A**ction and **L**ocal **I**nvolvement-ARAVALI is registered under the Rajasthan Societies Registration Act 1958. The Association was conceptualised as a GONGO (Government-Non Government) and initiated by the Government of Rajasthan in 1994.

The Vision statement of the Association informs and guides the mandate for the initiatives undertaken as part of her operations. The relevance and applicability of the Vision Statement appears more and more applicable as we see a diversity of institutions engaging in the challenge of inclusive development. The engagement with Panchayats and Corporate Sector also derives from this Vision of ARAVALI.

During the year 2009-10, we saw a leadership transition to the ex-officio system where in Mr Bharat Singh, Minister for Rural Development and Panchayati Raj took over as the Chairperson. This transition has been smooth and the insights of Public Life and Experience has been transformational for ARAVALI. Over the year the organization has expanded its outreach in the Western and Eastern Regions of the state. The focus on organizational governance informed by stakeholder expectations has been a major programming movement in our work.

The following sections of the report capture our experiences and insights as we strove towards realising the intermediate goals of the organization.

Vision Statement

All round and large scale development of communities requires a combination of efforts and approaches which cannot be solely provided by any one agency or system. To ensure that the benefits of development reach the poor in particular, and people in general, it is necessary that different agencies working for development pool their strengths and become partners.

Within this context, ARAVALI intends to ensure that there are an increased number of effective voluntary organizations working closely with marginalised communities in every district of Rajasthan and that an enabling environment is developed within which the government and these organizations can form effective partnerships.

Revisiting Capacity Building Support through the Fellowship Mode

Design, Consensus, Hitches and Struggles

A centrality of ARAVALI's support offerings to voluntary agency is the Human & Institutional Capacity building. From conceptualization to the operationalization stage we have had to struggle through many questions and dead-ends as the supported partners grappled through the fast changing landscape of operating environment and focus on sectoral (many a times single sector) approaches which required new ways of planning and implementing. The change in external context requires that partners adapt to changes and remain relevant. Many a times the capacity building focus became static due to heavy component of knowledge de-linked from practice at the field level. It is the application of knowledge at the field level that enables the recipients to feel the relevance and hence motivation for internalization of key skills and knowledge. To enable this aspect we decided to shift to an action oriented Fellowship mode of capacity building of human resources

In January 2009, we operationalised the *Fellowship Mode of Support* among all organisational recipients of ARAVALI's human resource support. The mode of all human resource support being provided by ARAVALI during 2009-10 to partner organisations was in the form of Fellowship. This modality of human resource support is not merely salary contribution or part honorarium but much beyond this. It is a capacity building support to newly recruited or existing team members, practising at various levels in an organisation to enhance their development work related perspective, understanding, and skills, and also to increase their appreciation about self to help them work effectively with others.

The Fellowship mode of support of ARAVALI aims to build individual and organisational capacities of small and medium, credible organisations through the placement, on-field accompaniment, mentoring, and need-based training of a chosen team member either already employed by the concerned organisation or specifically selected and brought in from outside. These *marked* team members in partner organisations are called **ARAVALI Fellows** who are provided structured accompaniment in line with organisational, community, and external context to help them graduate into professionals who could catalyse desirable change in the functioning of their respective host organisations. It is envisioned that over a two-three year period, this kind of support will lead to building the professional capacity of the partner organisation to an extent where it can manage the dynamism in its development environment and in community level issues with a professional and systemic approach, all while continually building the capacities of its human resources and ensuring the retention of its key staff.

While on-field accompaniment, mentoring, and need-based training are the transactional elements of a Fellowship from ARAVALI's side, every ARAVALI Fellow has to complete an **Assignment** as elucidated in the **Terms of Engagement (ToE)** agreed upon between ARAVALI and the Fellow. The assignment defines the scope of work of the Fellow and the nature of engagements he/she will carry out at the organisational and community levels to bring about a pre-planned change.

The Fellow's ToE, in turn, are guided by the **Memorandum of Understanding (MoU)** that ARAVALI signs with her partner organisation, broadly agreeing upon the terms and content of human resource support. This ensures that the roles, responsibilities, and tasks of every party directly engaged in a Fellowship - the Fellow, his/her host organisation, and ARAVALI – are clear at the outset.

While the Fellow's Assignment is a crucial element in the Fellowship mode of support being attempted by ARAVALI, we believe that every Fellow should also have a fulfilling career wherever he/she goes. Therefore, through customised support service, ARAVALI intends to help Fellows to build a career path through structured academic inputs and knowledge building, skill development, and attitudinal change. For ARAVALI, the context of capacity is in the *development frame* and that is where ARAVALI believes that *the capacity to understand* the following remains at the core of Fellowship:

- Community
- Sector and an up-date of cutting-edge community development issues
- Ability to apply concepts, design interventions, and seeding new ideas, piloting new ideas in collaboration with other individuals and institutions
- Implementing projects (better understanding, new tools, access to knowledge resources, access to networks)
- Dedication and resilience to struggle successfully through the learning cycle

The aspects of communication (including language skills needed in articulating the same) and documenting own experiences are to be taken up by ARAVALI with the Fellows around the above core capacity elements. In a nutshell, the Fellows' **Development Capacities** take precedence.

During 2009-10, ARAVALI offered Fellowships under the Family Livelihoods Resource Centre (FLRC) initiative.

Challenges at the level of Fellows:

- Quality of community level engagements and rigour of field data collection and analysis
- De-learning and re-learning
- Doing justice to his/her role as an ARAVALI Fellow as elucidated in the ToE and, at the same time, also as a team member of the host organisation
- Documentation and presentation

Challenges at the level of Host Organisations:

- Maintaining HR balance, while hosting "special" Fellows
- Continue to offer challenge to the Fellow and offering organisational space and time to him/her to experiment and evolve
- Mentoring of Fellows by senior functionaries in the host organisation; dedication of organisation towards the purpose of Fellowship
- Overcoming the salary-support mentality

Challenges at the level of ARAVALI

- Mentoring Fellows individually as per their respective capacity building needs
- Continue to offer challenge to the Fellow and pacing the mentorship as per the evolution of each Fellow; the self-development challenge for ARAVALI team
- Ensuring space and opportunity for each Fellow to evolve and flower in his/her host organisation
- Adapting to the acquired learning mechanism of Fellowship

Hitches requiring interventions

- De-learning the donor-mentality as salary support mechanism evolves to a Fellowship based inputs support
- De-learning abstract concepts
- Learning practice based conceptualization for knowledge and skill building

Comparative assessment of various typologies of human resource support offered by ARAVALI to various partner organisations, since her inception, is being assessed through an independent study also; the complete findings will be with us in early 2010-11. The Fellowship Approach is new and evolving and through our experience of working with the Fellows, we hope to gradually evolve an improved framework of human resource support to organisations.

The transition to the Fellowship mode has been enabled by the marked increase in the intensity of engagement at the level of the ARAVALI programme team members. The Fellowship mode requires a strong element of mentoring support. Mentoring by its very nature is a multi-faceted role requiring key competencies in human development aspects apart from the programming strengths that remains to be a necessary capacity. We realize that investments in ARAVALI's capacity to provide high intensity mentoring support will be the key to the effectiveness of this strategy and the outcomes of sustained organizational capacity are critically dependant on this aspect.

Type of Fellowship	**Dimensions of Fellowship**	**Period**
Poverty Targeting	New knowledge creation	On-going
Livelihoods based Programming	Key skills and design considerations	On-going
Governance and Programming	Organizational Governance and program delivery	Initiated in 2009
Community Health	Public Health concepts and its application under NRHM	From 2009
Human Empowerment and Self Worth	Self Awareness and Personal Effectiveness	On-going

Emerging Trends around Fellowship Mode of Human Resource Support

Acceptance amongst Partners

The *change* in the human resource support modality triggered a series of *responses* and *reactions* from partner NGOs. Reactions came from partners located in Ajmer district while responses came from our partners elsewhere. As we tried analysing the rather different take by partners, it became clear to us that the entire partnership experience of ARAVALI, under the Social Mobilization Project (SMP) in Ajmer district with UNDP, had been the trigger for the reaction from partners. SMP was an implementation project with partners working as implementation units. The salary and overhead support was imbibed as the modality of our support by these partners and the same mindset governed their actions when we introduced the fellowship support mode. In contrast, the partners who had been supported through a capacity building focus instead of implementation focus easily adapted to the fellowship mode. However wherever we were weak on providing Fellowship based inputs, the partners did voice their concerns. These concerns were again analysed and the major reason for this emerged as the implementation focus of our support team.

The lessons learnt have allowed us to focus on introducing internal capacity alignments of our team for taking on the challenges of the Fellowship mode of support to organizations.

In terms of acceptance, a year is a short time to evaluate the outcomes. Nevertheless we have tried to dynamically review the fellowship mode and brought about modifications in our instruments of support like customised assignments, training and inputs on personal effectiveness processes. These inputs will be crucial for emergence of sustained capacities amongst the human resources and the organizations.

Worth from Fellows' Perspective

The inputs through the fellowship mode have made us focussed on to the professional growth aspirations of human resources working as fellows with partners. This resulted in a need for creating spaces for fellows in their current work assignments within their organizations. The partner organizations have been accommodative of this demand on them and the reduced turnover of staff on this account can be attributed to this aspect also.

The Fellows' increasing confidence in themselves, belief in the work and the rigor in application and the enhanced motivation to seek out new knowledge and learning have been some of the emerging trends on this front.

The challenge off course remains of overcoming short grant cycles and increasingly uniform donor trend of focussing on immediate outcomes of their financial resources, inherently assuming that capacities are not a constraint in achieving the outcomes in set timeframes.

Impact on Communities

The challenge of engaging with vulnerable communities across locations in an increasingly resource scarce scenario is a formidable one. The massive abdication by the state of its responsibility towards development needs of people continue to increase the expectation from NGOs to reach out to communities. The only way out on this front is to increase the capacities of NGOs to actually take up the work needed with communities. The enhanced capacities being built through the Fellowship Mode has started showing results in select regions where communities and families have been able to access development schemes and interventions because of engagement by fellows.

The impact of NGO work on communities creates societal relevance for the organizations. It is this societal relevance that enables the flow of resources for sustaining the interventions in the long run.

Challenges of Building Regional Teams

Defining Agenda, Committing to Goals, Managing Diversity of Experience and Exposure

The year 2009-10 was a year that saw us moving with continuity on many fronts laced with strands of change, many self initiated and many as responses to the environment of our functioning. Largely as a direction, since 2008 onwards, we are trying to move towards enhanced field presence through the regionalization regime. This effort has been through both design and evolution laced with plenty of spaces built in to allow tangential spin-offs by the regional structures. This is important to appreciate because ARAVALI remains to be a multi-stakeholder[1] organization and the appreciation of stakeholders' priorities does differ from region to region and across stakeholders.

The regional teams, as Regional Resource Centres (RRC), tried to engage through action based on articulated demands and assessed needs of regional stakeholders; the regional teams also responded to these changes with their own understanding and capacities at the base of their response. In terms of outcomes the results are very different. It is in these differentiated results that we get to see the first level benefits of having a *partially closed but broadly open* regional structure of ARAVALI. It took us time to see a pattern in this difference in results. The underlying causes were the understanding and capacities of ARAVALI team coupled by some lags in the response of stakeholders in trying to learn new ways of responding to a relatively set organization. The mental map of stakeholders still struggles to see us as a regionalised organization; many still continue to see us as a Jaipur based organization. Some team members find this aspect disturbing as they find themselves by-passed by stakeholders who respond to the Jaipur based organizational identity while some team members found interventions by the head office as curbs on the autonomy of the regional structure of ARAVALI. The challenge of managing change is very much upon us and the *partially closed but broadly open system of transition is the institutional mechanism* of allowing the evolution of regional centres into logical wholes capable of addressing the regional expectations of the stakeholders. The role of the Central Office and RRC in this scheme of change-over remains to be multi-dimensional-

- change facilitator for addressing mental maps of stakeholders;
- building understanding of RRC team members for engaging with stakeholders
- designing systems and processes for RRC functioning as organization
  - systems for engaging with different institutional stakeholders like NGOs, departments, regional entities and communities through thematic engagements
- planning and tracking mechanisms for the RRC
- Developing Regional Coordinators as regional team leaders – leading development programming in the region for RRC as the initial challenge; strategic leadership development to follow.
- Fellowship based support mechanism at RRC level
- Well defined complementarity at both RRC and Central Office Level
- Evolving a set of regional governance guidance framework that enables a conducive environment for RRC to emerge as regional ARAVALIs over a period in an organic manner.

[1] The term stakeholder is used to distinguish it from the commonly used term-member, because the mechanisms of the organization are designed to serve the broad stakes of the constituency rather than specific member interests.

Nuances of Regionalisation-Emerging Experiences

- Establishment of Eastern Regional Resource Centre – Rajasthan's Eastern region has been traditionally unaddressed by development interventions by NGOs and the state, especially the Dang region[2]. The work of ERRC has been development support interventions; scoping for NGOs with customised NGO assessment tools – emerging partner set and their support needs, necessitating evolution of new support products and services – especially Governance and Programming Fellowships. This was enabled by the flexibility offered by our key donor in the region, Paul Hamlyn Foundation, to transform conceptual support products and services into realistic and pragmatic ones, the impact of which will be visible over a longer term.
- Two rounds of recruitment done in this year; after the first round, need felt for bringing in more experienced heads in ARAVALI's programme team who not only provide support to staff of small and medium NGOs in the State, but also engage actively and confidently with the chief functionaries of partner NGOs as well as key functionaries across multiple stakeholders in the region. Consequently efforts were made towards induction of new, experienced and professionally qualified team members in ARAVALI's RRCs – fruition of those efforts as three senior professional team members, endowed with rooted, tested, and diverse perspectives inducted into the teams in Jaipur, Jodhpur, and Kota.
- Energy and Experience Balance: The strategy for standardising the energy and experience balance at the RRC did not work out well-an effort that was nevertheless needed to establish the need for multiple and diverse experience set for the strategic evolution of RRC. The year saw us revert back to tested experience set for bringing back on track the missing dimensions and also mitigate the lowest common denominator strategy of the less experienced team members. Two RRCs namely Central and Western were affected by this phenomenon.
- Enabling Spaces is another experience that needs understanding in the context of Regionalization. The Jaipur Regional Resource Centre, functioning in the same office and team space as of the Central Office has found it a hard struggle to evolve an identity of its own– a sort of prolonged *pupa* stage of development. Given the challenges of retaining quality Human Resources, we need to re-consider the location of a Jaipur based RRC.
- Building Regional Teams is of utmost importance in the process of regionalization and based on our experiences the following learning need to be operationalised at the earliest:
    - Increasing exposure to and understanding of multiple stakeholders: evolving customised tools of NGO scoping and engagement: the time tested tool of MPRF[3] for assessing NGOs for programming partnerships v/s new tools for scoping and assessing nascent organisations – learning of RRCs
    - Developing products and services for regional stakeholders of different hues
    - Aligning the mental maps of self, development terminologies and paradigms, field realities, and of RRC ToR among different team members – at very different levels of experience and exposure – in an RRC
    - Annual Planning by RRCs as per the RRC ToRs to be set in place over 2010-11, as the next step of developing RRCs into regional resource organisations – the mini-ARAVALIs

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[2] The Chambal command area in East Rajasthan is quite old and accounts for a lot of prosperity in the Hadoti area; however the rest of the eastern part has been bereft of development interventions.

[3] Minimum Partnership Requirements Framework –a tool used by ARAVALI to exercise due diligence before entering into a program partnership with any organization

Challenges of Seeking Relevance

Going beyond Achievements and Comfort Zones

A unique feature of ARAVALI has been the change in persons representing the governance set-up. The year 2009-10 saw the appointment of the Mr Bharat Singh, Minister for Rural Development & Panchayatiraj, GoR as Chairperson by the Govt of Rajasthan. In terms of change it has been a highly impacting phenomenon, with the new Chairperson engaging intensively in understanding the nature and work of ARAVALI; the engagements have resulted in new perspectives and questions on the relevance of ARAVALI's work in a fast changing scenario of relative dynamics of Civil Society and the State. The focus on outcomes and impact has allowed us to look at our work from a devil's advocate perspective – the relevance question: *what would happen if ARAVALI ceased to exist as an agency in Rajasthan's development landscape*… who (if) will be impacted; achievements as well as ignored areas of work stand revealed – also revealed is the relevance of ARAVALI's Mission Statement – need for multiple player engagement to tackle complex development issues and challenges… preparedness required at our level to explore possible institutional forms that will hold relevance for communities and development challenges in an area… need to evolve mechanisms / instruments for facilitating dialogue, co-operation or collaboration among these different forms of institutions, as the case may be; need to review and augment our internal capacities, willingness, and the consequent readiness to make these multi-stakeholder engagements to materialise.

Our failures make us see the constant efforts that we make and our successes make us see the next level challenges and therefore the efforts that we need to make.

It has been an eye-opener for ARAVALI.

After a decade of experience in Rajasthan, stakeholders expect ARAVALI to have an assessment of all NGOs in Rajasthan-a sort of encyclopaedia of NGOs. The expectation requires ARAVALI to provide a concurrent status of NGOs in terms of their fit for various engagements by the state and donors for their programmes. With over a lakh registered NGOs in addition to multiple Community Based Organizations, the task is Herculean and to draw a parallel, requires a system akin to the national bourses, wherein key parameters are identified and tracked concurrently. Given the nature of private/single individual centricity of the majority of NGOs along with the uncertainty of their operations, the level and quantum of investment and inputs needed makes the entire exercise highly risky.

But the growing challenges of development and inclusive growth require such multiple institutional engagement and partnerships and a way around has to be in place. The National Voluntary Sector Policy of the Govt of India is an attempt to address these challenges. The realization that civil society efforts need to be acknowledged as a mainstream determinant of growth and development and consequently the emergence of a framework for consolidating and enabling the efforts, implies that Civil Society needs to emerge as an Institutional Sector. The parameters of sector promotion in the form of competence, credibility, transparency and accountability need to be in place. ARAVALI has started working on these aspects and the key contribution to the strategic thought from the Chairperson will go a long way in evolving ARAVALI to the next orbit of organizational growth.

Changing development context in the State: Number of NGOs with minimum capacities to engage with communities on real-life development challenges and constraints being faced by them, has increased manifold since ARAVALI started working on NGO capacities in 1997; socioeconomic profiles, technologies, methodologies and approaches stand changed; pure sectoral approaches like microfinance and physical structure-biased watershed development stand challenged, funding environment becoming increasingly challenging for small and large NGOs alike;… more dynamism displayed by the external environment than the pace at which the poorest communities can change and adapt… evolution of migration as a coping strategy…

Amidst all the churning the mute question remains one of functionary capacities and resources. The realization of challenges has already made us opt for more diverse and in-depth experience for our professional team. The challenges of governance that emerge from time to time, given the unique character and nature of our work also make us a highly poised and dynamically balanced organization- GO-NGO joint ownership needs to have a professionally poised executive and also at times a build up of functional confrontation across the various components of the organization. The churnings and the outcomes make us believe that we remain to be a highly relevant organization with seemingly insurmountable mandate to deliver upon.

The core challenge we face as an institution is two pronged-retaining and inducting diverse experienced set of Human Resources whose concerns are rooted but need spaces for thorough professional functioning, and untied financial resources to put into action new propositions and aspiration based approaches that communities demand or express.

Thus, in terms of operational reality, ARAVALI needs to have an Untied Corpus Fund which is accessible for yearly Work Plans, specific and adequately detailed to deliver on agreed upon outcomes.

Emerging areas for programme development: Themes/Sectors – Food Security and Health; Stakeholders – PRI as an organisation, Corporate Accountability as under-pinning of Corporate Social Responsibility Initiatives

New opportunities for engagement with the Govt set up to achieve development impact at a scale – Mitigating Poverty in Western Rajasthan (MPOWER), National Rural Livelihoods Mission (NRLM as restructured SGSY), Rajasthan Rural Livelihoods Project (as DPIP-II).

Evolving the Ground for Governance and Leadership

Learning from Within and Practical Intelligence

In one of the initial Stakeholders' workshop in Eastern Region, along with our key donor, Paul Hamlyn Foundation, the question of NGO credibility amongst community and government was raised. Why is NGO action now looked upon with doubt and smirk? Since the question was raised by NGOs themselves there was an element of shock and surprise at this across stakeholders. ARAVALI had been maintaining the stand that the efforts of ARAVALI were directed towards building capacities of credible NGOs and how come we are working in an area where credibility of NGOs is a core issue with communities? This is a question often put to us by societal stakeholders and we have searched hard for answers.

We are quite clear about our reasons for focussing on the Eastern Region of the state. The fact that there is a severe lack of credible voluntary movement in the region was reason enough for us to address the challenge of this vacuum. As an organization we are mandated to develop institutional mechanisms for ensuring effective outcomes of development interventions at the level of communities. Effective NGOs and an enabling development environment are the core outcomes that need to be in place in the Eastern Region for the benefits of development interventions to be reaped by communities. Theoretically speaking this is a win-win outcome for all stakeholders of the region.

But practical intelligence told us to look at the reasons for this not happening.

When we started looking at the interventions by NGOs in the area across the Daang and Hadoti regions we came across a number of NGOs working with state schemes and virtually none amongst the smaller set working with private donors. Secondly we found that a lot of cooperative based interventions in the region have been able to deliver results in the Hadoti area. Again practical intelligence tells us that it is the absence of transforming thought that has been at the core of NGOs not being able to connect to people's aspirations and that is the reason for the disenchantment amongst communities with NGOs. Proceeding deeper into the analysis part we saw that the sense of equity and fairness is one essential trait of communities and any top down approach finds a reactive response from communities. So the emerging need in the area was to make NGOs look within and see what is it that is lacking in them?

We have looked at the aggressively promoted models of credibility improvement focussing on financial reporting. At ARAVALI, we see the financial transactions and their reporting as an outcome of credibility enhancing measures and not as a direct area of work.

Our own experience of engaging with NGOs of Eastern Rajasthan and also elsewhere shows that Organizational Governance and role played by key governing board members is the causal factor leading to credibility enhancing practices across NGOs. In the context of Eastern Region, the sole engagement of NGOs with departmental schemes of the state needs to be viewed from the perspective of their own evolution as NGOs. Many of these small sized NGOs have been promoted by individuals from local communities and they have learnt from experiences with schemes implementation. So what we see today is an outcome in the form of a baseline status of governance. This is how ARAVALI looks at the issue of credibility and therefore the design of intervention for progressive and incremental improvement in Organizational Governance.

Though we started out with a similar set of assumptions and, thus, tool-box for our potential support clients in Western and Eastern Rajasthan, a quarter into the project period, we became aware of the basic dissimilarities in the origin, priorities, and contextual profiles of voluntary agencies in the two regions, as also in the backgrounds, aspirations, and motivations of their promoters. The CBO/NGO mapping exercises conducted by ARAVALI's Eastern Regional Resource Centre (ERRC) in the prioritised Districts have revealed the following:

- A majority of the organisations have one to four team members as their staff. The Chief Executive Officer (CEO) of the NGO may be its Secretary or Chairman; in either case, he/she is a full time staff and sometimes, the only "regular" staff of the organisation. However, leveraging his/her salary from projects remains a challenge.
- A majority of the scouted organisations have been formed with the idea of providing livelihood engagement opportunity to the CEO. More often than not, the Heads of these organisations display limited strategic perspective and their linkages with other actors in development are either missing or weak.
- The CEOs lack even basic understanding of organisational governance, which prevents them from ensuring accountability, developing target-oriented systems, or using Board members as idea-bouncing-boards or as guides.
- The team of Board members – in the case of a majority of identified organisations – has been hastily conjured up from among friends or acquaintances, without envisaging their individual and complementary strengths. The Board members too, do not see much role for themselves in organisational decision making and functioning, apart from sanctioning annual work plans and budgets.
- Nearly all the scouted organisations bemoan lack of trust among their main stakeholders –the community – in their work area; a contrarian perspective would involve exploring the level of accountability of these NGOs towards their target area and communities.
- The typology of organizations taken up for detailed assessment shows that these type of small organizations collectively contribute to the maximum community outreach and are, therefore, the relevant agencies for communities.

As is evident from the above findings, many of the small NGOs identified in Eastern Rajasthan have CEOs with considerable zeal but without resources or development perspective entering the development arena. Though they have enthusiasm and commitment enough to last a couple of years of operations, the changing funding environment, the increased thrust on NGO accountability and transparency, and the basic need to develop strong yet flexible institutions to address community needs can transform well-meaning organisations into development contractors working on a programme/fund-supply basis.

It is this realisation (borne out of experience) that has led ARAVALI to explore the possibility of keeping CEOs of small and credible NGOs in the region at the centre of our institutional development efforts. With increased accountability of NGOs in the region as our goal, we have decided to focus on building the NGOs-CEOs' appreciation, vision, and capacities on the need for good Governance, leading to increased organisational readiness in this regard. The product on offer is **Governance and Programming (G&P) Fellowships for CEOs of NGOs**. Fellowship mode of support will not only provide a modality for ARAVALI to work closely and continuously with the CEOs of selected NGOs in the region, it will also offer monetary assistance to the CEOs so that they can remain mentally assured and spared of the struggle to extract a decent living from "NGO work", while being engaged in Fellowship-related learning and practice.

Objectives of Governance and Programming Fellowship

- To provide hands-on capacity building to CEOs of small and credible NGOs on good governance and strategic programming, through training and mentoring

- To enable participant organisations to improve their Governance practices

The coincidence of Governance and Programming Fellowships for NGOs evolving as a need-based support requirement of NGOs scoped in the Eastern Region and Governance change in ARAVALI provided us the opportunity to learn from within and without in this so far ignored area of institutional development. Futile attempts to scope external resource person support in the area of NGO governance – seem to have worked in our favour, as internal experience and resources are now being leveraged to evolve an indigenous G&P Fellowship programme for NGOs in the State.

Lessons from G&P Fellowships will find direct relevance for and will be enriched by ARAVALI's own internal Governance related developments – which are under our own close, learning watch, like never before.

ARAVALI Staff Capacity Building

This was a watershed year, where focussed investments for in-house staff capacity building are concerned. We started 2009 with a comprehensive capacity building programme on *Enhancing Personal and Professional Effectiveness*, organised along the lines of the well known Human Process Labs; this programme was facilitated by Indian Society of Applied Behavioural Sciences (ISABS)-certified trainers and attended by both our programme and administrative staff. Understanding and consciousness of the self, developing an internal locus of control, and enhancing self-worth and self-esteem were the key aspects covered under this programme held in February 2009. A follow-up of this programme was organised in June 2009, which was aimed at sharing the experiences of the trainees as generated from putting in place new behaviours following the lab held in February. We could identify some organisational development issues during this refresher event and, at the same time, emphasize the need for team members to demonstrate commitment to professional conduct and work performance alongside seeking emotional support for personal goal fulfilment at the workplace, for ARAVALI to remain relevant and effective as an organisation.

A follow-up to the 2009 labs was an *Emotional Intelligence and Personal Effectiveness Workshop* organised by ISABS trainers for an augmented ARAVALI team, in March 2010. Managing emotions (esp. anger, grief, and stress) intelligently in life and in the work place was at the core of this unique and customised capacity building event, apart from continuing with the team members' engagement over issues of self-worth, destiny, and dependence.

Looking at the fresh teams at ERRC and WRRC, and the demands of the newly initiated projects, a number of RRC-level reviews and capacity building events were organised for them, regularly, by the Central Office team. The quarterly FLRC Review event was also transformed into a dynamic, FLRC Quarterly Peer Learning Review (FQPLR) event where much stress is now laid on the exchange of learning and experience among FLRC Host Organisations (FHOs) and between FHOs and ARAVALI, leading to concretisation of new theories and frameworks for action.

Programme Reports

Building Institutions that can Challenge Poverty (BICP)

The livelihoods challenge is one of the most crucial challenges that development planners face today. Keeping pace with the number of people entering the job market each year and also ensuring that the unemployment and underemployment backlog is covered, is perhaps one of the greatest challenges that need to be taken up. In this scenario, NGOs must be in a position and have the capacities to either:

- Help secure livelihoods of poor families; or
- Facilitate access of the poor to their entitlements through a rights based approach; or
- Initiate and sustain a policy debate and dialogue that can change the way development policy affects the poorest; or
- Take up the delivery of development initiatives so as to enhance their effective and targeted outreach.

While there has been an increasing emphasis that NGOs today must be able to do one or more of the above at a greater speed and/or at a scale, what remains critical is that they are able to actually do this more effectively – not necessarily financially – but in terms of the longer term *impact of the initiative.* A majority of NGOs in the State are said to be operating at a sub-optimal level. Limited funding, low capacity staff, poor compensation packages, and most of all, programmatic initiatives guided not necessarily by the demands of the people that they work for, but by fund availability, constitute the reality of many small NGOs working in remote areas of the State. This not only results in absence of a clear perspective of the organisation among its key functionaries, the donors' perspective also easily takes over their thought and actions.

In 2009, ARAVALI started actively scouting for small and credible NGOs and CBOs in those poverty stricken Districts of Eastern and Western Rajasthan as also show weak voluntary movement, as part of her *Building Institutions that can Challenge Poverty* (BICP) project. This initiative has got fund support from the Paul Hamlyn Foundation (PHF) for the Eastern region and from Jamsetji Tata Trust (JTT) for Western Rajasthan. Both the projects are titled *Building Institutions that Can Challenge Poverty: Creating Capacities to Work with the Poorest* and are being steered on field by our Regional Resource Centres in Kota and Jodhpur, respectively. The core objective of these projects is *to enhance human and institutional capacities of Voluntary Organisations, Community Based Organisations and Social Entrepreneurs in Eastern and Western Region of Rajasthan*.

Eastern Rajasthan

In the East, the project started in April 2009, and the Eastern Regional Resource Centre (ERRC) was established soon after, initially with only one team member. To roll out the project on ground, experienced programme team members were drawn from the Central Office to conduct scouting for and field assessments of NGOs. In the meanwhile, team recruitment efforts continued. Given the nature of this project and the NGO support interventions envisaged under it, the need for experienced hands to deliver the results was considered non-negotiable. But, it was not easy to scout for, recruit, and place a capable team in Kota, and it was only in late January 2010 that we had the full project team in place there. However, the ERRC team has since displayed tremendous commitment and application. During the initial months, we spent considerable time understanding the development profile of the region as a whole and also of its constituent Districts. The ERRC team initiated development of District Profiles for the area under its coverage; these profiles aim to document community and area characteristics, developmental challenges and efforts made in each District, and will serve as learning documents to guide our institutional development efforts in the region.

An RRC-level *ARAVALI-Stakeholders' Interface Workshop* was organised by us at the *Zilla Parishad Hall* in Kota, to formally introduce ERRC to the stakeholders in the region, in terms of the ERRC's role, objective of establishment, work area, team composition, activities undertaken till then, and to initiate a dialogue with voluntary organisations of the Dang-Hadoti region. One of the key findings of this Interface event was that credibility of Eastern Region based organisations is questionable. At the same time, the Human Development Index of Kota District is on a higher side as compared to the Districts of the Dang region. These observations led us to the decision to focus on scoping of voluntary organisations mainly from the Dang region (Karauli, Dholpur, Parts of Sawai Madhopur, and Baran) and from Bundi District of Hadauti.

Except for the Sahariya-occupied pockets like in Shahabad- Baran and in Choumehla-Jhalawar, where there is a good concentration of voluntary organisations, NGO presence in the Eastern region has largely been scattered, shallow, and a relatively recent phenomenon. Prior to the setting up of the ERRC, ARAVALI's own engagement in the region was largely with Dang Vikas Sansthan (DVS) a partner NGO of ARAVALI under the AKF (India) funded project on Sustainable Community based Approaches to Livelihood Enhancement (SCALE). DVS hosts a Family Livelihood Resource Centre (FLRC) under the SCALE programme.

Looking at the developmental priorities and backwardness in the region, ARAVALI has decided to initially concentrate her CBO/NGO scoping and strengthening efforts on Bharatpur, Sawai Madhopur, Baran, and Dholpur Districts in Eastern Rajasthan. Voluntary Organisations mapped as part of the PHF project in these Districts have been found implementing mainly Government Programmes/Schemes, with limited perspective and understanding of the developmental needs of this area and its people. With limited existence of private donor support in the Eastern Region, NGO-exposure to the outside world and to emerging development philosophies and contemporary intervention designs has also been limited.

The CBO/NGO mapping exercises conducted by ERRC in these prioritised Districts further revealed the following:

- A majority of the scouted organisation have limited strategic perspective and their linkages with other actors in development are either missing or weak.
- The technical capacities of these agencies remain limited and with relatively small organisational budgets, they remain dependent on the District level Government agencies for programmatic funding.
- The organisations possess limited capacities to conceptualise and evolve development interventions relevant for their target communities.
- A majority of the mapped organisations function under political patronage.
- Development professionals' engagement with development issues in the region is hard to come by.
- Regional problems and community development priorities remain unaddressed despite the number of CBOs/NGOs registered in the region being impressive.

For selecting NGOs for programme partnership, ARAVALI has long been using the Minimum Partnership Requirements Framework (MPRF), developed sometime in 2001-02. However, our field experience of NGO scoping and scouting this year, in both Eastern and Western Rajasthan, clearly hinted at the need to evolve customised basic NGO selection frameworks for the two regions, as can capture the baseline of the nascent Voluntary Sector movement therein. This led to the experiential evolution of a **Framework for Determining Just-in-Time Support (JiTS) Eligibility** of the assessed NGOs of the Eastern Region.

Just-in-Time Support Action Planning (JiTSAP) has been conceptualised as a new mechanism to allow for immediate flow of support and accompaniment to selected NGOs for their human and institutional capacity enhancement. Apart from the immediacy of support, JITSAP allows time and opportunity for ARAVALI and the NGO partner to know each other better and assess whether a long term support relationship will be possible and beneficial. This *courting* phase is critical given the newness of the region for ARAVALI, the distinct cultural traits and political leanings of NGOs evident from our engagement experiences in the Eastern Region, so far.

By the end of 2009-10, **more than 30 NGOs had been scoped and assessed** as per this framework by the ERRC; **12 of these have been found fit for providing organisational development support**, initially as per the JiTSA Plans evolved with them. The major support areas emerging from JiTSA Plans developed with NGOs in the ERRC's area include:

- Legal compliances of organisations: e.g., 12A/ 80G, FCRA, accounts and financial book keeping
- Human capacity enhancement: work plan, analytical skills, documentation, project proposal development, and purposeful community mobilisation
- Effective communication and liaison with local administration
- Strengthening of Governing Boards of NGOs

ARAVALI is also currently mentoring two Community Health Fellows in the region, as part of our contract with SEARCH (Pune) under the National Health Systems Resource Centre's (NHSRC) McArthur-funded, *Community Health Fellowship Programme*. More on this Fellowship has been shared in a subsequent section.

In all, we plan to arrive at a shortlist of **20 NGOs and CBOs which will be provided customised Organisational Development (OD) support, over the next two years, initially as per JiTSA Plans which will be replaced if required by the more comprehensive, Comprehensive Support Action Plans (CoSAPs).**

Western Rajasthan

In the West, support has been extended to ARAVALI from Jamsetji Tata Trust for the intervention *Building Institutions that can Challenge Poverty (BICAP)* for capacitating small and medium local civil society organizations in eight districts. The Western Regional Resource Centre (WRRC) of ARAVALI in Jodhpur has been augmented with five new team members for and under this project during the year; project implementation began in right earnest in the region from July 2009, after the placement of this team.

A stronger team in place, the process of exploring major development stakeholders and understanding the development priorities in the region was initiated. This exploration took the team to government and non government agencies working on developmental issues in the region. Simultaneously, small and medium sized NGOs as also CBOs were scoped which though specific in targeting and limited in scale, were addressing local development challenges and priorities of communities in Western Rajasthan, in their own ways.

Unlike in the East, Western Rajasthan, esp. Districts like Jodhpur and Bikaner, have benefited from the existence of larger and credible development organisations like GRAVIS, URMUL and UNNATI, where the *NGOscape* is concerned. These organisations have defined and still continue to define development paradigms in the region. At the same time, there are Districts like Pali, Jalore, Jaisalmer, and Nagaur where NGO movement remains weak and scattered, so much so that it became a trial for the Secretariat of the just initiated IFAD-funded project on *Mitigating Poverty in Western Rajasthan (MPOWER)* to scout and select even one credible and capable, local project implementation agency (i.e., NGO) in the project Blocks of a couple of these Districts.

Communities in Districts of Western Rajasthan have long depended on agriculture and animal husbandry for earning their livelihoods. Since the criticality of timely rainfall for their livelihood mainstay remains a reality for people, failure of monsoons and the consequent, recurrent droughts have led to the emergence of migration (with or without family and/or livestock), as a key coping mechanism. With the arrival of and regional investments by international firms in the fields of conventional and non conventional energy generation in some of the Districts, the region may benefit from the emerging employment opportunities, if the younger generation is capacitated enough to grasp them. New ways of earning livelihoods have presented the communities with new sets of existential challenges to which even established NGOs in the region remain less attuned to, where formulating appropriate development solutions is concerned.

Mining is another major source of employment for people of the region, esp. in Jaisalmer, Jodhpur, Bikaner and Jalore Districts. But, the occupational hazards associated with mining mean that the spectre of diseases like Tuberculosis and Silicosis continues to hang over families dependent on mining as a source of labour opportunities. This challenge of healthy living is compounded by regular and excessive consumption of liquor and *doda* by local communities; consumption of *doda* esp. continues to have social acceptance in the region, even in the face of the threat of imminent and inter-generational bankruptcy, indebtedness, and human resource decay. Our engagements with the poorest in the Districts of Barmer, Jodhpur, and Nagaur, as part of the Family Livelihoods Resource Centre (FLRC) initiative suggest that one - these addictions represent the immediate coping strategies of the vulnerable in the face of their difficult survival; two - addressing addiction only as a poverty alleviation intervention will be like tackling the symptoms of poverty and vulnerability; and three – it is the younger generation one needs to engage with now, with the offering of healthier, safer, and more assured livelihood outcome generating opportunities, along with the older and addicted adults in rural families for making sustainable development impact.

As in the Eastern region, ARAVALI initiated a comprehensive dialogue with voluntary agencies in the West by organising an ARAVALI-Stakeholders' Interface workshop in Jodhpur on October 8, 2009. The objective of the workshop was to provide a platform to key development stakeholders to engage in a discussion on development priorities in the region. In this context, the expected role of ARAVALI's WRRC for strengthening institutions to challenge poverty in the region also emerged. Though more than 40 persons, representing various Government Agencies and NGOs participated in this event, the quality of participation achieved impressed upon us the need to *extensify* and then *intensify* our engagements with a wider variety of development stakeholders that continue to function in silos in this vast region.

District wise scoping and scouting for NGOs and CBOs was initiated right from July, and this helped the WRRC team to evolve an NGO Assessment Tool-box, called the **Non Negotiable Parameters Framework (NNPF)** which is being used now for the small and committed organisations for ARAVALI's future, organisational development engagements guided by CoSA Plans in target Districts of the WRRC. By the end of FY 2009-10, six NGOs had been selected and their COSA Plans prepared by the project team in WRRC.

A major achievement of ARAVALI as an organisation this year has been the broad-based and qualitatively different planning and roll out of the sixth Social Analysis and Management Development Programme (SAMDP) which remains to be our flagship offering for enhancing capacities of middle- and senior level development functionaries of NGOs. The programme was delivered in two phases, the first phase during January 11-30, 2010 and the second, during March 8-27, 2010. The SAMDP VI was attended by 18 NGO functionaries drawn from different parts and NGOs of the State, and this batch of trainees included four women – the maximum for any batch so far. In-house programme development and content plus flow improvements by the young, WRRC team and small but concrete steps towards standardisation of the programme offering, distinguished this year's programme from the previous years' and we see as the beginning of our organisational journey towards broad-based programme development and management with a commitment to deliver quality and relevant content to development stakeholders who continue to look up to ARAVALI as a dependable support agency. It was the stress on delivering quality to and demanding quality-engagement from the participants which informed our decision to award SAMDP completion Certificates to only 11 of the 18 participants, after an internal and rigorous process of participation assessment, instead of doling out certification proofs indiscriminately, as in the past. We found a supporter in this regard, in the regional representative of NABARD who – during the Valedictory of VI SAMDP - not only confirmed and then appreciated the useful skills participants had acquired, esp. in the areas of basic computer usage, basic accounting, and documentation, during the forty days programme, but also suggested the possibility of SAMDP completion by at least one senior functionary being considered as a desirable and subsequently, an essential criterion for NGOs applying for NABARD's fund support in the region.

Overall, during 2009-10, regionalisation as a strategy and BICP as the opportunity have together enabled us to widen our partnership net with NGOs in Eastern and Western Rajasthan as well as take the first steps towards diversification of our engagements with other development stakeholders. Programmatically speaking, evolution of customised NGO assessment and selection checklists, broad-basing of SAMDP within the organisation, team building around organisational development interventions and issues, and recognition of the importance of understanding the perspectives and support needs of non-NGO development stakeholders and reaching out to them, have been our achievements of the year which will stand ARAVALI in good stead as a development support organisation relevant to her clients.

Sustainable Community-based Approaches to Livelihoods Enhancement (SCALE)

Programming of the existing Family Livelihoods Resource Centres (FLRCs) and strengthening Farmer Field School (FFS)-based outreach were the key planned activities focussed upon by ARAVALI in 2009 under SCALE.

Organisational development challenges of NGOs came to fore during the year as ownership and institutionalisation of poverty targeting approach pioneered through our FLRC initiative was given attention. The introduction of Fellowship-based support offered accompaniment intensification challenge to the ARAVALI team and at the same time, pressured the FLRC Host Organisations (FHOs) to look at their FLRCs not as short-term projects with salary support, but as an innovation whose incubation is being supported through fellowships and which will need to be scaled up on the basis of each FHO's experience of implementing pilots of poverty targeting. It was not a smooth sail for all FHOs; while we started the year with eight FLRCs, support to one of the FHOs – SWERA Sansthan – for establishing FLRCs had to be stalled from May 2009, as the organisation is passing through a serious organisational development crisis, with no trained staff retained for this challenging assignment. Another FHO – Jai Bhim Vikas evum Shikshan Sansthan (JBVSS) – continues to experience strains of aligning its dalit-focussed action with the segmental livelihoods promotion approach under FLRC which considers poverty and vulnerability of a family as the key parameter deciding its need for support and the consequent development action by NGOs, instead of the family's socio-cultural leanings. Adoption of FLRC approach has also impacted the nature of staff that FHOs have had to recruit, deploy, and retain as ARAVALI's Fellows. A positive change is also becoming visible in the human resources or Fellows supported under SCALE as part of the Fellowship concept; they are emerging as a capable and committed cadre of trained development professionals ready to work on livelihood issues anywhere in the State.

Necessary mechanisms for operationalising the Fellowship Concept were set up in the first half of 2009; however, their internalisation is posing challenges for us in ARAVALI, as our own team members have had to revisit and intensify their engagements with Fellows and partner NGOs on the field, rather than providing email or mobile-based, directive support. Team mentoring and internal capacity building of accompaniers from ARAVALI has been our ongoing effort and we do expect changes in our own human resource profile and performance as there is enhanced internal demand for accountability from the programme staff.

During the year, the complete listing of client families was generated by our seven FLRCs and family livelihoods portfolio assessment based on the Instrument of Engagement (IoE) progressed further to define client segmentation for livelihood servicing. With entitlement access and provision emerging as the just-in-time support requirement of a number of vulnerable families included in the FLRCs' client lists, the Centres started providing services in the form of ensuring access of those families to various entitlements and forging their linkages with various Government schemes.

We have not been able make much head-way with the FLRC computerised database development assignment with Source for Change (an all-women BPO/ Laxmi Enterprises, Jhunjhunu) the agency seems under-equipped to handle this task and we will need to look elsewhere to re-invigorate the as of now, stagnated database development work if the valuable data being generated at the level of FLRCs is to be compiled, synthesized, and retrieved to enable decision making for livelihood servicing.

An important change in thought and logistics that took place during the year, and which can largely be attributed to our experiences under the SCALE programme, was the introduction of *Fellowship Concept* that enables ARAVALI to provide customised accompaniment and capacity building support to programme staff of NGOs being supported by ARAVALI under various projects. This *modus operandi* ensures that our partner NGOs do not look at ARAVALI's human resource support as a salary support coming from a donor, but as a Fellow-hosting opportunity and assignment-focussed support.

This was also the third year of ARAVALI promoting the contemporary extension approach of Farmer Field School (FFS). Of the cadre of 25 FFS trainee facilitators developed in Year 2008 under SCALE, 12 continued to be supported in the second half of 2009 as the intensive Fellowship concept made human resource sharing under multiple projects a remote possibility for organisations. All the 12 trained FFS Facilitators who continued to be associated with the initiative as part of eight partner organisations of ARAVALI, went on to complete field-based practice as required for them to become full-fledged trained and *AMEF-ARAVALI-Certified FFS Facilitators.*

A number of SToF-trained FFS Facilitator trainees dropped out during the implementation phase, because they either found the initiative very intensive or were assigned other duties in their host organisations, or changed their employers. Inadequate fellowship for this trying pilot has also come up as a reason for the drop out of trainee facilitators at some sites. This has restricted the number of pilot sites of FFS under SCALE, but has also generated valuable experience on trainee and partner selection for FFS-kind of initiatives where trained human resource is the pivot. Eleven of the trainee FFS Facilitators passed the rigorous assessment for Certification conducted by AMEF in November 2009 in Rajasthan to emerge as *Certified FFS Facilitators*.

ARAVALI had planned to bring out a Resource Book on *FFS for Goat based Livelihoods Promotion in Rajasthan*, with NGOs and GOs as the target audience. The Concept Note and a time-bound Action Plan for the same were prepared and field level process and learning documentation strengthened for completing this activity. The FFS Session Guidelines and Progress Reports of the trainee FFS Facilitators generated substantial experience-based material for guiding the development of the Resource Book. ARAVALI entered into an MoU with AMEF Master Trainers, now part of another organisation – **Sri Shivarathreeshwara Rural Development Foundation (SSRDF), Mysore** for developing this Manual, in December 2009. The English version of this Manual will be ready in early 2010-11, while the Hindi version will be brought out around September 2010.

The biggest challenge faced by ARAVALI as we enter the last two years of AKF (I) support under SCALE is to ensure the sustainability of thought processes initiated, implemented, and supported in the form of FFS and FLRC under SCALE, in the post-SCALE scenario.

Managing the pressure from partner organisations to go into service delivery mode under the FLRC initiative has also been challenging for us; succumbing to FHO pressure in some cases (esp. in the low poverty areas of Central Rajasthan) would have meant throwing away the baby with the bathwater. But we do need to focus on segmentation and livelihood service/product design intensively in 2010-11 to complete the learning from this unique poverty targeting initiative allowed under SCALE and disseminate its lessons in a timely manner, effectively, and to the right audience.

As our experience with one of the FHOs has shown us, successful incubation of innovative and intensive ideas like FLRC assumes organisational stability as an ingredient. However, weakening of the NGO adversely impacts its programmes on the field, esp. those dependent on specially trained staff like FFS and FLRC. A constant challenge for ARAVALI is to ensure *organisational and institutional preparedness* among NGOs to be able to innovate or incubate innovations or adopt successful and innovative approaches with a long term perspective.

ARAVALI's FFS and FLRC partners have welcomed the regionalized functioning of the organisation that has ensured timely and quality support at their doorsteps. Periodic reviews of different programmes held under SCALE at the Regional as well as at State levels have now become learning events as much for the partner NGOs as for the ARAVALI team. However, regionalization has its own pains and challenges; the decision making processes become more consultative and well-informed but at the same time require more time, before regionalised planning becomes a habit and then a broadbased skill.

With increased pressure from donors to work with the Government and the Government, in turn, insisting on ready capacities as a pre-condition for partnerships, the task of building new organisations in unaddressed areas is a challenge ARAVALI cannot now shy away from tackling.

Increased stress on diversification of stakeholders engaged with by ARAVALI (including the RRCs) was the highlight of SCALE 2009. This has been necessitated as much by the adoption in true sense of ARAVALI's Vision and Mission by the central and regional teams as by the necessity arising from FLRC and FFS interventions.

ARAVALI continues to be called upon by the Government of Rajasthan to provide a platform to different stakeholders to thrash out issues concerning NGO participation in Government programmes as also developmental challenges of the rural poor and other socially disadvantaged groups in the State. We have seized the opportunity of providing such platforms for supporting the livelihoods of several segments, like migrants, goat-rearers, and NREGS workers in Rajasthan.

Assessment of Poverty Targeting under Poverty Alleviation Programmes in other Indian States

In 2008, the then Executive Director of ARAVALI, as a member of the *Work and Employment Community* of UNDP's Solutions Exchange, catalysed the constitution of an *Action Group for Building a Convergent Response Strategy for the Ultra Poor*. This was spurred by ARAVALI's emerging learning and experience from the AKF-supported FLRC initiative around the persistent *invisibilisation* of the poorest and the most vulnerable families in Rajasthan. As a member of the Action Group, ARAVALI conducted a study of poverty targeting under larger development programmes in selected Indian States, viz. –

S. No.	State	Project / Programme Studied
1	Madhya Pradesh	Madhya Pradesh Rural Livelihoods Project (MPRLP)
2	Meghalaya	North Eastern Region Community Resource Management Project for Upland Areas (NERCOMP)
3	Kerela	*Kudumbashree*
4	Gujarat	Different poverty alleviation projects of AKRSP (I)

Poverty targeting as a programme function was found to be missing in all cases except *Kudumbashree*, while, as an intent, it has been sought to be operationalised to some extent under MPRLP. The study findings builds a strong case for *making **pre-project** kind of resource and experiential-learning-period investments for understanding community priorities alongside area priorities **before** State-level/Regional development programmes are formulated.*

Some critical, organisational ingredients for improved identification of the poorest identified as part of this study include:

- A largely held belief – backed by growing experience – that the poorest exist, hidden from the normal planner and implementer's vision;
- Sensitivity towards the cause of the poor;
- A wide reach and good rapport with the communities;
- Resources to invest in the search for the poorest, and
- The capacity to forge linkages with a wide variety of specialist / technical service agencies to cater to the unique mix of support inputs that each of the poorest households need.

In terms of specific dimension in *human resources deployed for working with the poorest*; this study has generated an exhaustive list of desired individual characteristics and endowments:

- Internal motivation to work in remote areas;
- Tolerance for ambiguity so that customised solutions can be drafted and implemented in a pro-active manner;
- Appreciation for socioeconomic, cultural, and religious diversity in client communities;
- Willingness to learn;
- Some sectoral competencies relevant to client communities and area;
- High levels of empathy and sensitivity;
- Preferably, local roots;
- A trained eye and a reflective mind; and
- Loads of patience and common sense.

Since it is tough to find all the above in a single individual, we also have some learning about the desirable characteristics of the *team of facilitators that functions at the cutting edge*:

- Capacity to contextualise theoretical knowledge as per requirements;
- Ability to identify and forge linkages with relevant support institutions as well as strategic partners relevant for the project;
- Diversity of life experiences and sectoral specialisations.

Courtesy the appreciation for poverty targeting that we have been able to develop through our FLRC action research under the AKF(I) supported SCALE programme, we could cull out the not-to-forget lessons from the Action Group study, which we call the *Ten Commandments of Poverty Targeting by Development Organisations.*

The Ten Commandments of Poverty Targeting by Development Organisations

1. Embracing the thought of diversified portfolio of subsistence livelihoods of the poor is the first step towards ensuring livelihoods with dignity for the ultra-poor. From a systematic analysis of the livelihood baskets of individual households will emerge a mind boggling array and unique combinations of interventions as per the Algebra of Livelihood Promotion. Open-minded dedication holds the key for working effectively with and for the ultra-poor.
2. The role of local institutions, esp. of the Constitutionally mandated PRIs / LSGIs cannot be over-emphasized in targeting the ultra-poor. Not only convergence is realised, but residual capacity of communities to (once again) feel for and help the ultra-poor are built through the engagement of local institutions in the process.
3. The Livelihood Promoting Organisation has to be a learning organisation, as mistakes are imminent in the mission of livelihoods promotion of the ultra-poor. Not trying will leave an organisation ineffective, as against falling and failing, in its efforts to target the ultra-poor.
4. The role of Government remains critical. Available development schemes and programmes of both the State and Central Governments are relevant for the ultra-poor. What is required is an institutional mechanism to integrate these offerings into customised packages for addressing each ultra-poor household individually and uniquely.

5. Sectoral interventions have their own importance and place in development programming, but they may not be the first set of interventions required for addressing the needs of the ultra-poor.
6. Self-driven, passionate, and pro-poor teams can only haul the juggernaut of any ultra-poor servicing agency. For this to happen, the organisational environment should be non-threatening and it should actively promote / incentivise, nurture, and train such preferably locally drawn staff.
7. Both as an individual and as an organisation, it is not easy to break the shackles of traditional poverty programming frameworks, thematic boundaries, and rock-solid deadlines. At the same time, a change in all these is both possible and essential for reaching out to the poorest.
8. Poverty targeting is a field in itself; reaching out to the ultra-poor requires investments in terms of time, money, and human resources. Untied resources and pre-project investments will help immensely in this regard.
9. Anecdotal evidence and haphazard targeting can fritter away and waste precious resources. A systematic search for the poorest, reflective exploration of their livelihood and survival needs, pragmatic mixing and packaging of existing developmental offerings with customised livelihood products and services is required for fulfilling Mission Ultra-Poor.
10. Lastly, what is not monitored is rarely managed. Unless poverty targeting finds a place in project conceptualisation, objective setting, activity planning, impact assessment, and employee performance appraisal, building a convergent response strategy to reach out to the ultra-poor will remain a dream.

A Base Paper entitled *Different Strokes for Inclusion* has been prepared by ARAVALI, which was presented to a select group of members drawn from GOs, NGOs, and donors, in a Seminar hosted by UNDP in Delhi on November 2009. We look forward to wider sharing of the Base Paper findings alongside those of the FLRC approach in a National Seminar proposed for late 2010. Through this, we expect to inform strategies of Governments, NGOs, Support and Micro Finance Institutions, and Donors, of working with the ultra-poor.

Promoting an all-women Aloe Producers' Company in Jawaja: SCALE Innovation Fund

In 2009, an innovative proposal for support to the Grameen *Aloe vera* Producers' Company (GAPCL) set up by ARAVALI and Grameen Development Services (GDS) in Jawaja, Ajmer, under the UNDP-funded *Social Mobilisation around Natural Resource Management for Poverty Alleviation* (SMP) Project was developed and submitted for funding under the AKF's Innovation Fund. ARAVALI continued to provide institutional development accompaniment (using her core resources) to this business organisation of the poor whose membership has been drawn from among women SHGs in Ajmer District, before we got an opportunity to develop a project proposal for competing for AKF(I)'s Innovation Fund support under SCALE. In the later half of 2009, we succeeded in accessing this fund support of around Rs. 60 lakh for two years for GAPCL.

Activities under this SCALE Innovation Fund-supported project were initiated in Jawaja from November 2010, with GDS as the project implementation partner. Orientation programmes have since been organised for *Aloe* producers in the project area. Organisational development support has been provided to GAPCL in terms of its office establishment, human resource management in GAPCL's processing plant, ensuring CA-based support to the producers' company for establishing its financial system and meeting statutory reporting requirements, supporting and strengthening the company's governance processes, and computerising its accounting system. ARAVALI and GDS's roles and terms of engagement with GAPCL under this ongoing project have been defined through a MoU that both of us have signed.

While successful *placement of managerial staff under the project in Jawaja continues to pose a challenge* to ARAVALI and GDS, engagement of community *sahayaks* who will be responsible for motivating the farmers in their respective areas, has been possible. These *Sahayaks* have initiated field level interactions with *Aloe* farmers to develop cultivation plans and identify issues faced by them in taking up *Aloe* cultivation on marginal lands. Documentation of the current Package of Practices (PoP) has been initiated by GDS. Quality assessment and monitoring of available (or standing) raw material quality is also going on, though these processes are yet to be systematised. Looking at the challenge of filling up management positions under this two-year pilot project, we are planning to offer Internships to Rural Management Course Interns from premier Institutes in the country for mapping producers' clusters and developing an institutional plan for GAPCL. Already, ARAVALI has engaged a set of experts from Fresh-o-Veg (Indore) – a club of progressive farmers – to initiate re-definition of the entire business value chain – procurement/production of planting stock, *Aloe* cultivation, production trials and record keeping, processing, inventory management, and marketing processes of GAPCL to suit a community enterprise, instead of allowing an undifferentiated spill over of non profit motives of an NGO to GAPCL, which – in the end – is expected to deliver profits for its members.

Promoting Empowerment among poor Households through Appropriate Livelihoods & microfinance (PEHAL)

ARAVALI was supported by SRTT, Mumbai as grant support of total Rs. 11,550,000 for a period of three years, since September 2006 to strengthen and increase outreach of Implementation of Microfinance Programmes under *Sakh Se Vikas*, the Rajasthan Microfinance Initiative. The project was entitled *Promoting Empowerment among poor Households through Appropriate Livelihoods and microfinance (PEHAL)* and it came to an end in September 2009. The remaining two project quarters in 2009-10 were devoted to on-field accompaniment and capacity building of PEHAL project staff in seven partner NGOs in five Districts (Ajmer, Banswara, Chittaurgarh, Jaipur, and Udaipur) by ARAVALI in a Fellowship mode and to strengthening of SHGs and the microfinance programme as a whole at the partners' level.

The PEHAL project outcomes against key deliverables have been as follows:

- *Microfinance Programming with Partner NGOs:* Seven NGOs in five Districts of the State capacitated to design and implement need-based microfinance programmes in their work areas, using appropriate institutional models (not restricted to SHG-based microfinancing)
- *Outreach Expansion:* Expansion of microfinance programme of the seven partner NGOs from 249 villages to 448 villages in five Districts.
- *Formation and Strengthening of Community Institutions:* Community organisation into 414 new SHGs during three years of the project and strengthening of the existing portfolio of 616 SHGs
- *Financial Inclusion of Poor Households:* Access of more than 6500 families to microfinance products and services ensured, taking the overall family coverage of PEHAL partner's SHG-based microfinance programme to 12,514 families
    - Over INR 1 crore of savings mobilised by groups formed and strengthened under the project

- More than INR 1.6 crore of credit mobilised for member families of project SHGs
- More than 1500 client families linked to livelihood activities using savings and credit mobilised under the project

The PEHAL project has been a unique experience for ARAVALI. Based on a weak foundation on field, and precariously positioned on the assumption that SHG promotion funds are easily available, ARAVALI and her partners struggled to meet the expectations and deliverables of the project. We did bear the brunt of personalisation of grudges and grievances at the Trust's level, but managed to work with responsive elements within the Trust to push through a revised project design based on field realities quite late into 2009. Nevertheless we have managed to deliver on the project deliverables and this speaks of the diligence of ARAVALI's field partners and the quality of accompaniment we were able to provide to them through our two RRCs in Jaipur and Ajmer.

Certain specific areas of where ARAVALI can engage with the Trust or other suitable development donors, in case need is voiced by the PEHAL partners for the same, include:

Convergence through Social Mobilisation Base
Leveraging the immense potential for enhancing financial and functional literacy of the mobilized communities; linking the social mobilization base to quality of life improvement programmes is a real possibility

Expanding and Deepening Risk Coverage
Expansion and deepening risk coverage of communities and their assets in the area of implementation of PEHAL project and beyond

Livelihood Programming
A next-orbit jump to conduct livelihood portfolio analysis of the SHG client families, followed by livelihood programming, where credit may be one of the inputs Family Livelihoods Resource Centre (FLRC); incorporation of livelihood concerns in NREGS planning; *Aloe vera* Producers' Company Promotion; guidance for supporting migration-based livelihoods; and FFS for goat-based livelihood promotion are initiatives which are already on in different parts of the State. Supporting livelihood programming among PEHAL partners too, depending on emerging opportunities and requirements voiced by the organisations, is another possible direction.

Expanding Outreach
Assessment of microfinance needs for strengthening the livelihoods baskets of communities in these remote parts, and the design of an appropriate programme for livelihoods promotion are potential areas of future work

Targeting in SHG-based Microfinance Programmes
Recognition of small but well-targeted efforts, even if they do not throw up big numbers individually but collectively they cater to the larger proportion of families. ARAVALI is uniquely positioned to do a programmatically feasible aggregation through such small partners thereby ensuring relevance to larger proportion of families

Building Capacities for Promotion of Higher Order Community Organisations
Investing in capacity building of PEHAL partners going in for the SHG-Cluster-Federation or SHG-Co-operative route. At the same time, to prevent the weakening and collapse of basic units of their programme – the SHG – maintenance investments will still be required

Other Assignments

NGO Assessment for MPOWER Project

The first dedicated poverty alleviation project for the western region of the state, Mitigating Poverty in Western Rajasthan (MPOWER), moved into the implementation stage during the year. ARAVALI had earlier supported IFAD's Missions in reaching out to stakeholders and drawing up the working papers on Livestock and Agriculture. ARAVALI also supported formulation and design of mechanisms for NGO engagement and overall Project Management Structure for MPOWER. The Government of Rajasthan constituted a *Committee of Experts* for assessment of NGOs to be selected as partners for the project; ARAVALI was one of the three expert members in the NGO Assessment Committee. As part of her role as a member of this committee, we assessed presentations by applicant NGOs around project engagements, and carried out field assessments of the short-listed NGOs along the quality of their community engagement, organizational systems and governance, and stakeholders' views about the NGO's work in their area.

Strategic Planning for CARE

With the shift in GoI's policy on commodity aid based funding by international agencies, CARE India has brought in motion a series of changes in terms of it Country Strategy. As part of this, CARE approached ARAVALI for the formulation and design of its strategy for Rajasthan - a non-priority State for CARE - with the mandate of generating innovations to serve as a pilot and learning ground through interventions as a Technical Support Agency role focused on Vulnerable Communities. ARAVALI evolved the parameters for identification of Vulnerable Communities in Rajasthan; identified the spread and quantum of vulnerable communities across the Districts and Blocks of the State; assessed the strategy and impact of prior development interventions with vulnerable groups; and scope and nature of CARE's potential role for the next five years, in this context.

Decentralised Planning for Rashtriya Krishi Vikas Yojana and Agricultural Extension Modelling Support to GoR

During the year, we supported the Department of Agriculture, GoR in freezing their District Agriculture Plans (DAPs) for seeking funding from the National Agriculture Development Programme (*Rashtriya Krishi Vikas Yojana*). We had earlier evolved and developed a detailed planning methodology for formulation of district agriculture plan and later on trained senior departmental functionaries across 32 districts of the state. Apart from this, we also assisted the GoR in reaching out to NGOs and Private sector agencies for strengthening the state agriculture extension system (currently in a very dilapidated status). Based on our experiences of engaging with farmers and various stakeholders in the agriculture value chains in the State, we presented the case for a Block-level Model of extension to the GoR. The model shared with the GoR as a proposal for fund support for a pilot hinges on multi-agency collaboration, and is based on functional competence and convergence for synchronized support to targeted segments for strengthening agriculture and allied sector livelihoods.

Mapping of Social Networks for Influencing Community level Key Health Behaviours

UNICEF Rajasthan has been working on a Behaviour Change Strategy for influencing four key health behaviours at the community level in Tonk district of the State:

1. Early and Exclusive Breast Feeding
2. Safe Sex
3. Girls Education
4. Hand washing after defecation and before eating

As part of its rigorous focus on Behaviour Change strategy, UNICEF had been exploring the potential of 'social networks' as behaviour change agents who can ensure actual change at the community level around these key behaviours. To explore and draw up emerging potential of 'social networks' UNICEF approached ARAVALI to conceptualise a study to identify such networks and actually assess the potential of 'social networks' in Tonk district.

The team from ARAVALI, conceptualized the study incorporating two key questions-

1. *What constitutes a 'social network' for the purpose of the study and spatial mapping of the network across the district?*
2. *What is the framework for assessing the behaviour change potential of the identified social networks across?*

Using the framework of experiential evidence of behaviour change in the past engagement by the 'social network' we narrowed down the potential universe of social network to two types of networks-one type was the traditional social networks like caste panchayats, traditional governance institutions and relational networks like mother-in-laws, teachers etc and the second type-constituting the project initiated community based networks like Village Development Committees, Self Help Groups etc. The NGOs and Government Departments were tapped to map the current networks across both types of network. In the second stage, sample networks were engaged with to bring out the experiences of the networks around behaviour change engagements. A sample cross checking with target segments was done to arrive at the ranking of key behaviour influencers around the four key behaviours.

Based on the scoping and assessment a set of key networks with their community influence matrices have been drawn up for onward engagement through capacity building of such networks to contribute to the behaviour change work around the key community behaviours.

Community Health Fellowship Programme: Mentoring for the Evolution of a Programme Area

Since 2009, ARAVALI has partnered with SEARCH, Gadchiroli and National Health Systems Resource Centre (NHSRC) for induction and mentoring of Community Health Fellows in Rajasthan. The Fellowships funded through the McArthur Foundation aim at building up a cadre of Public Health Professionals over a period which can systematically facilitate the outreach and quality of health services through the public health systems. To provide a focus and a context of Fellows work, systematic linkages with the state, district and block set-up of the National Rural Health Mission were build up wherein the involvement of Fellows allowed a first hand exposure and engagement around issues and dimensions in improving the overall health delivery system. ARAVALI mentored 5 of the 15 Fellows placed in different parts of the State along with two other agencies under this fellowship.

While SEARCH provided financial support, NHSRC, Public Health Resource Network, and a host of academic mentors provided technical inputs around the subject area. ARAVALI provided to her Fellows specialised inputs related to Personal Effectiveness, Human Process Lab and Emotional Growth to shape them into assertive, well balanced and articulate individuals along with strong alignment of direction, aptitude and practice opportunities for fulfilling the purpose of the fellowship.

Evaluation of the National Watershed Development Programme for Rainfed Areas (NWDPRA) in Rajasthan

The National Rainfed Area Authority (NRAA) commissioned an Impact Evaluation study of NWDPRA in the state of Rajasthan. ARAVALI undertook the evaluation in Rajasthan. The work involved drawing up a methodology of evaluation as per the programme guidelines, a plan for undertaking evaluation, actual assessment and evaluation across sample watersheds (15 watersheds across the various regions of the state). The findings of the evaluation have been shared with NRAA and the same have been accepted by them.

The major findings of the evaluation relate to *absence of a Livelihoods Perspective in the Watershed Approach in Rajasthan; the complete denial of drought and famine conditions across watersheds during the project period leading to misinformed investments in the resource base; and the absence of monitoring and tracking technology and processes in implementation.* All the above factors have created the image of 'wage generation' programme around the NWDPRA. Though the programme guidelines define the parameters of 'impact', in reality the parameters chosen are hardly impact indicators-*they are more in the nature of implementation monitoring indicators.*

Engagements as a Member of the State Level Nodal Agency for Watershed Implementation

ARAVALI is the sole NGO member in the State Level Nodal Agency (SLNA) for Watershed implementation under Common Guidelines in Rajasthan. As a member, ARAVALI has been continuously interacting and engaging around issues of limited capacity of state watershed department to implement livelihoods focused interventions under the watershed approach and the need to engage agencies with livelihoods competencies as partners in the implementation of watershed projects under the Common Guidelines 2008. The process was facilitated for the Watershed Department and the stage for NGO engagement was brought to the level of calling of Expressions of Interest from NGOs as implementing partners in the state. Despite the year long efforts and hard negotiation, the State Government decided to re-activate the Watershed Department, many of whose staff were called back from deputation and deputed to newly sanctioned watershed projects in the state.

Despite the findings of the NWDPRA, the representative of NRAA in the SLNA continues to argue for a civil engineering approach to watershed implementation. Nevertheless the scale of work and the shortage of staff with the watershed department may yet make the State Government see the engagement of competent NGOs in watershed implementation as an effective way forward towards realising the outcomes envisaged from the program.

Corporate Social Responsibility - Providing a Focus to Development Investments by a Corporate

With the increasing space and focus on livelihoods generation, the role of Corporate Agencies in the social development sphere is expanding. The move by key donors to strategically move with the state and the increasing influence of corporates on the governments of the day has resulted in a re-alignment of donor priorities and subsequent (consequent?) changes in programme types being supported and promoted. Given this influence, the focus of Corporate Social Responsibility (CSR) interventions is being explored by ARAVALI. As part of this thought, we decided to support the Associated Cement Companies (ACC) initiative for designing a CSR initiative for their Lakheri (Bundi) Cement Works (LCW).

ARAVALI engaged with ACC's corporate head of CSR and the LCW Plant Head in designing the strategic action plan for initiating community focused and controlled interventions as against the previously charitable (largely religious and school building) approach to CSR engagements. ARAVALI designed and undertook a comprehensive baseline assessment of community and stakeholders across nine villages in the catchment area of ACC along side Lakheri town. The status of health, education, livelihoods and infrastructure *demand* and need were captured based on which emerging strategic areas and approaches for engagement were evolved for the Company. This experience of engaging with CSR initiative was a first of its kind for ARAVALI and we intend to focus on multiple dimensions of Responsibility and Response System that is being increasingly expected from the CSR engagements by a variety of stakeholders including the State.

Quality and Sustainability of SHGs in Rajasthan

With financial support from NABARD, ARAVALI undertook a study to understand the quality and sustainability of SHGs in Rajasthan. The status of existing SHGs in terms of leveraging livelihood opportunities for their poor members was especially inquired into under this study which was largely based on field level studies carried out with 300 SHGs falling in schematic (i.e., formed under DPIP and SGSY) and non-schematic categories (i.e., by DWCD and NGOs), in seven sample Districts of Rajasthan. Consultations were also done with the representatives of SHG Promoting Institutions (SHPIs) and Bank Managers to get their views about the status of SHGs in terms of their quality and capacity to mobilise credit from mainstream Banks.

Major findings of this study whose draft report has already been shared with NABARD are as follows:

- Inclusion of women (88%) into SHGs organised both under schematic (DPIP and SGSY) and non-schematic (DWCD and NGO) categories, has been achieved.

- Targeting of BPL households has been impressive under SHGs formed under schemes specifically formulated for this category, viz. under DPIP (94.6%) and SGSY (90.0%). However, where representation of BPL households in SHGs is not a binding (viz. under non-schematic categories), less than 50% SHG members have been found to belong to BPL households.

- Out of the total sample groups, 80% groups were functional, in terms of SHG members having met at least once in the previous year. The remaining groups had no contact with their respective SHPIs and, in the absence of proper guidance and support, the SHG members did not realise the importance of organising a meeting.

- Of the 300 groups studied, less than 30% groups were found to practise internal loaning. This, in most cases, has limited the availability of credit for members from their own savings, resulting in continued dependence of member households on informal sources of credit even more than a year of becoming organised into an SHG.

- Out of the 251 groups non-DPIP SHGs, only 21% could mobilise a second cycle of loan and only 4% of these, a third cycle. This shows slow progress in multiple SHG bank linkages. Quality issues with groups were cited by bankers as the main reason behind this, while the SHPIs blamed non-cooperative attitude of bankers for the same result.

- Engagement in labour intensive work emerged as the primary source of income for about 43% of the surveyed households, followed by engagement of 33% households in agriculture. Even though agriculture does not provide full employment to the families, it remains to be their primary source of livelihood, contributing to household food security. Very few borrowers were found to be engaged in agri-allied (only 3%) or non-farm (only 17%) activities as a primary livelihood source.

ARAVALI Team (as on 31st March 2010)

Name	Designation	Qualifications	Relevant Experience	Joining Date
Jaipur & Southern Regional Resource Centre, Jaipur				
Ambuj Kishore	Regional Coordinator	PG Rural Development, XISS, Ranchi	8 Years	01.03.2005
Gungun Thanvi	Programme Officer	PG Social Work, TISS	2 Years	01.08.2007
Murari Goswami	Programme Officer	PG NGO Management, EDI, Ahmedabad	6 Years	05.10.2007
Ranjana Kumari	Programme Officer	PG Rural Management, IRM, Jodhpur	4 Years	01.08.2007
Central Regional Resource Centre, Ajmer				
Amarchand Kataria	Programme Assistant	Commerce Graduate	7 Years	13.09.2006
Dilip K. Yadav	Regional Coordinator	Graduate Arts	22 Years	10.05.2002
Rishu Garg	Programme Officer	PG Forestry Management, IIFM, Bhopal	7 Years	03.06.2006
Western Regional Resource Centre, Jodhpur				
Amit Sharma	Programme Officer	PG Rural Management, IRMA, Anand	15 Years	26.02.2010
Ankur Khound	Programme Officer	PG Rural Management, IIRM, Jaipur	4 years	03.08.2009
Arundhati Bhattacharya	Programme Officer	PG Rural Management, IIRM, Jodhpur	3 years	06.07.2008
Falguni Lokhil	Regional Coordinator	PG NGO Management, EDI, Ahmedabad	9 years	02.06.2008
Joy Choudhary	Programme Officer	PG Rural Development XIDAS, Jabalpur	5 years	10.08.2009
Ummed Singh	Programme Officer	MSW (Ladnu), MA Development Studies, ISS (Netherlands)-Ford Fellow	6 years	06.03.2010
Eastern Regional Resource Centre, Kota				
Avinash Pandey	Project Officer	PG Certificate of Managing Participatory Development	4 Years	27.01.2010
Bharti Gaur	Programme Officer	MSW, Lucknow University	15 years	06.04.2010
Divya Kalia	Programme Officer	PG Environmental Eng. GSITS, Indore, BE (Agriculture) Jabalpur	5 years	02.09.2009
Shubha Khadke	Programme Officer	MSW, Indore School of Social Work	5 Years	21.10.2009
Varun Sharma	Regional Coordinator	BE (Agriculture), LLB	10 years	01.04.2008
Central Office, Jaipur				
Anil Kumar Jain	Programme Assistant	PG English	10 Years	20.10.2004
Bhairu Lal Gujar	Admin. Assistant	8th Pass	13 Years	01.06.1997
Bharati Joshi	Programmes Director	PG Extension, University of Reading (UK) PG Forestry Management, IIFM, Bhopal	11 Years	14.12.2007
Lokesh Gupta	Accounts Officer	Graduate Arts	13 Years	03.11.1997
Sanjeev Kumar	Executive Director	PG Rural Management, IRMA, Anand	22 Years	26.04.2007
Satya Narayan Singh	Admin. Assistant	9th Pass	13 Years	01.06.1997
Seema Upadhyay	Programmes Coordinator	PG Rural Management, IRMA, Anand	15 years	12.03.2010

Members of General Body of ARAVALI

1 Mr. Bharat Singh, Chairman & Minister, Rural Development & Panchayati Raj
2 Principal Secretary, Rural Development & Panchayati Raj
3 Principal Secretary, Agriculture
4 Principal Secretary, Finance
5 Principal Secretary, Forest
6 Principal Secretary, Planning
7 Principal Secretary, Social Justice
8 Principal Secretary, Education
9 Secretary, Rural Development
10 Aadhar Research Institute, Jaipur
11 Aajeevika Bureau, Udaipur
12 ARTH, Udaipur
13 Astha Sansthan, Udaipur
14 Bank of Rajasthan Ltd., Jaipur
15 Bhartiya Samruddhi Finance Ltd., Hyderabad
16 Bhoruka Charitable Trust, Jaipur
17 Daang Vikas Sansthan, Karauli
18 Dhara Sansthan, Barmer
19 Doosra Dashak, Jaipur
20 ECAT Bodhgram, Jaipur
21 ERDS, Bharatpur
22 Gandhi Manav Kalyan Society, Udaipur
23 Gram Vikas Navyuvak Mandal, Laporia
24 Gramin Vikas Vigyan Samiti, Jodhpur
25 Gramin Shiksha Kendra, Sawai Madhopur
26 IBTADA, Alwar
27 Indian Grameen Services, Hyderabad
28 Jan Chetna Sansthan, Abu Road, Sirohi
29 Lok Kalyan Sansthan, Barmer
30 Lupin Human Welfare and Research Foundation (LHWRF), Bharatpur
31 Maharaja Ganeshpalji Charitable Trust, Karauli
32 Manglam Vidhyapeeth, Jaipur
33 Maharshi Dadhich Education Society, Kota

Members of General Body of ARAVALI

34 Nav Yuvak Mandal Sansthan, Mithireduwali, Churu

35 Prayas, Chittorgarh

36 Prayatna Samiti, Udaipur

37 Prayatn Sanstha, Jaipur

38 Punjab National Bank, Jaipur

39 Rajasthan Bal Kalyan Samiti, Udaipur

40 Rajasthan Gramin Vikas Samiti, Ajmer

41 Rajasthan Mahila Kalyan Mandal, Ajmer

42 Rajasthan Voluntary Health Association, Jaipur

43 Ravindra Vidhya Mandir, Kota

44 S.R.Society, Jaipur

45 Sahyog Sansthan, Udaipur

46 Sandesh Khadi Gramodhyog Sansthan, Alwar

47 SANDHAN, Jaipur

48 Seva Mandir, Udaipur

49 Shikshit Rozgar Kendra Evam Prabandhak Samiti, Jhunjhunu

50 Shiv Shiksha Samiti, Tonk

51 SRIJAN, New Delhi

52 SURE, Barmer

53 SWERA Sansthan, Ajmer

54 Udyogini, New Delhi

55 UNNATI, Jodhpur

56 Urmul Marusthali Bunkar Vikas Samiti, Jodhpur

57 Urmul Setu Sansthan, Bikaner

58 Urmul Trust, Bikaner

59 Vishakha, Jaipur

60 WASCO, Jalore

61 Treasurer, ARAVALI

62 Executive Director, ARAVALI

Members of Governing Council of ARAVALI

1 Mr. Bharat Singh, Chairman & Minister, Rural Development and Panchayati Raj
2 Additional Chief Secretary, Development
3 Principal Secretary, Rural Development & Panchayati Raj
4 Principal Secretary, Agriculture
5 Principal Secretary, Finance
6 Principal Secretary, Forest
7 Principal Secretary, Planning
8 Principal Secretary, Social Justice
9 Principal Secretary, Education
10 Gramin Shiksha Kendra, Sawai Madhopur
11 Maharaja Ganeshpalji Charitable Trust, Karauli
12 Rajasthan Voluntary Health Association, Jaipur
13 SANDHAN, Jaipur
14 Seva Mandir, Udaipur
15 Shiv Shiksha Samiti, Tonk
16 SWERA Sansthan, Ajmer
17 Urmul Trust, Bikaner
18 WASCO, Jalore
19 Treasurer, ARAVALI
20 Executive Director, ARAVALI

Members of Executive Committee of ARAVALI

1 Mr. Bharat Singh, Chairman & Minister, Rural Development and Panchayati Raj
2 Principal Secretary, Social Justice
3 Principal Secretary, Planning
4 Secretary, Rural Development
5 Maharaja Ganeshpalji Charitable Trust, Karauli
6 Urmul Trust, Bikaner
7 Treasurer, ARAVALI
8 Executive Director, ARAVALI

UMESH DANGAYACH **& CO.**
Chartered Accountants

12, Ram Nagar Shopping Centre,
Shastri Nagar, Jaipur-302016
Mobile: 09828111040
Phone: 0141-2324732, 2301631
Email: umeshdangayach@yahoo.co.in

Form No. 10B
(See Rule 17B)

AUDIT REPORT U/S 12A(b) OF THE INCOME TAX ACT, 1961 IN THE CASE OF CHARITABLE OR RELIGIOURS TRUSTS OR INSTITUTIONS

I have examined the Balance Sheet as on 31.3.2010 of Association for Rural Advancement through Voluntary Action and Local Involvement (ARAVALI), Patel Bhawan, HCM-RIPA, J L Nehru Marg, Jaipur and the Income & Expenditure A/c for the year ended on that date, which are in agreement with the books of accounts maintained by the said trust.

I have obtained all the information and explanations, which to the best of my knowledge and belief were necessary for the purpose of audit. In my opinion proper books of account have been kept by the head office ~~and the branches of above named trust visited by me~~ so far as appears from my examination of books, ~~and proper returns adequate for the purposes of audit have been received from branches not visited by me~~, subject to the comments given below:-

Subject to Notes on Accounts

In my opinion and to the best of my information, and according to information given to me, the said accounts give a true and fair view -

(i) In the case of the balance sheet, of the state of affairs of the above named trust as at 31.3.2010.

(ii) In the case of income & expenditure a/c, of the surplus of its accounting year ending 31.3.2010.

The prescribed particulars are annexed hereto.

Place : Jaipur
Dated : 18.06.2010

For Umesh Dangayach & Co.
Chartered Accountants

UKDangayach

UMESH DANGAYACH & CO. JAIPUR CHARTERED ACCOUNTANTS

(U.K. Dangayach)
Partner

ARAVALI Association for Rural Advancement through Voluntary Action and Local Involvement

Balance Sheet as on 31st March 2010

Liablities	Amount 2008-2009	Amount 2009-2010	Assets	Amount 2008-2009	Amount 2009-2010
Corpus Fund	**2000000.00**	**2000000.00**	**Fixed Assets**	**1116598.59**	**1258875.82**
Medical Fund	**0.00**	**251784.00**	**Investments** (PD Interest Bearing A/c.)	**1000000.00**	**1000000.00**
ARAVALI Reserve Fund	**6972642.07**	**9730695.30**	**Term Deposit with Banks**	**5000000.00**	**4000000.00**
Opening Balance	4660330.69	6972642.07	Nanital Bank	5000000.00	4000000.00
Add/Less during the year	2312311.38	2758053.23			
Programme Balances	**4263645.00**	**4796014.00**	**Current Assets, Loan & Advances**	**2444739.00**	**3058504.00**
District Agriculture Programme (DAP)	2375973.00	0.00	Accrued Interest	1098829.00	1418788.00
PHF, New Delhi	0.00	1520509.00	Receivable from SEARCH	145.00	168438.00
Drought Relief - CAPART	202884.00	0.00	Receivable from SRTT - BoCMAR	241664.00	241664.00
UNICEF, Jaipur	285655.00	0.00	Receivable from SRTT - PEHAL	119584.00	357076.00
SCALE	1000687.00	580369.00	Receivable from GoI - IAS, Jalore Study	114088.00	114088.00
UNDP/ MoRD	398446.00	398446.00	TDS Account	467539.00	530508.00
SPWD, New Delhi	0.00	748160.00	Receivable & Advances	236808.00	61860.00
JTT, Mumbai	0.00	1506854.00	Receivable from GoI - DLM	166082.00	166082.00
SCALE - Innovation	0.00	41676.00			
Current Liabilities and Provisions	**592528.00**	**170732.00**	**Cash and Bank Balances**	**4267477.48**	**7631845.48**
			PD Account	670000.00	50000.00
			SBI Bank A/c 52467	1728833.91	3828266.00
			SBI Bank A/c 52489	1231308.84	760926.75
			SBI Bank A/c 52490	502717.73	64537.73
			SBI Bank A/c 52569	9317.00	1613292.00
			SBI Bank A/c 52570	97853.00	1301248.00
			Cash in Hand	27447.00	13575.00
Total	**13828815.07**	**16949225.30**	**Total**	**13828815.07**	**16949225.30**

For Umesh Dangayach & Co.
Chartered Accountants

UKDangayach

(U.K. Dangayach)
Partner

UMESH DANGAYACH & CO. JAIPUR CHARTERED ACCOUNTANTS

For : Association for Rural Advancement through Voluntary Action and Local Involvement **(ARAVALI)**

(Executive Director)

(Treasurer)

Place : **Jaipur**
Dated : **18.06.2010**

ARAVALI Association for Rural Advancement through Voluntary Action and Local Involvement

Income & Expenditure Account for the year ending 31st March 2010

Expenditure	Amount 2008-2009	Amount 2009-2010	Income*	Amount 2008-2009	Amount 2009-2010
Programme Expenses	**20009656.08**	**24659361.77**			
ARAVALI Core Activities	2727389.67	2910683.77	ARAVALI Core Activities	1994216.00	3356239.00
SRG NREGA Assignment	0.00	179840.00	SPWD, New Delhi	0.00	928000.00
Social Mobilisation around NRM for Poverty Alleviation	1155525.00	0.00	Social Mobilisation around NRM for Poverty Alleviation	1553971.00	0.00
District Agriculture Plan (DAP)	2424027.00	3575973.00	District Agriculture Plan	4800000.00	3575973.00
Sustainable Community based Approaches to Livelihood Enhancement	9332545.91	9273295.00	Sustainable Community based Approaches to Livelihood Enhancement	10703294.91	10017056.00
SCALE Innovation Fund Programme	0.00	1083324.00	Social Analysis & Management Development Programme (SAMDP)	146234.00	0.00
Social Analysis & Management Development Programme (SAMDP)	146234.00	0.00	SEARCH , Gadchiroli	113504.00	1978291.00
Building Institutions that can Challenge Poverty, PHF	0.00	1452316.00	Sir Ratan Tata Trust, Mumbai	3382777.50	2037492.00
SEARCH HEALTH Programme	113504.00	1978291.00	UNICEF, Jaipur	1013308.00	285655.00
PEHEL Programme	3382777.50	2037492.00	SCALE Innovation Fund	0.00	1125000.00
Building Institutions that can Challenge Poverty, JTT	0.00	1882492.00	Paul Hamlyan Foundation	0.00	3074000.00
UNICEF	727653.00	285655.00	Jamshetji Tata Trust	0.00	3500000.00
			By ARAVALI Reserve Fund to Core Exp.	733173.67	0.00
Programme Balance	**4060761.00**	**4397568.00**			
SPWD, New Delhi	0.00	748160.00			
Social Mobilisation around NRM for Poverty Alleviation	398446.00	0.00			
UNICEF, Jaipur	285655.00	0.00			
SCALE Programme	1000687.00	580369.00			
SCALE - Innovation Fund	0.00	41676.00			
District Agriculture Plan (DAP)	2375973.00	0.00			
Building Institutions that can Challenge Poverty, PHF	0.00	1520509.00			
Building Institutions that can Challenge Poverty, JTT	0.00	1506854.00			
Reserve Fund by Project Assets	370062.00	375221.00			
SCALE Project (Fixed Assets Additions)	370062.00	163392.00			
PHF Project (Fixed Assets Additions)	0.00	101175.00			
JTT Project (Fixed Assets Additions)	0.00	110654.00			
Reserve Fund by Project Activities	0.00	445555.23			
ARAVALI Core Activities	0.00	445555.23			
Total	**24440479.08**	**29877706.00**	**Total**	**24440479.08**	**29877706.00**

* Income figures included project opening balances.

For Umesh Dangayach & Co.
Chartered Accountants

(U.K. Dangayach)
Partner

Place : **Jaipur**
Dated : **18.06.2010**

For : Association for Rural Advancement through Voluntary Action and Local Involvement **(ARAVALI)**

(Executive Director)

(Treasurer)

SCHEDULE FORMING PART OF THE BALANCE SHEET AS ON 31.3.2010

SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS

Notes on Accounts annexed to and forming part of accounts of Association for Rural Advancement through Voluntary Action and Local Involvement (ARAVALI) for the year ended on 31.3.2010.

1. Accounts have been prepared generally on Accrual basis and Historical Cost convention except expenses which are accounted for on payment basis.

2. Accounting Policies not specifically referred to otherwise are consistent with generally accepted accounting principles.

3. No provision for Income Tax has been made in view of non-taxable income under Income Tax Act, 1961.

4. Previous years figures have been regrouped, rearranged and recasted wherever necessary.

5. Expenditure of capital nature is capitalized at a cost that comprises of purchase price and any directly attributable cost of bringing the asset to its working condition.

6. Fixed Assets of Rs. 375221.00 have been transferred to ARAVALI fixed assets account from SCALE project, PHF Project and JTT Project.

For Umesh Dangayach & Co.
Chartered Accountants

(U.K. Dangayach)
Partner

For : Association for Rural Advancement through Voluntary Action and Local Involvement **(ARAVALI)**

(Executive Director)

(Treasurer)

Place : **Jaipur**
Dated : **18.06.2010**

Information on ARAVALI

ARAVALI Website : www.aravali.org.in

ARAVALI's Head Office
Patel Bhawan, HCM-RIPA,
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ARAVALI Central Regional Resource Centre
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Ajmer
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Phone : 0291- 2718932

ARAVALI Eastern Regional Resource Centre
Flat No.- 103- A, Ganpati Towers, Nirmala School Road
Bhimganj Mandi, Kota Junction, Kota
Phone : 0744-2461319

Society Registration Number : 184/Jaipur/1994-95

FCRA No. : 125560091
PAN No. : AAATA1915E
Service Tax Registration No. : AAATA1915EST001
TAN No. : JPRA 02726D

Statutory Auditors :
M/s Umesh Dangayach and Co.
12, Ram Nagar, Shopping Centre, Shastri Nagar, Jaipur - 302016
Mobile : 98281 11040

Bankers:
State Bank of India, Calgary Hospital Campus, Malviya Nagar, Jaipur

ABBREVIATIONS

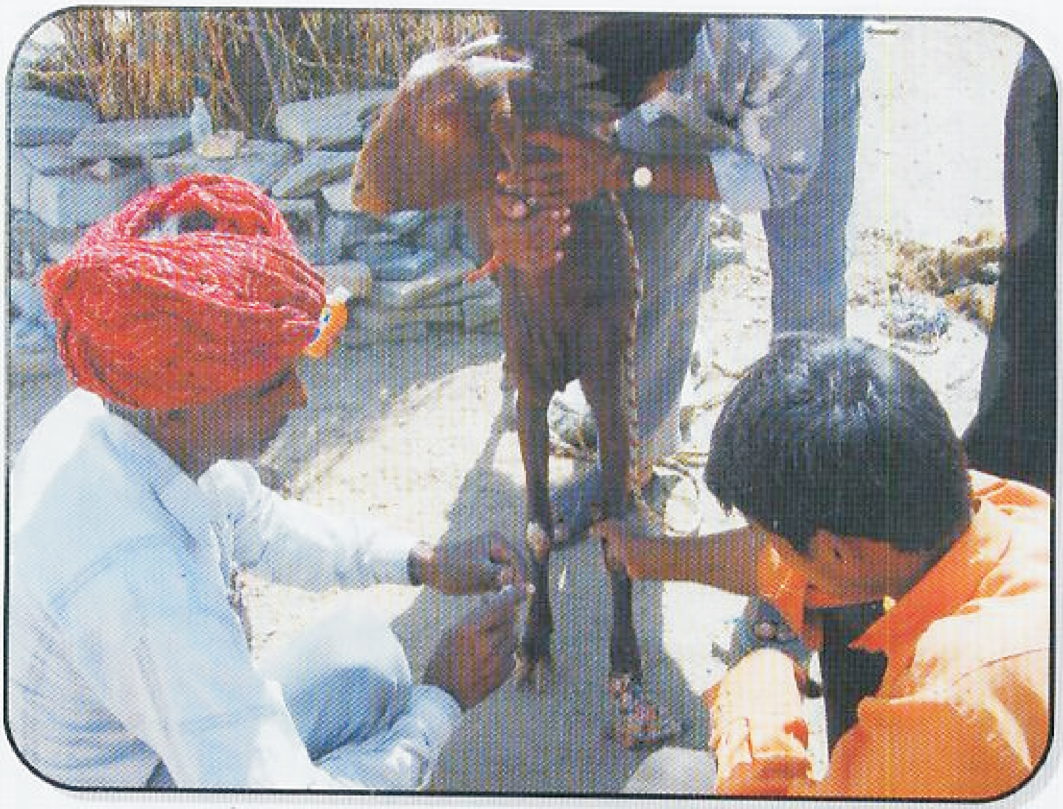
ACC	Associated Cement Companies
AKF	Aga Khan Foundation
ADFS	ARAVALI Development Features Service
AMEF	Agriculture Man Ecology Foundation
BICP	Building Institutions that can Challenge Poverty
BPL	Below Poverty Line
CBO	Community Based Organization
CEO	Chief Executive Officer
CHF	Community Health Fellow
CoSAP	Comprehensive Support Action Plan
CLMF	Community Led MicroFinance
CSR	Corporate Social Responsibility
DAP	District Agriculture Plan
DPIP	District Poverty Initiatives Project
DWCD	Department of Women and Child Development
ELH	Essential Learning in Health
FES	Foundation for Ecological Society
FFS	Farmer Field School
FHO	FLRC Host Organisation
FLRC	Family Livelihoods Resource Centre
GAPCL	Grameen Aloe Producer Company Ltd.
GDS	Grameen Development Services
GO	Government Organisation
GoR	Government of Rajasthan
G&P	Governance and Programming
IFAD	International Fund for Agricultural Development
IoE	Instrument of Engagement
JBVSS	Jai Bhim Vikas evum Shikshan Sansthan
JiTSAP	Just-in Time Support Action Plan
JTT	Jamsetji Tata Trust
LSGI	Local Self Governance Institutions
mF	Micro Finance
MPOWER	Mitigating Poverty in Western Rajasthan
MPRF	Minimum Partnership Requirements Framework
MPRLP	Madhya Pradesh Rural Livelihood Project
NABARD	National Bank for Agriculture and Rural Development

ABBREVIATIONS

NERCOMP	North Eastern Region Community Resource Management Project Upland Areas
NGO	Non Government Organisation
NHSRC	National Health Systems Resource Centre
NNPF	Non Negotiable Parameters Framework
NRAA	National Rainfed Area Authority
NREGA	National Rural Employment Guarantee Act
NRHM	National Rural Health Mission
NRLM	National Rural Livelhoods Mission
NRAA	National Rainfed Area Authority
NWDPRA	National Watershed Development Programme for Rainfed Areas
PEHAL	Promoting Empowerment among Poor Households through Appropriate Livelihoods and mF
PRI	Panchayati Raj Institution
RKVY	Rashtriya Krishi Vikas Yojna
RRC	Regional Resource Centre
SAF	Support Action Framework
SAMDP	Social Analysis and Management Development Programme
SCALE	Sustainable Community Based Approaches to Livelihood Enhancement
SEARCH	Society for Education, Action, and Research in Community Health
SHG	Self Help Group
SHPI	SHG Promoting Institution
SLNA	State Level Nodal Agency
SMP	Social Mobilisation around Natural Resource Management for Poverty Alleviation
SPWD	Society for Promotion of Wastelands Development
SRG-NREGA	State Level Resource Group on National Rural Employment Guarantee Act
SRTT	Sir Ratan Tata Trust
SSRDF	Sri Shivarathreeshwara Rural Development Foundation
ToE	Terms of Engagement
UNDP	United Nations Development Programme
UNICEF	United Nation Children's Fund

NOTES

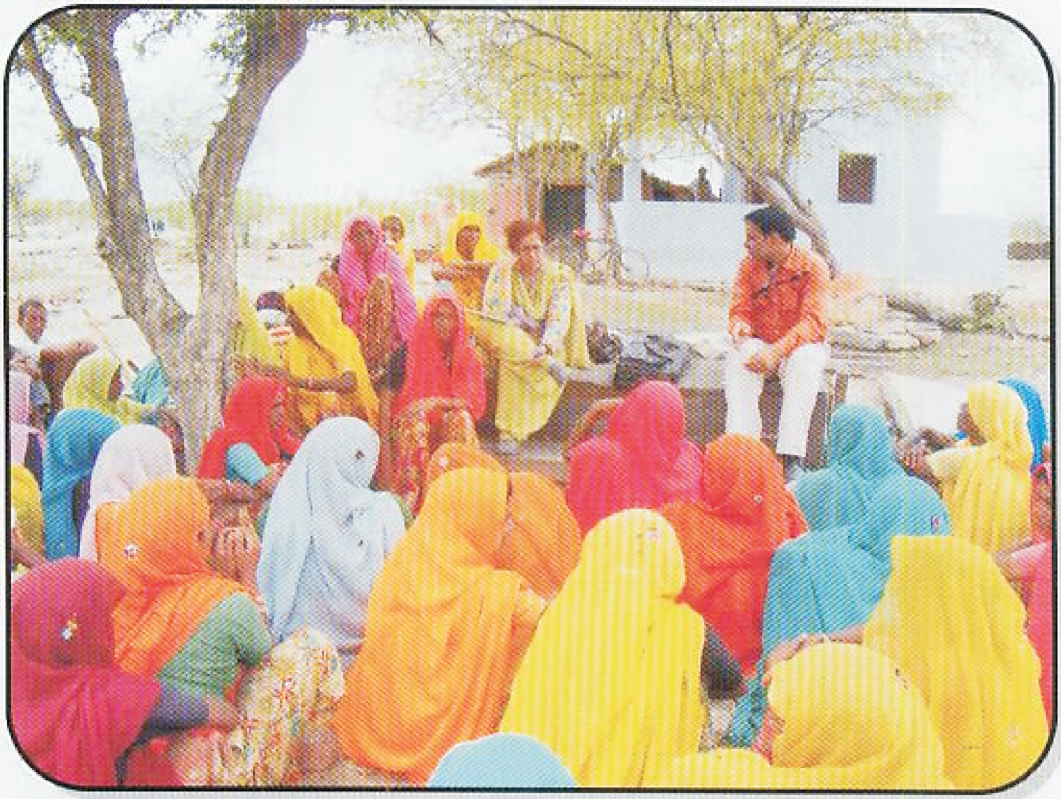
Combining Efforts : Training Members of SHG Federations



Learning by Doing : Farmer Field School Practice

Targetting the Poorest : Fellow-based FLRC Engagement

Building Organisations : Chief Functionary-Recipients of Governance & Programming Fellowship



Searching for Common Goals : Strengthening Community-NGO-ARAVALI Partnership

What it takes : Preparing Tomorrow's Changemakers - the Graduating Batch of VI SAMDP

The Tools : Rapid NGO Assessment

Understanding Organisations : CEOs' Workshop on Organisational Governance

ARAVALI

Association for Rural Advancement through Voluntary Action and Local Involvement

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