

A photograph of a group of children outdoors. In the background, a boy in a red and white plaid shirt is smiling while sitting on a swing. In the foreground, two other boys are smiling and waving their hands. The boy on the left is wearing a red sweater, and the boy on the right is wearing a grey shirt. A person in an orange shirt is partially visible on the right side of the frame. The background shows some greenery and a building under a clear sky.

Annual Report 2006-2007

HAND IN HAND AND SEED



HAND IN HAND

Hand in Hand Tamil Nadu and the Socio Economic and Education Development Trust (SEED) are two trusts active in the Indian state of Tamil Nadu. Both trusts have the same top management and joint board meetings. From an operational point of view, it is one organisation, which we call Hand in Hand. The audited financial numbers cover the period 1 April 2006 to 31 March 2007. Other figures are the latest available, from May 2007.



TABLE OF CONTENTS

Voices from Tamil Nadu	4
Words from the CEO	10
Words from Our Advisor	12
At a Glance	14
Our People	16
The Integrated Community Development Programme	20
How We Differ	22
Highlights	25
Around the World	27
Achievements and Goals	28
Get Involved	30
Hand in Hand and SEED Consolidated Statements	34
Hand in Hand Consolidated Statements	36
SEED Consolidated Statements	40

VOICES FROM

FROM BONDAGE TO THE CLASSROOM

MARIYAMMA IS A 13-year-old girl from the village of Amaravathy Patnam studying at Poongavanam Residential School (PRS), run by Hand in Hand. Before joining PRS, Mariyamma had never been to school. Her parents, who have eight children in all, work in the rock quarry, where the entire family is bonded to the quarry owner. Mariyamma was the owner's domestic maid. Her elder brother Murugesan is now studying along with Mariyamma at PRS.

However, when Murugesan initially started, he ran away from the school. Hand in Hand mobilisers managed to convince him to rejoin PRS, but he only agreed on the condition that his sister could accompany him. Both children were afraid of joining the school as their parents had told them that if they left home for school, the quarry owner would fire the whole family. Hand in Hand reassured the parents, saying that this was an empty threat, and managed to persuade them to send two of their eight children to school. The owner did threaten both children and said that if they ever returned from school because they did not like it, he would refuse to take them back.

When Murugesan went home for the Diwali holidays, he had changed both physically and emotionally; he looked so different from his former self that his friend Sekar also wanted to join the school. Not only did Hand in Hand succeed in slowly rehabilitating Murugesan; in addition, the hardened employer fell silent and did not threaten the family about the children's schooling.

Mariyamma now wants to complete her education and become a teacher

so that she too can spread the message about education and child labour. She does not want to return to work until her studies are completed. Her favourite subjects are maths and singing. When asked about her new life, she says more of such schools should be built. Hand in Hand wants to send Mariyamma and Murugesan to government hostels after eighteen months in order to help them pursue their goal of higher education.

THE NARIKURAVA CHILDREN

AS THE CAR drove down the kuccha road into the Narikurava tribe centre, I spotted tousled heads and brown matted hair on supine figures basking in the sun. A babble of noisy voices welcomed me into the school run by Hand in Hand. All the children were seated on the mud ground outside the classroom.

As I settled into the plastic chair that I was led to, I was at a loss to answer a polite query in English from a girl standing on the side of the road, "May I come in, ma'am?" Like the fictitious door through which she was requesting permission to enter, my hitherto



TAMIL NADU

acquired “knowledge” about the primitiveness of this tribe seemed to be illusory. Looking at their shiny well-scrubbed faces and neatly combed hair, I could hardly believe it, when I was told that this tribe did not have the custom of bathing or trimming their hair.

Although the Narikurava tribe traditionally is nomadic, this site has been their settlement for over 60 years now. During most of the year, many of them are wandering around hunting birds, selling bead-ornaments, bindis, or kohl made by the women, or herbal medicines that are in great demand all over. In this tribe, there are a number of unique taboos and customs. When Hand in Hand surveyed the area, they were compelled to start a school for the Narikurava children. Using picture cards, I saw the teacher evoke lively responses from the chil-

dren, who described the animal object depicted in their card and spelt the word in English.

Eleven-year-old Siva speaks two continuous sentences in correct English and then falls silent; yet, his bubbling eyes belie his quietness. He says that he likes his teachers as they teach well. With his arms folded across his chest, he recites Tamil poetry from the famous Thirukural, and explains the import: that we should never forget favours done to us. Yes, he admits, in answer to my query, he can never forget the favour done to him by his friends who taught him to write. Of course, he will return that favour some day by helping them when they are in need. He dreams of becoming a military man so he can protect his country.

Vaidehi Sonia is an utterly charming green-eyed elf,

who prances in and out of the class. She wants to become a doctor, she says, as she would like to give injections to all those who have fever. When posed with a choice between going for a picnic or to school, she dutifully selects school, as “I can’t become a doctor unless I study”.

A pixie-like petite lady named Jeeva proudly introduces her daughter to me, “She goes to school and now she never eats without washing her hands. There was a time when she could not be coaxed to have a bath!” Jeeva’s fingers are constantly playing with the beads and copper wire that she strings around her waist, and in no time, she has completed a necklace of white beads. When I ask her about their mother tongue, she claims to know several languages and rattles off a couple of dialects to prove her fluency.



A girl from the Narikurava community

As a gesture to their guest, the girls sing and dance for me with poses that are obviously borrowed from the cinema of today. With disarming friendliness, Jeeva proceeds to drape the necklace around my neck, “There you go!”, she says with a cackle. I climb into the car, richer by a necklace and poorer of my prejudices.

This story has been authored by Dr Neeraja Raghan, Education Consultant from Bangalore, who visited the Narikurava tribe and the Hand in Hand run school for their children.

THE CRISP BAKERY

SELDOM DOES ONE come across success stories of how poor, semiliterate, village women have proven to the world that they too can become successful entrepreneurs if proper training, guidance, motivation, and credit are made available to them. The Crisp Bakery, run by former homemakers of the “Mahalakshmi Self Help Group”, is worth every bit of the honour bestowed on it. The Crisp Bakery has been adjudged the second-best micro-enterprise managed by Self Help Group women in India, and has been given the President’s Award!

The bakery has been started by eight women who came together to share a bank loan of INR 230,000 with a subsidy of INR 66,000. Hand in Hand and the women were fortunate to receive support from the Confederation of Indian Industry and got an order of 1,200 buns per day from one of the leading textile companies in Tamil Nadu. This steady order combined with local sales has helped place the members and their Crisp Bakery on the path to sustainability. With their good sales, the members are not only able to repay the monthly bank loan, but they are also able to take out a profit of INR 1,500-2,000 per member and per month.

Hand in Hand’s support has included payment of rent, electricity, and transport, as well as training in maintaining books of accounts, building team spirit, business coaching, etc.

HOPE FOR A BETTER TOMORROW

“I AM K GIRIJA Krishnamurthy, a member of ‘Sambangi Self Help Group’. I would like to share the changes that I have experienced in my life after having joined the group. I used to be a very shy and introvert person that never talked to strangers. Ever since I joined the Self

Help Group (SHG), I have realised that I now have 16 sisters. Thanks to the regular meetings, I have learnt to share and discuss my problems with others and even get advice from the older members. I have also become confident in interacting with outsiders, as I regularly have to go to the bank and take care of financial transactions.

The training provided by Hand in Hand has given me faith and confidence in my own abilities; I have even become aware of my rights as a citizen. I especially appreciated the training on entrepreneurship, which taught me the value of becoming an entrepreneur. I have realised that I too can become a successful entrepreneur if I sharpen my existing skills, and develop new ones. The gender sensitisation training was also a great eye-opener. We know that women have been and still are discriminated against in society. Instead of complaining about it, we should tackle it as a group.

If men have their jobs to depend on, we SHG women have our savings to fall back on. The internal savings are ours and we can use them to meet our current household needs. We should however be careful not to use our savings on short-term consumption, but for productive purposes like our children’s education and medical needs.

I feel that women should enter into politics to be able to voice concern about our status and to take measures to improve the situation. One third of the seats at the local level electoral bodies are reserved for women. We should take advantage of this, mobilise support from our SHG sisters, and try to make a difference.

Only the sky is the limit for us. We feel that we can do anything provided we put our minds to it. Because of our collective strengths, we feel we can achieve anything.”

SOCIAL ACTION FOR BASIC RIGHTS

PAKKUPETTAI IS A small Tamil Nadu village with a population of 240 families. The wasteland along the arterial road leading to the village was owned by a private college. The college started to erect a compound-wall around the wasteland to protect their premises, blocking the only road to the village and rendering it impossible for the villagers to travel to school or to sell their produce at the local market. For the women, there was another problem, “We had to walk four kilometres to access the open grounds we use to relieve ourselves,” says Girija. “The men can just get on their cycles and go do it anywhere. They were not bothered and did not care to

get involved,” she recalls. The villagers submitted petitions to the District Collector, but nothing happened. Then they approached the Hand in Hand run Citizens’ Centre. During a two-hour late night meeting – in which 250 people participated – the Citizens’ Centre staff informed the villagers about the powers and responsibilities of their local Panchayat President. The next morning, the villagers went up to the Panchayat President and requested him to help them. When the Panchayat President got engaged, the college finally agreed to allot land for a road. Today, the college has two separate compounds, one on each side of the road, and the villagers are able to travel back and forth.

TOILETS FOR THE MUTTAVAKKAM WOMEN

SELF HELP GROUP (SHG) member Nagammal comes from Muttavakkam. Her husband’s family has been living in the village for the last four generations. Until recently, his family has never had a toilet in the house.

However, when Hand in Hand initiated the Total Sanitation Campaign and provided Grameen loans through the SHGs for the women to build toilets, the family seized the opportunity and invested in a toilet in their house. All these years, the villagers had been practising open defecation in the fields and in hidden areas along the road. This had been especially problematic for the women and the elderly, since the amount of open spaces had reduced drastically, with houses popping up here and there during the last years. In addition, the new streetlights had been taking away the privacy for the women even in the evenings.

After the construction of one toilet, Nagammal’s family has finally found a practical solution. They have realised the importance of the toilet and are now considering building an additional toilet with attached bath on the first floor to make it more accessible for the elderly.

MOBILISING AROUND WASTE

MR DHAMODHARAN IS the Panchayat President in Mudichur – a village with 20,000 people. Here he tells the story of how the community mobilised around their growing waste problem.

“Our local environment used to be bad; we were

“The project has drastically changed Mudichur – our streets are clean, we have organic manure from the vermicomposts for our farms, and new jobs have been created for our ‘green friends’, the door-to-door collectors.”

dumping and burning our garbage and contaminating the groundwater, air, and soil, and our streets were lined with plastic bags. Although I was keen on implementing solid waste management, the budget only allowed us to hire four people for all electrical, plumbing, sanitation, and waste activities – our need was much bigger! We initiated solid waste management activities, but lacked human resources and expertise.

I then came to know of Hand in Hand and decided to bring together key members in Mudichur, for example elected members, schoolteachers, shopkeepers, and landowners. Hand in Hand’s mobilisers presented their model and started conducting awareness programmes such as street-plays, rallies, door-to-door campaigns, and Self Help Group meetings.

We are now happy to have a partnership project where the panchayat provides the infrastructure and Hand in Hand takes care of training, salaries, etc. The project has drastically changed Mudichur – our streets are clean and we have organic manure from the vermicomposts for our farms. The project has also created new jobs for our “green friends” – the door-to-door garbage collectors – and the district administration has decided to fund a big compost park for us.”



WORDS FROM THE CEO

I CAN NOW look back on three years as Chief Executive Officer and Managing Trustee of Hand in Hand and it has been an exciting journey. My previous 12 years of experience with the “self-help movement” of women in Tamil Nadu have been useful and the three major challenges at Hand in Hand have been:

1. To implement our five-pillar Integrated Community Development Programme and lift disadvantaged and impoverished families and villages to another level of education, income, citizen rights, health, and environment.
2. To aim for the poorest of the poor and see how illiterate and marginalised women rise into entrepreneurship.
3. To scale up the operations in order to reach out to, not thousands, but millions of people. Including employees, part-time employees, and volunteers, we are now some 8,000 engaged in Hand in Hand. The build-up has not been without disruptions but we have largely managed to keep good control and always put quality before quantity.

The achievements and the plan for each of the five programme areas, or pillars, are described elsewhere in this report; let me here just mention some of the main challenges that we are facing. We are now moving into a second phase where we from a reasonably steady position aim at stepwise changes in all our pillars.

The Child Labour Elimination and Education Project has been stable for a while with the training of teachers and with new and improved teaching methods. We now aim at stepping up the activities by moving into new blocks and districts. We will also double the number of transit schools during the coming 12 months.

In the Self Help Group (SHG) and Microfinance Project, we aim at dramatically increasing the number of medium-sized enterprises, which will require much bigger qualified business support. Our new, special-purpose, bank must be integrated into our operations and will improve our access to loan capital for the SHG women. To promote networking and transparency, Hand in Hand plans to identify and promote 100 social entrepreneurs by helping individuals set up an NGO and train them in microfinance and job creation. The organisation will also work with like-minded NGOs to promote job creation.

The past two years have been a training period for our Citizens’ Centre Project and we are ready to go from 100 to 1,000 new centres per year and with entrepreneurs participating from the beginning. We are now seeing the value of the Citizens’ Centres for the individual and for the community as a whole.

Awareness and information campaigns on health issues and sanitation as well as medical camps will be stepped up both in contents and in size. We aim at reaching 100,000 people per year.

Our environmental engagement has accelerated during the last months and we are now implementing solid waste management schemes at full speed in Mudichur and in Pondicherry, as well as watershed management projects in partnership with the National Bank for Agriculture and Rural Development (NABARD) in two locations.

Apart from these direct interventions in the five-pillar Integrated Community Development Programme, we are focusing on the following:

- Hand in Hand plans to associate with the business community to set up and demonstrate sustainable models of NGO corporate partnerships.
- Training and networking of volunteers will be taken up in a big way to ensure the sustainability of the five-pillar programme.
- The build up of consultants to be used outside of Tamil Nadu has started.

From these increased activities follows the need to recruit and train people. We have a big demand for people with higher degrees and, throughout the year, we have built up our internal training capacity, including the newly inaugurated training centre in Kancheepuram. The training is not limited to technical matters and field-

work; even more important for these people coming from NGOs, companies, and universities, is to bring them into the unique Hand in Hand culture and the value system that we stand for.

Another challenge is to integrate the five pillars in each village, block, and district to reap the full benefit of our broad and holistic approach.

I wish to recognise our thousands of staff members and volunteers who have demonstrated exceptional hard work, creativity, and dedication. They have shown themselves to be individuals driven not only to make a difference but also to make the biggest difference they can in helping the poorest people. This year, characterised by growth, has inspired us to use the full energy and enthusiasm to strengthen the relationships that we value. We sincerely thank all our donors as well as the Government for their support, guidance, and encouragement. Last but not least, I would like to thank all the trustees for guiding the management through their valuable inputs and cooperation.

Kalpana Sankar

CEO and Managing Trustee



WORDS FROM OUR ADVISOR

I HAVE BEEN engaged in India with multinational companies for almost 40 years and in charity work for some 5-6 years. Over time, I have build up a network of business- and political friends, and I have learnt to love this multifaceted and huge country with its fascinating cultures and history.

Hand in Hand has in three years moved from a very small initiative to today's organisation with some 8,000

people engaged, 206,664 women organised into Self Help Groups, 60,000 family-based micro-enterprises up and running, and a five-pillar Integrated Community Development Programme under implementation. What Dr Kalpana Sankar and her enthusiastic team have achieved in this time-span is probably unique in the history of NGOs. I believe the astounding results in equal parts come from (1) the enthusiasm and dedication from



the Hand in Hand staff to help the poorest of the poor to a better life, and (2) the application of modern management techniques with measurements, decentralisation, and accountability down to the grassroots level. This, in turn, leads to high quality and productivity and in the end that one donated dollar goes a long way.

The one-year, five-year, and ten-year plans for the five-pillar programme may seem overambitious. However, Dr Sankar and her team have done it before and today we can see that earlier plans not only have been reached, but exceeded. It is also a reassurance that some one hundred managers are involved in the planning process and in the commitments.

Our major target for the five-pillar Integrated Community Development Programme is to eliminate extreme poverty. With 1.3 million new jobs, our programme should positively impact some 6-7 million people in Tamil Nadu. However, there are one billion people living under one dollar per day in the world and some three

billion living under two dollars per day. By transplanting our successful Tamil Nadu model for enterprise and job creation, we may impact some of those living in poverty.

We have been approached by a few states in India and some countries to become engaged in their areas and we have already started working in South Africa and in Afghanistan. The idea is to leverage our resources by training the trainers in the respective state or country. This requires that there is a receiving party at the other end, that somebody funds the training, and that microcredit can be provided by banks or microfinance institutions.

We have started to build up a consultant force to work outside of Tamil Nadu. The target is to train 1,600 people within ten years. We also have a vision to build a research and training centre in Chennai for entrepreneurship and microfinance. This will be necessary for training of our own people on such a scale.

The total aid money in the world in the year 2006 was about USD 110 billion. USD 2 billion went to improved livelihood through entrepreneurship and microfinance while USD 108 billion went to other activities – mainly infrastructure. There are certainly great needs for roads, power plants, hospitals, schools, and, not the least, cheap drugs for tropical diseases. But the infrastructure investments are enormous and they may take 50-100 years to complete in many countries. Improved livelihood through entrepreneurship must happen now and in parallel with the build-up of infrastructure. Good infrastructure helps enterprise, but enterprise creation cannot wait for infrastructure. Some of the villages in Tamil Nadu where we are active have no electricity and no roads, but enterprises are started anyway.

Hopefully, our model in Tamil Nadu and our increasing participation in other Indian states and in other countries will help set an example and lead to some re-allocation of aid money away from the traditional “grant mentality” towards “help to self-help” and mobilisation of poor people into entrepreneurship and job creation. This means harnessing the powerful market forces and such development is fast, cheap, and, not the least, sustainable.

Percy Barnevik

Advisor



AT A GLANCE

Hand in Hand is a public charitable trust registered in the year 2002 with an initial focus on education and the elimination of child labour. The organisation has been in operation since 1988, initially working in Kancheepuram District with child labour elimination, education, and the empowerment of women.

HAND IN HAND is currently involved in implementing an Integrated Community Development Project for poverty reduction with five interconnected and interdependent sectors:

- Child labour elimination and education
- Self Help Groups (SHGs) and microfinance for enterprise and job creation
- Citizens' Centres to strengthen democracy on a grassroots level
- Medical camps and awareness campaigns to improve health levels
- Environmental protection via solid waste management and watershed projects

Hand in Hand is currently active in 12 districts in the Indian state of Tamil Nadu, namely Kancheepuram, Vellore, Thiruvallur, Villupuram, Cuddalore, Thiruvannamalai, Namakkal, Tiruvarur, Salem, Trichy, Karur, and Coimbatore, as well as in the Union Territory of Pondicherry.

The organisation is dedicated to the development of marginalised and disadvantaged groups, and especially rural and Tribal families, through grassroots action, research, and education. We envisage an integrated strategy to address the challenges of poverty and under-

development. It aims at building self-reliance of marginalised groups by alleviating poverty through sustainable income generating programmes.

Hand in Hand presently receives funding from our support organisations Hand in Hand International, Hand in Hand Sweden, and from Hand in Hand US under the umbrella organisation Give2Asia. Further funding is received from Stichting af Jochnick Foundation AB, the Government of Tamil Nadu, the Government of India, Global Giving, Give India, the International Finance Corporation (part of the World Bank Group), the Swedish International Development Cooperation Agency (Sida), Radiohjälp, the National Bank for Agriculture and Rural Development (NABARD), companies, and private individuals. Their assistance has been critical for our operations, as our activities and sphere of work have grown significantly in the last three years. With our continuing rapid growth, further support and funding will be important.

VISION

OUR VISION IS to eradicate child labour and reduce poverty with a focus on education, employment, income generation, and empowerment.



We see women as “agents of change”
in the development process and
believe in empowerment and gender
awareness.

MISSION

WE ARE COMMITTED to the eradication of child and bonded labour by mainstreaming deprived children into regular schools. We also work for the empowerment of women by creating micro-enterprises and by promoting income generating activities and “jobs for growth”. Additionally, Hand in Hand focuses on strengthening grassroots democracy by setting up Citizens’ Centres. Finally, we promote health and hygiene among rural populations, as well as work to protect the local environment via solid waste management and watershed interventions.

PRINCIPLES

ALL OF OUR activities are guided by the following principles:

- Pro-poor and a bottom-up approach – we are dedicated to eliminating poverty and always follow bottom-up approaches
- Participatory learning – we use participatory rural appraisal methods and together with the communi-

ties define the problem and the solution

- Mainstreaming gender in all activities – we see women as “agents of change” in the development process and believe in empowerment and gender awareness
- Working in coordination with local institutions – we do not create parallel structures to those set up by the government, but rather work together with the government and fill the gaps
- Help to self help – we believe in creating the right opportunities for the individual, including a clear focus on training and capacity building, in order for her to help herself
- Holistic approach – we tackle poverty from different angles and thereby get a totally bigger impact
- Grassroots level network – we involve the community by organising volunteers, thereby socially sustaining our projects and creating local ownership
- A model organisation – we carefully measure results and quality of our work
- Transparency and accountability – we are transparent in all our actions, documentation, and reporting

OUR PEOPLE

Hand in Hand places great value in all of our co-workers. We recognise that our people together make up the backbone of the organisation. Our staff members are highly committed individuals with diverse professional and personal backgrounds. What brings us all together is our fight against poverty and our belief in a better future for all. At present, some 1,300 employees, 5,500 volunteers, and 1,300 part-time teachers are engaged in our work, many of whom come from the communities in which we work.

EXECUTIVES

Dr Kalpana Sankar

CEO and Managing Trustee

Dr Sankar holds a Ph D in natural science and she has been involved in the “self-help movement” of women in Tamil Nadu for the last twelve years. She has been a consultant with UNOPS, UNDP, Christian Aid, and Wetlands International on gender and microfinance issues. Dr Sankar has also authored several books on microfinance and women’s empowerment and is currently pursuing doctoral studies in women’s studies at the Mother Theresa Women’s University, Tamil Nadu, India.

Ms Kalyani Rajaraman

Project Director, Child Labour Elimination and Education

Ms Rajaraman holds a master’s degree in Psychology from Madras University and a postgraduate diploma in Guidance and Counselling from Annamalai University. She is currently pursuing her master’s degree in Philosophy in Psychology at Bharathiar University. From

2001-2004, she was responsible for conceptualising, designing, and establishing schools for special children in Kancheepuram and in Thoothukudi District.

Mr Karuthoviyan Venugopal

Project Director, SHGs and Microfinance

Mr Venugopal is an agricultural engineering graduate from Tamil Nadu Agricultural University, Coimbatore. He started his development career with the Professional Assistance for Development Action (PRADAN) in Tamil Nadu as a grassroots development professional. His development experience spans over grassroots action, research, education, and consultancy. He has worked on a grassroots level with microfinance and with natural resources management, including conservation of irrigation tanks and watershed development. Mr Venugopal has also taken up research studies in marine livelihoods, tank management, and microfinance and served as a faculty member in a development educational institute. There, he taught in Sociology, Social Research Methods, Organisation Development, and Economics.

Ms Soumithra Srinivasan***Project Director, Citizens' Centre***

Ms Srinivasan holds a master's degree in Business Economics from the Madras University and a bachelor's degree in Education from Annamalai University. She started her professional career as a teacher, and then moved on to support back office administration in a management consultancy firm.

Ms Sowmya Skandan***Project Coordinator, Health***

Ms Skandan has completed her undergraduate education in Biotechnology at Stella Maris College in Chennai and done a master's degree in Molecular Pathology and Toxicology at the University of Leicester, United Kingdom. Before joining Hand in Hand, she worked in business development in a human resource and recruitment consultancy.

Mr Amuthasekaran Nachiappan***Project Coordinator, Environment***

Mr Nachiappan is a postgraduate in Sociology. He started his development career with the Indian social-service organisation Vivekananda Kendra. His experience spans over grassroots action, education, and monitoring and evaluation. Mr Nachiappan has project experience from watershed management, promotion of renewable energy such as biogas, and solar and wind energy in the rural areas, rural development, natural resource development, and personality development projects. He has also conducted several monitoring projects of NGOs for the Ministry of Rural Development.

Mr Hemantha Kumar Pamarthy***CEO, Hand in Hand Micro Finance Ltd***

Mr Pamarthy has extensive experience in microfinance, finance, micro-enterprise development, sales, marketing, and accounts and holds a postgraduate diploma in Marketing Management, a postgraduate diploma in Materials Management from the University of Madras, as well as an undergraduate degree in Commerce from the AM Jain College, University of Madras. Prior to joining Hand in Hand Micro Finance Ltd, Mr Pamarthy functioned as COO at Sarvodaya Nano Finance Ltd. He has also worked as General Manager of Marketing at Lookman Electoplast Industries Ltd, as Associate Vice Pres-

ident at SREI International Finance Ltd, as Manager of Marketing, and thereafter as Senior Branch Manager, at Apple Credit Corporation Ltd. Mr Pamarthy also has a one-decade long association with Godrej Soaps Ltd at their Marketing Department.

Mr K P Kasturi***Director, Hand in Hand Micro Finance Ltd***

Before joining Hand in Hand Microfinance Ltd, Mr Kasturi held the position as Deputy General Manager in charge of the Department of Supervision at the National Bank for Agriculture and Rural Development (NABARD) in Tamil Nadu. He has also functioned as Assistant General Manager, Investment Credit Department, at the NABARD head office, as well as Assistant General Manager of District Development.

TRUSTEES**Dr Kalpana Sankar*****CEO and Managing Trustee*****Mr S Chinnappan*****Executive Director, Kalvi Kendra***

Mr Chinnappan has an educational background in Sociology and a long experience from fieldwork within gender, microfinance, Self Help Groups, and rural development. In 1982, Mr Chinnappan founded the Tamil Nadu based NGO Kalvi Kendra and has, since then, functioned as its Executive Director and Managing Trustee. He is also the Editor and Publisher of Muttram, a monthly magazine for Self Help Groups that is sponsored by the Government of Tamil Nadu. He has had various commitments for Tamil Nadu Women's Development Project (Mahalir Thittam), functioned as member in a policy-making team for the Dutch development organisation CORDAID, implemented a Tsunami rehabilitation programme in Villupuram District, and conducted numerous courses on gender sensitisation, the self-help movement, and microfinance.

Ms Mangala Ayre***Educationists***

Ayre has an educational background in Teaching and 30 years of experience working as a teacher, with a specialty in kindergarten and preschool teaching. In 1988, Ms



Ayre established the renowned Inner Harmony Holistic Learning Centre for children ranging from 2-5 years. She is a frequent lecturer and counsellor for teachers, parents, and schools in Tamil Nadu. She has developed various alternative teaching methods where music, story telling, dance, and drama are central elements.

Mr R Venkat Reddy

Activist and Social Worker

Mr Reddy, Project Coordinator at MV Foundation, has been involved in strengthening capacities of youth volunteers, members of School Education Committees, and Gram Panchayats (local government bodies at the village level) in building an environment in favour of children's right to education. Through Mr Reddy's imaginative organisational skills, MV Foundation has expanded its activities from three villages in 1991, to 6,000 villages in 2005, from covering 30 children in 1991, to covering 650,000 children currently. More than 300,000 children have been withdrawn from work and are attending schools under his leadership.

Mr P Kottaisamy

IT Advisor and Consultant

Mr Kottaisamy holds a graduate degree in Electrical Engineering and a master's degree in Business Administration in Finance and Marketing. He is currently working as IT Advisor and Consultant and has previous experience as Deputy Manager at UTI Bank Ltd, Chennai. Prior to joining the bank, he functioned as Sales Manager at Aviva Life Insurance Company Ltd, Chennai, where he designed rural insurance products and established a rural sales team for Tamil Nadu. Mr Kottaisamy also has six years of team leader experience in microfinance from the Development of Humane Action Foundation (DHAN).

Ms Mary Stella

Head of the Social Development Department, CII

Ms Stella has over twenty years of experience in auditing NGOs, project coordination, relationship management, and operations management. She is currently serving as Head of the Social Development Department at the Confederation of Indian Industry, Southern Region. Prior to joining the Confederation, Ms Stella functioned as Manager at the Tamil Nadu Corporation for Development of

Women Ltd where she conducted performance audits for NGOs as well as made recommendations to policy makers. She has also worked as Welfare Officer at the Central Social Welfare Board in New Delhi. Ms Stella holds a master's degree in Social Work from Madras University.

Mr Virendra Guptha

Regional Director

Mr Gupta is the Regional Director of the Confederation of Indian Industry, Southern Region. He has previously functioned as Director and Head of the Maharashtra State Office in Mumbai. Mr Gupta holds an undergraduate degree in Commerce and a postgraduate degree in Business Economics, both from the University of Delhi.

ADVISORS

Dr Percy Barnevik

Management Strategist and Industrialist

Dr Barnevik is a world-renowned management strategist and industrialist, and functions as Chairman of Hand in Hand International. His career includes having been President and/or Chairman of Sandvik, ASEA/ABB, Skanska, Investor, and AstraZeneca. He is presently the Board Member of General Motors and has an advisory role to some governments and companies.

Mr Jonas af Jochnick

Co-founder of Oriflame

Mr Johan Rådmark

President, Hand in Hand Sweden

Mr Pejman Altafi

International Coordinator

Ms Sofia Altafi

International Coordinator

Ms Maria Borelius

International Director, Hand in Hand International

Ms Jean Garon

Corporate Affairs Director, Hand in Hand International

THE INTEGRATED COMMUNITY DEVELOPMENT PROGRAMME

Hand in Hand believes in attacking poverty in a holistic manner and from various angles. We are implementing an Integrated Community Development Programme with five interconnected pillars.

CHILD LABOUR ELIMINATION AND EDUCATION

HAND IN HAND is committed to eliminating child labour; we define every child out of school as potentially engaged in labour. Many children are bonded and have worked long hours in bad environments. In order to meet the different needs of children, we work through a number of programmes, e.g. transit schools, residential schools, crèches, and a child sponsorship programme, all of which employ alternative and innovative teaching methods.

An important emphasis is also the strengthening of

government schools through, e.g., extra teachers, summer camps, and parent-teacher associations. Government schools are not only understaffed, but they also often use bad education methods, including physical punishment.

We are careful not to create parallel structures to those set in place by the Government; instead, we aim at identifying and filling existing gaps. The overall aim of all our educational interventions is to prepare children for regular schooling and monitor retention in schools; our minimum target is that all children shall complete grade ten.

SELF HELP GROUPS AND MICROFINANCE

THE FOCUS OF our Self Help Group (SHG) and Microfinance Project is to alleviate rural poverty and empower women. This is done by organising women into SHGs, providing them capacity building and skills development, facilitating access to cheap credit, and helping them build sustainable livelihoods for themselves and their families. We mainly target the poorest of the poor, and many of the SHG women are Dalits, Tribals, Most Backward Castes (MBCs), and Backward Castes (BCs), as well as widows.

Experience has shown that women work hard, do not drink, gamble, or desert their families, and are indeed both creditworthy and bankable. To exemplify, until now, we have been able to maintain a 99.6 percent repayment rate on microcredit for family-based micro-enterprises and 90 percent on microcredit for group-based medium-sized enterprises. When loans are given to women for income generation, it increases their status and strengthens their position in the family. Consequently, as women are empowered, household poverty reduces and the health and education standards in the family as a whole increases. Economic empowerment of women is also the key when it comes to social and political empowerment. Several of the women have been elected mayors or members of different councils in local elections.

Our model stands out in its firm focus on women, entrepreneurship, and capacity building and training. We provide financial training, entrepreneurial training, and gender training to the SHG members. We also offer a 100-day crash course in functional literacy and arithmetic. In addition, we have a close cooperation with the local industry, which employs Hand in Hand trained SHG women, use them as sub-suppliers, and support them in starting up new businesses.

CITIZENS' CENTRES

AS A MEANS to facilitate for poor and illiterate people to access information and learn about their rights as citizens, Hand in Hand has opened Citizens' Centres at village level. One of the most important objectives of the centres is to encourage democratic participation and provide basic information for villagers on how to vote, register for government schemes, etc.

A typical Citizens' Centre also has an "IT-kiosk" with

computers, Internet connection, and facilities for printing/copying/scanning/faxing, as well as a small library. By offering villager's access to computers, computer courses, and Internet, we also aim at breaking the prevailing digital divide between rural and urban India. These Citizens' Centres will be run and owned by entrepreneurs as service companies.

HEALTH

IN ORDER FOR the poorest and most marginalised groups of society to access healthcare, we organise regular medical camps. There, women and children are examined, get vaccinations, etc. and if necessary, are remitted to government hospitals.

Another important intervention is raising awareness about health issues such as HIV/Aids, alcohol consumption, family planning, personal hygiene, and nutrition. We also aim at motivating communities to demand adequate health services from their elected representatives.

ENVIRONMENT

ECOSYSTEMS MAKE UP our planet's life support system; they are fundamental to human health and indispensable to the well-being of all people. Therefore, the links between environmental change and human health form another priority area for Hand in Hand.

Our solid waste management projects include household segregation, collection, transportation, and processing of household wastes. Inorganic waste components are segregated and sold to industry, and biodegradable waste is processed into organic manure in vermicomposts and sold to farmers. Through the solid waste management projects, marginalised groups are offered employment opportunities while the local environment in poor villages is improved and soils are rejuvenated. All our solid waste management initiatives are conducted in close cooperation with the concerned panchayat.

We are also implementing watershed projects, including digging out water tanks, building terraces in hilly areas, turning wasteland into cultivable land, and forestation. These projects are financially backed by the National Bank for Agriculture and Rural Development (NABARD).

Hand in Hand differs from most NGOs. Below are some of the areas where we distinguish ourselves when it comes to project implementation, sustainability, quality, as well as our approach to the community and the individual.

HOW WE DIFFER

HOLISTIC APPROACH

WE ARE IMPLEMENTING a five-pillar Integrated Community Development Programme that holistically attacks poverty from various angles; it raises the living standard in village after village in respect of education, income, women's empowerment, democracy, health, and the environment. The different pillars support and reinforce each other, and, therefore, the total impact is bigger than adding five individual programmes. Higher incomes for parents combined with raised awareness about the importance of childhood and education facilitate getting children from work into schools. Families who are better off are also able to care more about their health and the environment around them.

QUALITY

OUR FOCUS ON productivity and quality sets us apart from many other NGOs; we have clear qualitative and quantitative parameters to measure our impact and we always strive to improve. We operate with a high degree of decentralisation, and we manage to keep central administration costs below eight percent. In addition, we invest extensively in internal training both in profes-

sional matters and in our organisational culture, which includes an active and strict stance towards bribes and other forms of corruption. Most importantly, we work hard with setting clear systems and structures in place that ensure transparency and accountability.

We have expanded from 20 employees to 1,300 employees, 1,300 part-time teachers, and 5,500 volunteers during a three-year period. Inevitably, this has put a lot of pressure on the organisation. However, with tremendous energy combined with good internal systems, the growth has been under good control. Finally, it should be said that we never put quantity before quality, meaning that the growth is tempered by the need to retain high quality.

Hand in Hand in Tamil Nadu has no expatriates on the payroll and this, together with high productivity and low administrative costs, make one dollar from a donor go a long way.

HELP TO SELF-HELP

THE AIM OF all our interventions is to generate help to self-help. In our Self Help Group (SHG) and Microfinance Project, we strive to generate sustainable micro-

enterprises and jobs among the most marginalised and disadvantaged sections of society. When we identify the beneficiaries – all of whom are women – we use household income as a parameter. This ensures that we mainly target the poorest of the poor – one of the big challenges in the microfinance sector. Any microcredit extended by us or facilitated by us to an SHG must go straight to income generating activities and not to consumption – this is a point where we do not compromise.

Hand in Hand views microfinance as the entry point for income generating activities and poverty reduction. Access to microcredit helps households generate surpluses and slowly expand into multiple activities, thus countering seasonal and activity based risks. With the creation of enterprises, women migrate from poorly paid work or unpaid household work, to self-employment and entrepreneurship.

However, Hand in Hand believes that microcredit alone cannot lead to the empowerment of women unless it is accompanied by certain “credit plus” interventions such as literacy training, gender training, entrepreneurial training, financial training, vocational training, business coaching, and provision of micro-insurances. The main reason for the spectacular increase in enterprise and job creation – presently 4,000 new or expanding micro-enterprises per month – is our emphasis on training.

GLOBAL AMBITIONS

OUR PROGRAMME FOR enterprise and job creation has received attention in India and internationally. We have started working with South Africa and Afghanistan and have proposals to work with other states in India as well as with other countries.

Our prime target is to contribute to the elimination of extreme poverty in the world. Beyond our work in Tamil Nadu, we can also “export” our model for enterprise and job creation and leverage our skilled Indian employees as we have started to do in South Africa and in Afghanistan. Such South-South ventures, where an Indian grassroots organisation reaches out to other grassroots organisations in Asia, Africa, or Latin America, is quite unique. For example, 30 Hand in Hand consultants train 1,000 aid workers in another country, who in turn train 300,000-400,000 people every year. Hand in Hand provides documentation in the local languages as well

as project management. The target could be one million new jobs within five years for one country or state.

We have started building up a consultant organisation of people who can be sent out and help mobilise poor and marginalised people into entrepreneurship and job creation. Our plan is to recruit and train 1,600 consultants within the next ten years. We also plan to establish a training centre in Chennai – the “Hand in Hand Academy” – and we have started discussions with some reputable universities like Stanford and Oxford Business School.

VOLUNTEER MOBILISATION

HAND IN HAND is a “grassroots organisation” working with individual women, children, families, and communities. To strengthen our grassroots presence, Hand in Hand is mobilising communities to set up “rights protection committees” with community volunteers; e.g. Child Rights Protection Committees, Women’s Rights Protection Committees, Citizens’ Rights Protection Committees, and Health Rights Protection Committees. This network of grassroots volunteers safeguard social sustainability in our projects and the present 5,500 volunteers are expected to multiply within the next years.

PUBLIC AND PRIVATE PARTNERS

WE RECOGNISE THAT the most efficient way to achieve sustainable development is for private stakeholders, civil society, and the government to work together in joint efforts. We work closely with local government bodies as well as with the local business community. Our cooperation with the Confederation of Indian Industry (CII) has been especially successful, where CII has helped us link up with local companies, e.g. with textile companies Celebrity Fashion and Intimate Fashion. These partnerships involve training and employment of unemployed rural youth as well as helping women set up new enterprises and being customers to such enterprises. Another successful partnership is that with the telecom company Ericsson to showcase to the Ministry of IT and Communication a new IT technology for rural areas.

SUSTAINABILITY

WE UNDOUBTEDLY NEED funding for training and capacity building; however, when the micro-enter-

prises – presently 60,000 – are up and running, we withdraw and they should be able to manage on their own. We want to create the right opportunities for poor and marginalised people to lift themselves and their families out of the poverty trap, below are some examples:

- Children who have been given a chance to go to school and get an education will hopefully move on to a better life.
- Our Citizens' Centres will be owned and run by entrepreneurs as service companies.
- When parents ask for money to compensate for the reduction in income when their child is taken out of labour and moved into a school, we offer them a chance to increase their income through the SHGs.
- When we support village schools with additional teachers, we ask the community to provide half of the salary.

Apart from education, awareness creation, training, and capacity building, the only major deviation from

our “no grants policy” is of course when it comes to undernourished children, where we offer food packages to poor families under our Child Sponsorship Programme. Undernourishment often leads to severe brain damage, which will hamper the child's ability to develop in a normal way. Today, 40 percent of the world's undernourished children live in India.

However, sustainability is not solely economic – it is also social and environmental. Many of our interventions will never – and perhaps should never – become economically sustainable, e.g. mobilising communities around child labour, schools, and volunteer committees. Instead, such interventions aim at changing mindsets and attitudes, raising awareness, and creating public debate around issues like universal education, environmental degradation, and every citizen's health rights. Such attitudinal changes should change the perceptions of generations after generations.

Sustainability is not solely economic – it is also social and environmental. Many of our interventions will never become economically sustainable, e.g. mobilising communities around child labour, schools, and volunteer committees. Instead, such interventions aim at changing mindsets and attitudes, raising awareness, and creating public debate around issues like universal education, environmental degradation, and health rights.



HIGHLIGHTS

NEW WEBSITE

DURING 2006, WE have launched our new website www.hihseed.org. There, you can read more about our projects, download books, publications, and news articles, make online donations, and much more.

CHILDHOOD REGAINED

THE BOOK “CHILDHOOD REGAINED” by Kalpana Sankar and Kalyani Rajaraman explores child labour in India from a macro- as well as from a grassroots level, and puts the Indian situation into a global as well as historical context. It outlines the main problems in the current public debate and in the Indian legislative framework, where the definition of child labour still is limited to work in certain hazardous sectors instead of encompassing every child who is not enrolled in school. The book also gives an insight into Hand in Hand’s experiences in the fight against child labour in Kancheep-

uram, Tamil Nadu, including a presentation of the organisation’s efforts to mobilise local communities and change perceptions and attitudes towards child labour. The book is available to download on the Hand in Hand website www.hihseed.org.

MINISTERIAL INAUGURATION

THE RIGHT TO Information Act 2005 has as major objective to provide for the right of access to information to all citizens. As a means to facilitate for poor and illiterate people to access information – for example on how to vote, apply for welfare programmes, and register for government schemes – Hand in Hand has opened Citizens’ Centres at panchayat level.

A typical centre has an “IT-kiosk” with one to three computers and facilities for printing/copying/scanning/faxing, as well as a small library with books and dailies. Some of the centres have Internet but connectiv-

ity is generally a problem in remote areas. The centres offer popular computer courses that aim at making the younger generation computer literate, as well as tuition for schoolchildren, public debates and get-togethers, and services to Self Help Groups.

Our Citizens' Centre Project has expanded rapidly during the last year and we now have 135 centres functioning in Kancheepuram and Thiruvannamalai districts. There is a strong community participation in 132 of the centres, demonstrated by the provision of rent-free government land and buildings.

When the Swedish ship "Götheborg" visited the Chennai harbour, Hand in Hand was there to welcome the visitors. During the celebrations, Deputy Prime Minister of Sweden, Maud Olofsson, together with Indian Minister of Communications and Information Technology, Shri Dayanidhi Maran, inaugurated our hundredth Citizens' Centre. An exact replica of the village centre had been constructed in the Taj Coromandel Hotel in Chennai and the inaugural celebrations were attended by Panchayat President Mr Subramanian and 20 Citizens' Centre instructors.

NEW INITIATIVE IN WASTE

ONE RESULT OF a rapid urbanisation, a slowly reducing gap between urban and rural, changing consumption patterns, and a growing population is the problem of waste. Although the average Indian only generates around half a kilo of solid waste per day, the volume is huge. Given the current developments, the generation of municipal solid waste in India in the year 2047 has been projected to exceed 260 million tons – a number more than five times the present levels. At the same time, many households do not recycle their waste, but, instead, tend to dispose it outside their homes or on the streets.

As a means to tackle the growing waste problem in India, we have initiated solid waste management projects in Mudichur, Nathapettai, and Pondicherry. This includes segregating garbage into biodegradable and non-biodegradable materials at the household level, composting biodegradable waste into organic fertilizer, and recycling/reusing non-biodegradable waste. The projects improve the local environment, offer continuous employment to individuals from socially and economically disadvantaged groups, and encourage organic

farming by promoting organic fertilizers.

PRESIDENTIAL AWARD

WE ARE PROUD to announce that the "Crisp Bakery", run by the Mahalakshmi Self Help Group in Kancheepuram, has been adjudged the second-best micro-enterprise in the entire country by the Indian Bank. The eight female entrepreneurs were felicitated by HE Abdul Kalam, President of India, during the Indian Bank centenary celebrations in Chennai on 4 September.

HAND IN HAND MICRO FINANCE LTD

DURING 2006-2007, we have registered a Non-Banking Finance Company (NBFC) with the name Hand in Hand Micro Finance Ltd. When bank loans are inaccessible, insufficient, too costly, or too rigid for Self Help Groups, Hand in Hand Micro Finance Ltd will bridge the gap by providing cheap credits for enterprise creation. This special-purpose bank will be owned by the Self Help Group women in the end. The International Finance Corporation, World Bank, is supporting us in this.

SCHOOL FOR THE NARIKURAVA CHILDREN

DURING THE YEAR, we have set up a residential school for children from the Narikurava tribe. The centre provides all facilities needed, such as food, clothing, shelter, stationery, water, sanitation, and security. The children also get medical checkups once every six months. The Narikuravas are a nomadic community in the south of India. They are categorised as belonging to the Most Backward Castes (MBCs) and they find their main livelihoods in hunting, beadwork, and herbal medicine. Because of their nomadic lifestyle, their children seldom get any access to education. In addition, these children may find it difficult to adapt to life in regular hostels for children.

PARTNERSHIP IN ICT

A PILOT PROJECT funded by the Ministry of IT and Communication has been initiated to provide basic computer training for 1,000 women in rural Tamil Nadu. The training is conducted in connection with our functional literacy course at our Citizens' Centres.



AROUND THE WORLD

SOUTH AFRICA

HAND IN HAND is since 18 months engaged in transplanting the successful Tamil Nadu model to South Africa. The target is to help generate one million new jobs in impoverished rural areas within a three-year period. Hand in Hand is making Indian consultants available for “training of trainers” of some 1,000 local development workers. These will in turn train 400,000 women per year.

AFGHANISTAN

THE YEAR 1385 of the Islamic calendar (1 April 2006 to 31 March 2007) was the first year of operations for Hand in Hand Afghanistan. It was a year of inception, and of preparations for the main objective of the organisation – to create massive numbers of livelihoods in rural areas of Afghanistan by utilising the expertise and experience of Hand in Hand Tamil Nadu. The decision to form Hand in Hand Afghanistan followed an invitation by the President of Afghanistan, H E Mr Hamid Karzai. The main activities during the year evolved around information and to support the Ministry for Rural Rehabilitation and Development (MRRD) to prepare a proposal for a National Rural Enterprise Development Program (NREDP). The final draft of this proposal was

circulated to donors and other ministries in the first days of 1386.

SWEDEN

WE HAVE A continuous and close cooperation with our support organisation Hand in Hand Sweden. Hand in Hand Sweden is a non-profit NGO accredited with the following 90-account number: 90 00 91-0. Hand in Hand Sweden’s main purpose is to spread information and build opinion about the work and activities of Hand in Hand in Tamil Nadu, as well as to support Hand in Hand in Tamil Nadu with funding.

UNITED KINGDOM

HAND IN HAND International is a UK registered charity that was founded in 2006. The charity focuses on supporting Hand in Hand in Tamil Nadu and the organisation’s activities in India, South Africa, and Afghanistan in areas such as fund-raising, partnerships, strategy development, PR, and media contacts. The Chairman of the Board of Trustees is Dr Percy Barnevik. Other members are Mr Eric Drewery, Ms Prudence Dawson, Mr Thomas Raber, Ms Doone Hulse, Mr Michael Norton, and Dr Marguerita Rakus.

ACHIEVEMENTS AND GOALS

CHILD LABOUR ELIMINATION AND EDUCATION

Achievements so far:

- 6,586 children between 5-14 years, who would have been engaged in labour activities, have been enrolled into government schools and retained
- Poongavanam Residential School is a fulltime residential school for 86 children, all of whom either have dropped out of school or never enrolled in the first place
- 126 children, including 20 children from Scheduled Tribes, get quality education at subsidised cost at Mahatma Gandhi Primary School
- 19 transit schools are coaching 316 children to pass tenth standard board exam
- One crèche with 31 children from Tribal communities is running
- Hand in Hand is contributing with half of the salary costs for teachers in 17 government schools under the School Strengthening Programme
- With support from the Government of Tamil Nadu, ten Alternative Innovative Education (AIE) centres with 135 children are functioning under the Sarva Shiksha Abhiyan (SSA) programme with supervi-

sion from Hand in Hand

- 214 poor children and their families receive benefits under the Child Sponsorship Programme
- Hand in Hand is working with child labour elimination in 274 panchayats, out of which 55 have been made “Child Labour Free”
- 1,252 community volunteers are engaged in Child Rights Protection Committees (CRPC)

Goals for the future:

- By 2010, 25,000 children who are out of school will be enrolled into government schools and retained
- The long-term goal is to ensure that 300,000 children who are out of school in the entire state of Tamil Nadu will be enrolled into government schools and retained

SELF HELP GROUPS AND MICROFINANCE

Achievements so far:

- 206,664 women have been organised into 13,962 Self Help Groups (SHGs) in 12 districts of Tamil Nadu as well as in Pondicherry and have received training to improve their livelihoods

- 60,779 women have been assisted in setting up new or strengthening already existing family-based micro-enterprises by skills training and access to credit
- 385 medium-sized enterprises have been set up
- 2,308 women have been trained and 1,244 have been employed in two leading garment industries
- 23,834 women have received functional literacy training
- Since the start up of microcredit lending, Hand in Hand has disbursed credits to the tune of INR 71 million

Goals for the future:

- During the next 12 months, 200,000 additional women will be organised into SHGs, and 50,000 additional family-based micro-enterprises as well as 500 additional medium-sized enterprises will be set up or enhanced
- By 2012, 250,000 enterprises will be up and running, creating jobs for one million people

CITIZENS' CENTRES

Achievements so far:

- 135 Citizens' Centres are functioning in 135 panchayats
- There is strong community participation in 132 Citizens' Centres, demonstrated by provision of rent-free government buildings by the panchayats
- 615 girls and 635 boys have received training in computer literacy
- Approximately 11,696 people use the Citizens' Centre libraries every month
- Approximately 4,470 people use computers in the Citizens' Centres every month
- Good Governance Rights Protection Committees (GGRPC) engaging 1,413 volunteers have been formed

Goals for the future:

- During the next 12 months, 1,000 Citizens' Centres will be functioning
- By 2012, 4,000 Citizens' Centres, covering 10,000 villages and 20 million villagers, will be functioning

HEALTH

Achievements so far:

- 159 medical camps have been conducted from which 29,702 people have benefited
- 2,900 patients have been referred to government hospitals for further treatment

Goals for the future:

- 100,000 people per year on average will be covered in awareness and information campaigns as well as in medical camps

ENVIRONMENT

Achievements so far:

- 1,270 households are covered in our solid waste management projects in Mudichur and Nathapettai
- Over 20,000 kilos of biodegradable waste per month is segregated at source, collected, and processed into organic manure
- Almost 20,000 kilos of non-biodegradable (recyclable) waste per month is segregated at source, collected, and processed
- 17 individuals get full-time employment
- Six awareness campaigns have been conducted
- One watershed project is currently being implemented, engaging 750 villagers and covering 870 hectares of land, and a second project has just been sanctioned

Goals for the future:

- By 2018, 1.5 million households, or ten million people, will be covered by our solid waste management project with 10,000 employees

GLOBAL EXPANSION

The build up of 1,600 consultants has started and experience is being gained in South Africa and Afghanistan. By exporting our Tamil Nadu model and leveraging our skilled employees, it may be possible to contribute to millions of jobs in other states in India and in a number of countries.

GET INVOLVED



Our engagement has grown rapidly in the last years, as has the need for funding. In order to continue in our successful development, we now seek your partnership.

BOTH HAND IN Hand Trust and SEED Trust have permanent registration numbers under the Foreign Contribution Management Act (FCRA), allowing us to receive funds from outside of India. Contributions are exempt from tax under Section 80 (G) of the Income Tax Act. Our commitment to transparency and accountability ensures that the end use of funds is clearly identifiable in all activities and at all times.

As a donor, you can choose between our different programmes; below are some examples:

- Literacy training for one woman – USD 15
- Training to start up or enhance one family-based micro-enterprise – USD 15
- One transit school for 30 children – USD 4,000
- One Citizens' Centre – USD 2,000
- For USD 25,000, you can also choose to support an entire village (2,000 people) with our "Model Village Project", including elimination of child labour and malnutrition among children, literacy training for 100 women, 100 micro-enterprises and two medium-sized enterprises, one Citizens' Centre and management of the solid waste in the village

WORLDWIDE

DONORS ALL OVER the world are welcome to make donations to our Indian account.

Account name:	Hand in Hand Tamil Nadu Trust
Account number:	20217
Bank and address:	Canara Bank, Gandhi Rd, Kancheepuram District 631-501, Tamil Nadu, India
Swift code:	CB CNR BIN BB MFD ABN AMRO AMSTERDAM ABN ANL ZA
Authorisation code:	0240345-9000009

USA AND CANADA

DONORS IN THE USA and Canada can make tax-deductible donations through Give2Asia; for more information, visit www.give2asia.org. Please note that online donations from Canadian donors only are tax-deductible if contributed by check.

The administrative fee for maintaining a donor advised fund with Give2Asia is automatically covered thanks to a contract with one of our donors. Thus, 100 percent of the donation goes straight to the project in question.

UNITED KINGDOM

DONORS IN THE United Kingdom can make donations to our UK-based charity:

Account name:	Hand in Hand International
Account number:	07226063
Bank and address:	Coutts & Co, Commercial Banking, 440 Strand, London WC2R 0QS, United Kingdom
Sort code:	18-00-02

SWEDEN

OUR SWEDISH SUPPORT organisation, Hand in Hand Sweden, has been accredited with a 90-account with the following account numbers:

PG: 90 00 91-0 BG: 900-0910

CREDIT CARD

IF YOU WISH to donate using a credit card, please visit our website www.hihseed.org.

YOUR SUPPORT WILL truly make a difference and facilitate a life of dignity, hope, and choice for the marginalised and disadvantaged sections of society. All donations – no matter size – are welcome and will contribute to our work!



A Tamil Nadu woman participating in her regular Self Help Group meeting

“Hand in Hand is a very well managed and efficient organisation with highly motivated and knowledgeable staff. Through Oriflame, I have previous experience from working with women at a grassroots level, and as an old entrepreneur myself, it feels extremely inspiring to see women from the most marginalised and poor sections of society starting up and running their own micro-enterprises. It is also a relief to see children who have been exploited in factories now coming to school and regaining their lost childhoods; the children are so ambitious and positive despite all the hardship they have had to endure. I would encourage all companies as well as private individuals to come forward and join us in the fight against poverty.”

Jonas af Jochnick, Co-founder of Oriflame

“I have seen Hand in Hand in action in Tamil Nadu. It was an experience I will never forget. Enthusiasm, dedication, and willpower combined with skill, knowledge and an ability to get things done. More and more people understand the need to give money to causes that make a difference. Hand in Hand certainly makes that difference!”

Peje Emilsson, Founder and Executive Chairman of Kreab

Balance Sheet – Hand in Hand and SEED

	31 March 2007 (INR)	31 March 2006 (INR)
EQUITY AND LIABILITIES		
Initial Contribution	7 127	7 127
Capital Grant: Corpus Fund	210 000 000	30 000 000
Capital Grant: Fixed Assets	36 320 130	8 016 712
Revenue Grant	90 815 317	28 649 350
Reserves and Surplus	7 483 339	966 146
Current Liabilities	2 772 807	1 263 834
Secured Loan	19 800 000	0
Unsecured Loan	25 000 000	2 293 000
TOTAL	392 198 720	71 196 169
ASSETS		
FIXED ASSETS		
Gross Value	28 012 448	8 794 222
Less Depreciation	-1 969 994	-939 871
Net Value	26 042 454	7 854 351
Investments	227 139 577	30 811 958
CURRENT ASSETS		
Advances	7 471 725	1 082 239
Micro Loans to SHG Members	36 943 047	5 821 222
Cash and Bank Balances	94 601 917	25 626 399
TOTAL	392 198 720	71 196 169

Income Statement – Hand in Hand and SEED

	1 April 2006 to 31 March 2007 (INR)	1 April 2005 to 31 March 2006 (INR)
INCOME		
Revenue Grants from Foreign Sources	49 399 307	23 759 188
Revenue Grants from Indian Sources	1 017 743	0
Donation	365 906	328 590
Interest on Fixed Deposit	1 703 083	0
Interest on Micro Loans	1 685 606	254 490
Bank Interest	232 546	311 893
Other Income	4 194 916	1 752 984
TOTAL	58 599 107	26 407 145
EXPENDITURE		
Administration Expenses	3 917 270	4 368 964
Programme Expenses	46 183 543	16 190 583
Grant to Hand in Hand	0	4 958 954
Depreciation	1 969 994	939 871
TOTAL	52 070 807	26 458 372
EXCESS OF INCOME OVER EXPENDITURE	6 528 300	-51 227

Balance Sheet – Hand in Hand

	31 March 2007 (INR)	31 March 2006 (INR)
EQUITY AND LIABILITIES		
Initial Contribution	1 000	1 000
Capital Grant: Corpus Fund	100 000 000	0
Capital Grant: Fixed Assets	9 443 209	4 788 831
Revenue Grant	66 653 395	10 569 310
Reserves and Surplus	5 718 526	506 616
Current Liabilities	2 764 752	1 212 170
Unsecured Loan	25 000 000	2 293 000
TOTAL	209 580 882	19 370 927
ASSETS		
FIXED ASSETS		
Gross Value	10 813 271	5 200 549
Less Depreciation	-1 614 895	-574 079
Net Value	9 198 376	4 626 470
Investments	153 277 126	811 958
CURRENT ASSETS		
Advances	2 129 000	363 575
Micro Loans to SHG Members	34 990 682	1 777 941
Cash and Bank Balances	9 985 698	11 790 983
TOTAL	209 580 882	19 370 927

Income Statement – Hand in Hand

	1 April 2006 to 31 March 2007 (INR)	1 April 2005 to 31 March 2006 (INR)
INCOME		
Revenue Grants from Foreign Sources	45 419 918	5 014 372
Revenue Grants from Indian Sources	1 017 743	0
Donation	365 906	328 590
Interest on Fixed Deposit	805 906	0
Interest on Micro Loan	1 221 099	106 853
Bank Interest	232 546	0
Other Income	4 190 021	1 752 984
TOTAL	53 253 139	7 202 799
EXPENDITURE		
Administration Expenses	3 627 665	2 637 474
Programme Expenses	42 805 514	4 502 003
Depreciation	1 614 895	574 079
TOTAL	48 048 074	7 713 556
EXCESS OF INCOME OVER EXPENDITURE	5 205 065	-510 757

Auditor's Report – Hand in Hand

To

The Trustees of Hand in Hand Tamil Nadu, Kancheepuram

We have audited the attached Balance Sheet of Hand in Hand Tamil Nadu, Kancheepuram as on 31 March 2007, and also the Income Statement of the Trust of the year ended on that date, annexed thereto. These financial statements are the responsibility of the management of Hand in Hand Tamil Nadu, Kancheepuram. Our responsibility is to express an opinion on these financial statements based on our audit.

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

1. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
2. In our opinion proper books of account as required by law have been kept by the Trust so far it appears from our examination of such books.
3. The Balance Sheet and Income Statement dealt with by this report are in agreement with the books of account.
4. In our opinion and to the best of our information and according to the explanations given to us, the said accounts give a true and fair view.
 - a. In the case of the Balance Sheet, of the state of affairs of the Trust as at 31st March 2006 and
 - b. In the case of the Income Statement of the excess of expenditure over income for the year ended on that date.

Chennai, 7 June 2007

For AROCKIYASAMY & RAJ
CHARTERED ACCOUNTANTS
A. Nagarajan, F.C.A.
Partner
Membership no 20680

INFORMATION

உரையாடல்மையம்

DISCUSSION

உரையாற்று மையம்

DISCOURSE

வழிகாட்டுமையம்

GUIDANCE

கன்காணிப்பு மையம்

MONITORING

செயல்பாட்டு மையம்

ACTION

சோதனை மையம்

TESTING

ஹாண்ட் இன் ஹாண்ட்
TRUST

Balance Sheet – SEED

	31 March 2007 (INR)	31 March 2006 (INR)
EQUITY AND LIABILITIES		
Initial Contribution	6 127	6 127
Capital Grant: Corpus Fund	110 000 000	30 000 000
Capital Grant: Fixed Assets	26 876 921	3 227 881
Revenue Grant	24 161 922	18 080 040
Reserves and Surplus	1 764 813	459 530
Current Liabilities	8 055	51 664
Secured Loan	19 800 000	0
TOTAL	182 617 838	51 825 242
ASSETS		
FIXED ASSETS		
Gross Value	17 199 177	3 593 673
Less Depreciation	-355 099	-365 792
Net Value	16 844 078	3 227 881
Investments	73 862 451	30 000 000
CURRENT ASSETS		
Advances	5 342 725	718 664
Micro Loans to SHG Members	1 952 365	4 043 281
Cash and Bank Balances	84 616 219	13 835 416
TOTAL	182 617 838	51 825 242

Income Statement – SEED

	1 April 2006 to 31 March 2007 (INR)	1 April 2005 to 31 March 2006 (INR)
INCOME		
Revenue Grants from Foreign Sources	3 979 389	18 744 816
Interest on Micro Loans	464 507	147 637
Bank Interest	897 177	311 893
Other Income	4 894	0
TOTAL	5 345 967	19 204 346
EXPENDITURE		
Administration Expenses	289 605	1 731 490
Programme Expenses	3 378 028	11 688 580
Grant to Hand in Hand	0	4 958 954
Depreciation	355 099	365 792
TOTAL	4 022 732	18 744 816
EXCESS OF INCOME OVER EXPENDITURE	1 323 235	459 530



Auditor's Report – SEED

To

The Trustees of the Socio-Economic Educational Development Trust (SEED)

We have audited the attached Balance Sheet of the Socio-Economic Educational Development Trust (SEED) as on 31 March 2007, and also the Income Statement of the Trust of the year ended on that date, annexed thereto. These financial statements are the responsibility of the management of the Socio-Economic Educational Development Trust (SEED). Our responsibility is to express an opinion on these financial statements based on our audit.

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

1. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
2. In our opinion proper books of account as required by law have been kept by the Trust so far it appears from our examination of such books.
3. The Balance Sheet and Income Statement dealt with by this report are in agreement with the books of account.
4. In our opinion and to the best of our information and according to the explanations given to us, the said accounts give a true and fair view.
 - a. In the case of the Balance Sheet, of the state of affairs of the Trust as at 31st March 2006 and
 - b. In the case of the Income Statement of the excess of expenditure over income for the year ended on that date.

Chennai, 7 June 2007

For AROCKIYASAMY & RAJ
CHARTERED ACCOUNTANTS
A. Nagarajan, F.C.A.
Partner
Membership no 20680

© Hand in Hand Tamil Nadu

Project Coordinator: Sofia Altafi

Text: Kalpana Sankar, Percy Barnevik, Neeraj
Raghavan, Pejman Altafi, Sofia Altafi

Layout and design: Erik Nilsson

Photo: Erik Nilsson and Johan Normén



HAND IN HAND



HAND IN HAND
Nasarathpet Village
Opp Pachayappa's Men's College
Little Kancheepuram
Kancheepuram District 631 503, Tamil Nadu, India
Phone: +91-44-42029360
Fax: +91-44-27269301
E-mail: info@hihseed.org

SEED
24/12 Sixth Str, Gandhi Nagar
Thiruvannamalai 606 601, Tamil Nadu, India
Phone: +91-41-75224604
E-mail: info@hihseed.org

HAND IN HAND MICRO FINANCE LTD
New no 9, Old no 3, Radhakrishnan Str
T Nagar, Chennai 600 017, Tamil Nadu, India
Phone: +91-44-64525852
E-mail: info@hihseed.org

HAND IN HAND AFGHANISTAN
Address House 13, Hisa 2, Main Rd
Opp Previous British Embassy
Karta-e Parwan, Kabul, Afghanistan
Phone: +93-798140458, +93-799056844
E-mail: af@hihseed.org

HAND IN HAND INTERNATIONAL
10 Hill Str, London W1J 5NQ, United Kingdom
Phone: +44-20-75145090/75145091
Fax: +44-20-75145099
E-mail: elisabeth@handinhandindia.org.uk

HAND IN HAND SWEDEN
Planiavägen 1, 131 34 Nacka, Sweden
Phone: +46-8-7165890
Fax: +46-8-7169035
E-mail: info@handinhand.nu

www.hihseed.org

