

Narrative Report

**Land Based Livelihoods Assistance to  
Small and Marginal Farmers in Sivagangai Backward Areas**

Reporting Period  
April 2010 to March 2011

Submitted to  
ASSEFA Italia

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## **1. Introduction**

ASSEFA, with the support of ASSEFA Italy, has been implementing the present project since April 2008 in one of the backward areas, Sivagangai in southern part of Tamil Nadu. The project has been working towards enhancing the livelihoods of the farmers, mainly small and marginal through land based activities.

The farmers are dependent upon rainfall for agricultural activities. In case of failure of Monsoon rain, many farmers cannot undertake agriculture activities under external support and hence they suffer with loss of income. In many instance, they migrate to the towns/cities for menial work.

The present project has been working with such farmers in addressing the issues related to land based livelihoods. Depending upon the priority, they have been assisted with

- a) Conservation, storing and efficient utilization of rain water for irrigation purposes,
- b) Raising of suitable crop like cashew nut and vegetables and
- c) Alternative livelihoods through dairy activities.

Towards this, the farmers have been given necessary training and exposure visit in agriculture related activities and demonstrated modern cultivation techniques through “Demonstrative and Extension Centers”.

The present report narrates the various activities undertaken during the period from April 2010 to March 2011. It also includes financial statement and brief profile of the farmers, who received support along with their photos.

## **2. Project Progress**

### **2.1. Coverage of Farmers:**

As on 31 March 2011, the project was able to bring in 487 farmers, higher than what was planned initially (400 farmers). During the reporting period alone, the project was able to cover 136 farmers.

These farmers were registered with the project by collecting key information about their family backward and their agriculture activities including constraints faced by them in farming practices.

## **2.2. Training to Farmers:**

The farmers were given training in respect of mainly improved farming practices and alternative income generation activities. The training includes classroom lecture, demonstration and exposure visit for farmer to farmer interaction. These help farmers in not only gaining knowledge but also confidence in doing it.

During the reporting period, about 407 farmers were given training in various topics. These include.

a) Organic farming	:	45
b) Manufacturing of Vemi compost	:	60
c) Soil and Water Testing	:	45
d) Bio Gas application	:	32
e) System of Rice Intensification (SRI)	:	25
f) Tree plantation	:	60
g) Drip Irrigation	:	40
h) Dairying	:	70
i) Bee Keeping	:	30

During the reporting period, the services of the Students from Integrated Farming System Course of the ASSEFA Community College were used to train the farmers. They trained farmers in soil and water testing, vemi compost, drip irrigation and SRI. In addition, the college had also taken 40 farmers to the “Agriculture Exhibition” organized by the Confederation of Indian Industries at Madurai, as exposure visit. During the visit, the farmers came to know about the application of the latest agriculture implements.

## **2.3. Water Management Services:**

As the project area, being located in the semi arid region, the efficient utilization of water is necessary to irrigate more lands with available water sources. Towards this, training was

organized for the farmers in activities such as drip irrigation, erection of distribution pipelines, sprinklers, etc. Subsequently, farmers were supported to adopt such system in the farmyard.

During the reporting period, 2 farmers were assisted with erecting drip irrigation system. This helped both the farmers to irrigate their lands under orchard (2.5 acres) efficiently, besides bringing 50 cent additionally by both under vegetable cultivation.

As on March 31, 2011, the project has supported 167 farmers, as against 100 farmers planned initially.

#### **2.4. Dairy Based Livelihoods:**

Dairy is the best alternative source of livelihood for the farmers. Hence, the farmers were made aware of the usefulness of the dairy activities and supported them based on their requirements.

During the reporting period, the farmers were assisted with a) Purchase of hybrid milch animals and b) heifer calves. 64 farmers were assisted to buy hybrid milch animals. These farmers were linked up with the existing dairy groups and arranged to dispose the surplus milk production.

Similarly, 70 farmers were supported to buy heifer calves mainly to support their girl child in the future for education or marriage from the income of these animals.

As on date, 211 families were assisted under this program, which is more than what was planned initially (150 families).

#### **2.5. Demonstration and Extension Center:**

The project has continued to extend non-financial services to the farmers through its demonstration and extension centers at Kandani and Vagulathupatti areas. The unused lands in these centers were cleared and undertaken the following to demonstrate the farm related activities to the surrounding farmers.

- Promoting Horticulture Crops: To overcome the problems of shortage of man power and limited availability of water, horticulture crops were promoted in the demonstrative units. During the reporting period, the following seedlings were planted. 1) Amla (100 nos), lemon (120), Sappota (100) and Neem (50). In addition, local timbre valued tree seedlings (250) were also planted.
- In addition, the following crops seedlings were raised and distributed to the farmers for their usages.
 

✓ Maljeria (timbre valued)	:	6,000 nos
✓ Neem tree saplings	:	1,000 nos
✓ Subbapul	:	1,000 nos
- Vegetable cultivation mainly ladies fingure, brinjal, tomato and greem chillie were undertaken in Kandai center. Towards this, preparation of land, digging of pits, raising and planting seedlings, manufacturing of vermi compost, application of manure and arranging drip irrigations were undertaken.
- Food Crop Cultivation: Paddy was cultivated across 1.7 acres of land. Towards this, preparation of land, raising and planting seedlings, application of manure and arranging pipelines for efficient distribution of irrigation water were undertaken.
- Borewell: was dug upto depth 450 fts at Vagulathupatti farm. This is mainly to increase the water source so as to maintain the existing agriculture activities without any constraints.
- Vermi Compost Pit: Two compost pits were established at Kandani Farm as demonstrative cum production center. These two pits provide 200 kg of compost manure every month, which are sold to the farmers in the neighbourhood villages as well as applied for raising saplings in the nurseries.

## **2.6. Linkage of Community College:**

ASSEFA started a Community College in July 2010 in collaboration with Indira Gandhi National Open University, New Delhi. Initially, the college offers five diploma courses, one

of which is “Integrated Farming System (IFS)”. It is a one year diploma course, offers specialization in Integrated farming practice for the rural youths.

The course is designed such that the students spend 40% in theory classes and the remaining 60% in practical orientation. The department assigns each student to identify about 200 farmers in the target area, work with them in assessing their problems related to farming, design mitigation strategies and execute the same.

During the reporting period, the IFS course has allocated 4 students in Sivagangai area. The services of these students have been used by the project to identify new farmers, assess their needs and support them under the project. The students also helped farmers in testing their soil and water, prepare vemi compost from farmyard waste, erect drip irrigation and cultivate paddy under ‘System of Rice Intensification method”.

### 3. Financial Details

As on 31.03.2011, ASSEFA has received a fund of Euros 117,856 (*equivalent to Rs 7,592,227*) of which Euros 21,429 (*equivalent to Rs 1,289,240*) was received during the reporting period i.e., from 1<sup>st</sup> April 2010 to 31<sup>st</sup> March 2011. The activity-wise, year-wise receipt details are given in the table below.

**Details of the Receipt as on 31.03. 2011**

S. No	Particulars	First year		Second Year		Third Year		Total	
		in Euros	in INR	in Euros	in INR	in Euros	in INR	in Euros	in INR
1	Water Management Services	23,214	1,546,959	3,571	238,811			26,785	1,785,770
2	Vegetable Based Livelihoods	7,143	450,562	3,571	243,739	2,679	160,305	13,393	854,606
3	Dairy Based Livelihoods	26,786	1,764,259			13,393	808,385	40,179	2,572,644
4	Cashewnut based Livelihoods	5,357	337,906	3,571	249,238	1,786	106,870	10,714	694,014
5	Demo and Extension Center	23,214	1,471,513			3,571	213,680	26,785	1,685,193
	<b>Total</b>	<b>85,714</b>	<b>5,571,199</b>	<b>10,713</b>	<b>731,788</b>	<b>21,429</b>	<b>1,289,240</b>	<b>117,856</b>	<b>7,592,227</b>

Out of the total receipts of Rs 7,592,227, the project has incurred expenditure of Rs 6,453,834 for the activities, as on March 31, 2011. There is a balance of Rs 1,138,393 at ASSEFA level,

which is planned to be used in 2011-12. The activity-wise and year-wise expenditure against the proposed budget is presented in the table given below.

**Details of the Budget Vs Actual as on 31.03. 2011**

S. No	Particulars	First year (April 08 to March 09)		Second year (April 09 to March 10)		Third year (April 10 to March 11)		Total	
		Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
1	Water Management Services	1,000,000	690,000	300,000	960,000	200,000	20,000	1,500,000	1,670,000
2	Vegetable Based Livelihoods	400,000	320,000	200,000	420,000	150,000		750,000	740,000
3	Dairy Based Livelihoods	750,000		750,000	520,000	750,000	1,340,000	2,250,000	1,860,000
4	Cashewnut based Livelihoods	300,000	250,000	200,000	100,000	100,000		600,000	350,000
5	Demo and Extension Center	1,000,000	648,863	300,000	1,121,971	200,000	63,000	1,500,000	1,833,834
	<b>Total</b>	<b>3,450,000</b>	<b>1,908,863</b>	<b>1,750,000</b>	<b>3,121,971</b>	<b>1,400,000</b>	<b>1,423,000</b>	<b>6,600,000</b>	<b>6,453,834</b>

#### 4. Conclusion

Thanks to ASSEFA Italy, as the project is able to address the problems of the farmers in Sivagangai area. The potential farmers were identified, brought under farmers group, assessed their priority and supported them accordingly. During the initial period (first two years) of the project, assistances were provided mainly in improving the irrigation facilities. These included deepening of wells, bore-well, erection of distribution pipelines, drip irrigation, etc.

This support has of course enabled the farmers to improve their agriculture activities. With the increased availability of water for irrigation, the farmers were able to cultivate crops more than once and also bring in additional lands under cultivation. Similarly, the knowledge based support including extension services through demonstrative and extension centers helped farmers to adopt improved cultivation practices.

Of course, during the third year, the project was focused on supporting the farmers with alternative livelihood activities, mainly purchase of hybrid milch animals and heifer calves. These farmers were linked up with the existing dairy groups and arranged to dispose the surplus milk production.

As on date, the project was able to identify and support nearly 500 deserving farmers with land based livelihoods activities. The benefit that the farmers realized also motivated other neighborhood farmers to approach ASSEFA and request to support them with land based livelihood activities.

By assessing the existing demand and discussion with the workers and the students of the community college, it is proposed to bring in 2,250 farmers including the existing coverage of 500 farmers in the next three years under this program. Depending upon the priority, they will be supported with knowledge based services through college students and financial support in improving agriculture based livelihood activities i.e., for agriculture development and cattle wealth promotion. .

Of course, the financial support will be provided on revolving basis i.e., the farmers will repay whatever the financial support provided to the federation of the farmers group and the same fund will be used to support other farmers on revolving basis. The total funds required for three years works out to Rs 21,750,000. Vide detailed financial plan for the next three years in table no annex 1.

**Financial Requirements of the Farmers for the period from 2011 to 2014**

S. No	Particulars	2011-12		2012-13		2013-14		Total	
		Units	Amount	Units	Amount	Units	Amount	Units	Amount
1	Water Management	50	500,000	50	500,000	50	500,000	150	1,500,000
2	Agri Crop Development ( <i>vegetable, paddy, ground nut,</i>	400	4,000,000	500	5,000,000	600	6,000,000	1500	15,000,000
3	Milch Animals	100	1,000,000	100	1,000,000	100	1,000,000	300	3,000,000
4	Calf Rearing	50	250,000	50	250,000	50	250,000	150	750,000
5	Goat Rearing	50	500,000	50	500,000	50	500,000	150	1,500,000
	<b>Total</b>	<b>650</b>	<b>6,250,000</b>	<b>750</b>	<b>7,250,000</b>	<b>850</b>	<b>8,250,000</b>	<b>2250</b>	<b>21,750,000</b>

In order to meet the above demand, it is proposed to do the following.

1. **Use the Balance Fund available at ASSEFA Head Office:** The project has left with a balance of Rs. 1,138,393, which is mainly due to exchange gain. With the approval of



ASSEFA Italy, it is planned to utilize the balance for the above activity, preferably cattle wealth based livelihood activities – milch animals, calf rearing and goat rearing.

2. **Use the Revolving funds built up at the federation of Farmers level:** The farmers, who had received assistance for various activities had built up revolving funds at the federation level, out of the surplus income earned from their livelihood activities. For instance, out of the total assistance of Rs 4,620,000 provided under the project, the farmers were able to build up Rs 3,829,000 as revolving funds, as on March 31, 2011. The funds will be used to support the farmers' demand on the revolving basis.

Under effect utilization, this revolving fund can be rotated to an extent of 1.30 times in a year. With the expected building up of revolving funds, the extend to which credit demand of the farmers for the next three years has been worked out and presented in the table give below.

Year	Expected RF in Rs	RF recycling to meet farmers demand (a)	Farmers Demand (b)	Surplus/Deficit (b a)
2011-12	3,829,000	4,977,700	6,250,000	-1,272,300
2012-13	5,189,000	6,745,700	7,250,000	-504,300
2013-14	5,758,000	7,485,400	8,250,000	-764,600
	<b>TOTAL</b>	<b>19,208,800</b>	<b>21,750,000</b>	<b>-2,541,200</b>

**Note:** RF expected to build up equivalent to project fund assistance

Out of the proposed demand of Rs 21,750,000, a sum of Rs. 19,208,800 can be met out by rotation of revolving funds. However, there is a deficit of Rs 2,541,200, i.e., required to meet the farmers demand. This deficit can be met to some extent with the balance fund of Rs 1,138,393, available with ASSEFA. In case, ASSEFA Italy agrees to support the remaining deficit of Rs 1,402,807 (Euros 23,380), the proposed plan would be implemented accordingly. Otherwise, the team might have to look for alternative sources such as Kosh to meet the deficit.

Table annex 1 in INR

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		Units	Amount	Units	Amount	Units	Amount	Units	Amount
1	Water Management	50	500,000	50	500,000	50	500,000	150	1,500,000
2	Agri Crop Development ( <i>vegetable, paddy, ground nut,</i>	400	4,000,000	500	5,000,000	600	6,000,000	1500	15,000,000
3	Milch Animals	100	1,000,000	100	1,000,000	100	1,000,000	300	3,000,000
4	Calf Rearing	50	250,000	50	250,000	50	250,000	150	750,000
5	Goat Rearing	50	500,000	50	500,000	50	500,000	150	1,500,000
	<b>Total</b>	<b>650</b>	<b>6,250,000</b>	<b>750</b>	<b>7,250,000</b>	<b>850</b>	<b>8,250,000</b>	<b>2250</b>	<b>21,750,000</b>