



# COMMUNITY

Enterprises *as*

# DEVELOPMENT

Interventions



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Interventions

Palmyrah Workers Development Society  
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## Enterprise Promotion as a Development Intervention

**PWDS (Palmyrah Workers Development Society)** works with marginalised communities for their socio-economic development. Income security is a fundamental necessity for improved quality of life, especially, in the case of rural artisans like palmyrah workers. The quality and value for their products and the market linkages make a significant difference in their income. Entrepreneurial skills and access to credit, technology, and market also help rural people to graduate from wage earners to enterprise owners.

In the process of working with palmyrah workers and attempting to improve their products, PWDS identified palm candy, a value product and a potential trade for promoting community enterprise, capable of improving economic returns and at the same time creating other social benefits for the family and community. Palm candy processing and organisation of the production unit, evolved by PWDS, emerged as a community enterprise model. The experience in building this model also led PWDS to reflect on the process of looking at enterprise promotion as a development intervention.

Furthering this process involved three streams of activities. One, to initiate a process on understanding and developing a concept of community enterprise; second, preparing a training process-module based on field experiences and evidences to orient NGO staff and community, and third, to attempt to transfer this concept and model to other communities and products.

Traditionally, income generating activities are considered as a social activity, in the form of a project with external funding, which lacks business parameters essential for economic viability that sustains the activity. On the other hand such initiatives are seen as microenterprise, following traditional business school models, totally ignoring related factors such as community competency, rural limitations in terms of infrastructure, and the social context. These two ways of understanding could be defined as a social model from the NGO perspective or a business model from a business (school) management perspective. Both do not fit very well with the community enterprise model that attempts to understand and implement enterprise promotion as a development intervention.

Community Enterprise (CE) is a business activity within a community development framework. This is seen as an economic activity for sustainable income security as well as a development instrument for community empowerment by creating access to mainstream resources and market and sustainable social gains. CE has emerged as an interface between community

development and enterprise promotion. It comprises not only elements of community development to ensure community ownership and social gains, but also elements of business to ensure economic viability.

PWDS has been actively involved in addressing issues related to CE at different levels and in association with local, national and international organisations. One of its major efforts has been to bring together institutions involved in enterprise activities like training organisations, field level practitioners, and financial institutions for a process of dialogue on CE, in order to understand the issue better and work jointly. The dialogue resulted in developing a common understanding of the concept and the elements of CBE both from a development perspective as well as from a commercial perspective. The community enterprise promotion is perceived as an empowering process with sustainability elements, a step to move beyond isolated micro level operations and a potential for mainstreaming community initiatives for income security.

A five-step process framework called **MEALS** with **Motivating, Equipping, Accompanying, Linking, and Sustaining** was developed and tested in the field. In addition, a validated training module in the form of a process intervention for community enterprise promotion has already been developed as part of the programme. An appropriate participatory monitoring tool called PIM (Participatory Impact Monitoring) too was identified and tested in the field in the areas of credit and community enterprise management.

PWDS has organised workshops, training programmes and consultations on CE. Over the years more than thirty such programmes have been organised in which around 100 NGOs participated. Many viable community enterprises and organisational models have emerged in the field, through the support of partner NGOs, with mainstream credit, technology, and market access.

As part of this process of learning and sharing, it was decided to document some of the enterprise initiatives promoted by various organisations in Tamil Nadu that have community enterprise elements. This study is an outcome of such an effort. The cases are limited to Tamil Nadu and selected based on the characteristics of a community enterprise. The purpose is to deepen the understanding of community enterprise promotion as a development intervention; an economic intervention that improves economic returns with social gains; an intervention that works for profit but at the same time looking beyond profit.

I thank Dr. Nandini Murali who documented the study so well and also the organisations that accepted our request and shared all details with us. The visit to such organisations and interactions with people involved with these initiatives itself was a great learning experience for us.

August 2009

Reji Chandra  
*Director, PWDS*

## Auroville Village Action Group (AVAG): Partners in Development

### The Beginning

In the beginning, it was a bronzed desert. The red laterite soil was inhospitable to all forms of life, particularly human habitation. Today, however, the sylvan surroundings in Auroville, the international township 160 km from Chennai, contrast with its geographical past. The greening of Auroville was the collective effort of the Aurovilian pioneers in the early and mid 1970s.

Inspired by the vision of Sri Aurobindo of the evolving consciousness of humanity, Auroville was founded by The Mother of the Aurobindo Ashram, on February 28, 1968. Currently Auroville has 1500 people from over 35 different countries involved in activities as diverse as afforestation, agriculture, industry, handicrafts, health, education, culture, and social service. According to Aurovilians, these activities are means for the individual to evolve; and not an end in themselves.

### Arrival of the Early Settlers

American Bhavana Dee was one of the earliest settlers in Auroville. She came in 1971 on a New Age quest for a more meaningful way of life and living. She remembers being astonished when emaciated people from the village approached the early settlers not for alms, but for employment. In the initial years, Bhavana Dee, among other things, measured milk at Aurodiary, and planted many trees. In 1976, she also introduced the art of crafting leather products made of hard leather, a craft she learnt in Australia. Today, Auroville is one of the pioneers in hard leather handicrafts in the country.

Most people in the villages around Auroville lived in abject poverty in palm-leaf thatched huts. In some houses, women came out one at a time as they were forced to share the single sari available. "The eager-for-a-job villagers did not have the skills nor the vision for those things valued in contemporary society. Their skills lay in doing what was told, to come back smiling...These are not skills that get you a big income," recalls Bhavana Dee.

What also concerned Bhavana Dee was her belief that Auroville being an "intentional community" any kind of work had to be undertaken in a spirit of partnership and thereby the people involved experience a sense of ownership. A facilitative factor was that in response to The Mother's call for "actual human unity," several people in the nearby villages sold their lands to Auroville. Since



*Entrepreneurs in action*



the quiet beginnings four decades back, the relationship between Auroville and the community has been steadily evolving.

## A Strange Symbiosis

The arrival of the Aurovilians was the beginning of a new dawn for the local community. Several people took up paid employment in Auroville as manual labourers and domestic help. In 1972, a German donor agency supported Auroville to begin handicraft based enterprise units. A few years later it became imperative for Aurovilians to set up several additional units that generated sustained income. Shortly a host of enterprise units such as wood work, weaving, terracotta, leather craft (hard leather), pottery, stone carving, perfumed candles, hand woven hammocks, and (recently) handicrafts from papier mâché and recycled materials emerged. An important component of the training was the introduction of concepts such as quality consciousness and time management. Additionally trainees also realised the importance of having a pulse on current market trends and the need to introduce value added products based on market demands.

“My bias has been towards empowering and making more prosperous the village people so that they would get as much from Auroville as Aurovilians do. They had a lot of wants. They lived in abject poverty and wanted material affluence. Whereas most Aurovilians have already experienced material affluence and want something more fine. So they are moving into something that Aurovilians are moving out of and it’s not an easy relationship,” reflects **Bhavana Dee DeCew, Founder Trustee, Auroville Village Action Trust (AVAT)** that currently implements comprehensive development programmes in 70 villages around Auroville. **J. Gerald Morris, Executive Secretary, AVAG**, oversees the implementation of the development programmes.

The training offered by Aurovilians was unlike a traditional training based on a hierarchical master-servant relationship. For the first time, the community felt they were being regarded not merely as “labourers,” but as “real people.” Merit was recognised and promising people rose to responsible positions.

“We believe in human unity and give the best we could to those we worked with. This was an area, unlike Rajasthan, where there were almost no hand crafts. People were undernourished, children pot bellied; and most worked as landless agricultural labourers. If you’re undernourished, it’s dulling; there is no energy to do other things,” recalls Bhavana.

## Growth of Local Enterprises

Over the years, Auroville has catalysed the establishment of several independent entrepreneurial units from the local community. Today there are 25-30 independent enterprises owned and run by people from the surrounding villages. H. Ganesan, 45, is the proprietor of **Bellaura Leather Handicrafts** in Auroville. A



*Crafting with skill*



protégé of Bhavana Dee, Ganesan learnt the art of making handcrafted products from hard leather. When he was sufficiently trained, Bhavana persuaded him to set up independent business. He agreed, although reluctantly.

Today Bellaura is a successful unit that supplies a range of handcrafted leather goods—hand bags, accessories, wallets, folders, and ornamental articles—to high end markets in Indian metros and abroad. Bellaura has a work force of 20-22, most of whom are women. All products are made of cow and buffalo leather that while costlier than sheep or goat leather is ideal for leather engraving. Ganesan subscribes to several core Auroville principles based on ecological sustainability. He avoids the use of chemical dyes like penta chlorine phenyl and instead persists with traditional practices such as the use of vegetable dyes and herbs for tanning.

Another successful local entrepreneur trained in Auroville is **J. Elango**, who runs **Auroambala** that specialises in 100 percent handmade cotton hammocks. An agricultural labourer from one of the nearby villages, Elango initially took on a number of low paying jobs at Auroville that included masonry, gardening, and administrative jobs. The eight years in such jobs did little to alleviate the distressing poverty that shadowed him since childhood. Then a German couple in Auroville trained Elango in hand crafted fabric hammocks.

Hand made hammocks was a foreign skill in India with a niche market restricted to tourist destinations like Goa. Within two months, Elango picked up the skills and was pragmatic enough to sense the craft's potential as a business opportunity. Spurred by his ambition, he pawned the family jewels to establish Auroambala in 1996. When Auroambala began, Elango trained six people to work with him. Twelve years later, Auroambala employs 60 artisans, most of them young women between 18-25 years. Its diversified product range includes hand woven Brazilian hammocks, hand knitted Mexican hammocks, hand woven bags, bed spreads, and table runners.

The spin offs of these increased employment opportunities has had a tangible impact on the lives of the local women. The reduction of gender oppression and caste hierarchy has loosened the stranglehold of patriarchal traditions and conventions. According to Anbu Morris, Programme Coordinator, AVAG, such employment opportunities have increased the self-confidence and mobility of women. Thanks to such enterprise initiatives, most women know to ride a two wheeler. Interestingly, married women who are employed in Auroville are able to negotiate effectively with their husbands and persuade them to relocate to Auroville!

"But for Auroville, we would be still grazing cows and sheep," declare Ganesan and Elango as they look back with satisfaction on their artistically skilled and financially independent livelihoods.



*Crafting the clay*



## Centre for Social Development: Revitalising Traditional Pottery

### Potter Community in Thalakulam

Potters are the fourth largest artisanal group in India. Currently there are over 400,000 potters in the country mostly in rural areas. The conventional range of products made by a traditional potter includes utility ware such as water jars, cooking pots, oil lamps, and flower pots for local consumers using locally available common or red clay as raw material.

Thalakulam in Kanyakumari district is famous for its traditional earthenware pottery. The rich clayey soil is particularly suited for pottery. There were around 3000-4000 families in the village involved in pottery, although the number has currently dwindled to around 1000 families. Thalakulam emerged as a leading pottery hub in Tamil Nadu due to the ready availability of suitable clay in Periyakulam, half a kilometre away. The high fired clay has good thermal resistance that accounts for its durability. Since Kerala is a major market, Thalakulam pottery is also known as “Colachel Kalam” after the famous marketing harbour close by.

In Tamil Nadu, pottery is the hereditary occupation of the *kullalar* or the potter community. The potters are an increasingly marginalised community in India. Poor returns and the unorganised nature of the work are major disadvantages that discourage the next generation to persist with the occupation. As a result several traditional potters abdicate their hereditary occupation for more lucrative jobs.

Traditional pottery faces a crisis with demand for its wares drastically decreasing due to mass production and ready availability of industrial products from rival materials such as aluminum, stainless steel, and plastic. Besides limited production technique and absence of technical know how further restricted the range of products that was part of the repertoire of a traditional potter. Thus the utility-oriented artisan potter was clearly disadvantaged in this contemporary context as he lacked the technology, production volumes, and quality control to meet the market demands.

### Issues related to the community

Traditional potters in Thalakulam faced several pressing issues. Excavation of clay was a major problem as this could be done only in summer. Financial constraints, however, prevented the potters from doing so. Hence they were forced to engage in excavation during the rainy season and manage with the handful of

clay they excavated with difficulty. As a result they resorted to borrowing from money lenders at exorbitant rates of interest.

Increasing competition from alternative materials such as plastic and stainless that lend themselves to mass production has seen a gradual erosion of the market and demand for traditional pottery. Hence most traditional potters were giving up their vocation for alternative employment that would get them better income. In addition the market for traditional pottery is seasonal and potters lacked the infrastructure to store the products. Another pressing problem was the migration of potters to West Asia to undertake production activities in those countries.

Rigid mindsets and attitudes of traditional potters accounted for their initial resistance to innovation and adopting new technologies. CSD therefore conducted training programmes and demonstration activities to create awareness and foster receptivity among traditional potters.

Globalisation has impacted on the livelihood of potters. While it has opened access to international markets and created a demand for value added handcrafted pottery, it has also exerted considerable demands on traditional potters to have a pulse on market demands, quality control, and competition from the international market.

## Centre for Social Development

Centre for Social Development (CSD) was established in 1992, by **P. Bhagavatheeswaran**. A member of the potter community of Thalakulam, P. Bhagavatheeswaran is a Gandhian with a long association with the Mahatma Gandhi Ashram at Wardha, Maharashtra. After graduation, P. Bhagavatheeswaran acquired considerable training and exposure to the development of technology relevant to rural development. These included training in value-added technology in pottery at Khadi Village Industries Commission (KVIC), Belgaum, Grama Udyog Sangh, Bhadravathi, Wardha Ashram, and Centre for Appropriate Technology, Nagercoil.

At Wardha, P. Bhagavatheeswaran's ideas of rural reconstruction began to emerge. He realised that while it was important to motivate rural people to engage in income generation, it was equally important to adopt an integrated approach even while introducing an intervention designed to improve people's livelihood. The Wardha Experience also underscored the need to build on the traditional knowledge and wisdom and not merely dismiss them as "primitive or obsolete." Although it began with a focus on traditional potters, today CSD also reaches out to other disadvantaged and marginalised groups such as dalits, landless labourers and migrant farmers, women and children, and migrants.

## Value Added Technology

CSD was founded with a vision to promote and preserve indigenous cultural

heritage. Its focus is socio economic empowerment of disadvantaged and marginalised groups such as artisanal potters through the introduction of value added technology. This not only augments income but also reduces the drudgery associated with traditional pottery.

CSD believes that for a rural reconstruction activity to reflect people's needs it is important to approach people with an intervention or "knock at the doors of the community with a concrete proposal based on grassroots realities " to revive artisan trades and motivate people to engage in a sustainable income generation activity. Interestingly CSD believes that pottery is not the exclusive occupational right of the potters and this has seen many first generation potters also taking up this activity.

Traditional pottery is hampered by its limited range of products. With technical support provided by the Department of Science and Technology (DST), CSD introduced value added technology such as the electric potter's wheel. The introduction of the electric potter's wheel has increased production capacity. CSD also expanded the repertoire of the traditional potter with the introduction of new designs in cooking pots, rice pots, curry pots, fish pots, and garden pots. The earthenware was made of red clay fortified with alumina and china clay and fired to optimal temperature to improve thermal conductivity and durability.

## A Viable Business

The interventions generated by CSD involve direct sales and marketing through the organisation itself. This has eliminated the exploitative role of middlemen who channel profits. Besides the formation of SHGs of potters has enabled the community to access individual loans for the group for educational and medical needs. Currently there are 18 SHGs of potters.

While the demand for traditional pottery is high, artisans are unable to meet this demand due to paucity in the number of people engaged in traditional pottery. Artisans are hampered by lack of basic infrastructure to meet the demands of the international market. While currently CSD supplies hand made pottery to Saudi Arabia and Muscat, the absence of links to fair trade markets is a serious limitation. There is also a need to evolve basic Research and Design for the proposed introduction of value added products such as LPG (Liquefied Petroleum Gas) pots and microwave-compatible pottery. The challenge ahead for CSD is the need to realise that there is a potential market for hand crafted pottery that could be tapped provided there is no stagnation in technology and value addition.

There is a need to bifurcate the training centre and the production centre of CSD that currently function as one unit. "Traditional pottery must be mainstreamed as a viable business based on technological intervention and economic viability," says P. Bagawatheeswaran.

*Business meeting of collectors as owners*



*Business meeting of collectors as owners*



## **Grama Mooligai Company Limited (GMCL): From Community Participation to Community Enterprise**

### **Grama Mooligai Company Limited (GMCL)**

Grama Mooligai Company Limited (GMCL) is a public limited company owned by a rural community of cultivators and gatherers. A micro level initiative, GMCL was promoted as a community enterprise by two institutions: Covenant Centre for Development (CCD), a Madurai-based NGO involved in cultivating ethno medicinal plants for conservation; and the Bengaluru-based Foundation for Revitalisation of Local Health Traditions (FRLHT) that works towards revitalising the Indian health tradition.

GMCL, in collaboration with FRLHT, is the outcome of a perceived need to preserve local traditions. It is an innovative, area-specific local initiative that looks at “beyond credit” from a community enterprise perspective.

### **Covenant Centre for Development (CCD)**

Registered in 1989 as a society, CCD is a development organisation that operates in 72 villages and 15 blocks in Madurai, Virudhunagar, Ramnad, and Sivagangai districts. CCD’s main activities include cultivating ethno medicinal plants to facilitate their conservation, running a dispensary to revitalise local health traditions and livelihood promotion for rural artisans, and promotion of community based enterprises.

The rationale for CCD’s medicinal plant community enterprise includes availability of fallow lands in the operational area; rain-fed agricultural system; concentration of gatherer community; and association with ex situ medicinal plants cultivation programmes. CCD initiated the medicinal plants group enterprise to improve the retained earnings of growers and cultivators; improve cultivation practices; contribute towards enlightened practices; and set quality standards for raw drugs for a more transparent, healthy, and ecologically responsible trade.

### **Foundation for Revitalisation of Local Health Tradition (FRLHT)**

Registered as a society in 1991, FRLHT works towards revitalising the medicinal plants heritage of India. It does so through methods such as conserving resource base of plants and animals, and minerals; demonstrating contemporary application of traditional Indian knowledge; and energizing native social tradition.

## Formation of GMCL

As a first step, CCD organised a team visit to Oilseed Growers' Cooperative Society, Hospet. The visit sought to understand procedures and systems of procurement, quality control, accounting and documentation as practised in the oilseed sector. The team also acquired an insight on preparing a manual on procurement procedures and formats for medicinal plants.

In the trial run that followed, procurement procedures and systems, quality control, accounting and documentation as applicable to medicinal plants were field tested. NGO staff and growers of medicinal plants were sensitised to these concepts and provided appropriate training.

The next step was selection of villages. The following criteria were used to identify villages: existence of traditional gathering areas, presence of full time gatherers, extent of dependence on gathering for livelihood, trade route, collection area, ecological/botanical data, and methods of estimating productivity, various species of medicinal plants in the vicinity, yield per unit area, peak collection days, and the number of families involved.

Subsequently NGO staff and leaders of Mahakalasangha, a federation affiliated with CCD, conducted the first meeting. They discussed issues such as problems faced by gatherers, objectives and activities of the federation, objectives of GMCL, role of CCD, role of the sanghas as a shareholder in GMCL, and the possibilities of the people joining GMCL. The next two meetings resulted in the formation of sanghas and their share contribution to GMCL.

## Features of the sanghas

Each sangha consists of a maximum of 20 members, all of whom are women. All members are gatherers. The sangha supplies medicinal plants to GMCL. The sangha elects its representatives. The members contribute an individual share of Rs.50 at Rs.10 per share.

## Objectives of GMCL

GMCL organises cultivation, sustainable collection, conservation, and utilisation of medicinal plants. The profits are ploughed back to the rural communities involved in these practices. GMCL undertakes research and development on agricultural technology, and post harvest technology in medicinal plants and products. It also promotes consumer education on medicinal plants, products, and quality parameters.

## Salient features of GMCL operations

NGO-promoted sanghas in potential cultivation and collection areas

Introduction of Vanalakshmi Scheme

This is a scheme sponsored by FRLHT to support cultivation and sustainable collection of medicinal plants by the sanghas. The scheme is managed by GMCL.

FRLHT and GMCL have signed a working agreement that stipulates that NGOs will be paid a service charge in proportion to their contribution to business.

The sanghas of medicinal plant collectors and cultivators arrange for the procurement of medicinal plant raw drugs. The NGOs provide managerial assistance and training for the sanghas. GMCL buys back the produce and provides extension of technology.

The sanghas are assured of buy-back support and share of profits earned by way of dividends from share holding in GMCL. GMCL organises market linkages and conducts market research to develop a market strategy. It also takes up orders based on profitability criteria. It assures buyers a steady supply of quality raw drugs and standard products for consumers and thereby fosters a brand image.

A crucial decision that emerged early was the choice of legal entity: Was the enterprise to be charitable society, a trust, not-for-profit, a partnership firm, a company, or a cooperative society? The company format emerged as the entity of choice. The points in its favour were its separation of management from ownership, transparency, and unrestricted entry and exit through stock exchange. Its unique features are the restrictive clause, voting power commensurate with stake holding, and inclusion of institutional members without voting rights.

### Positive Outcomes of the GMCL Experience

GMCL has utilised a people's institution—Mahakalagam to promote and establish conservation, community enterprise of medicinal plants, and mobilising shares and capital. It has fostered confidence among the NGO team, sangha leaders, members, and the GMCL team regarding the concept of an enterprise. It has also resulted in increased ownership and participation of sangha leaders and members in the procurement process. The gatherers have also expressed willingness to explore sustainable harvest techniques.

### Constraints faced by GMCL

Low levels of literacy make it difficult for sangha members to comply with record keeping requirements and comprehend the concept of GMCL. Low collection in the lean period, absence of market linkages, demand for ready cash by gatherers, transport problems, and lack of communication facilities in the villages are some of the other problems encountered.



*Plucking their own tea leaves*



## ISLAND (Indo Sri Lankan Development) Trust: Empowering Displaced Communities

### Sri Lankan Tamil Repatriates in The Nilgiris

Around four lakh Tamils of Indian origin from Sri Lanka were repatriated to India under the Indo Sri Lankan pact between the Indian Prime Minister Lal Bahadur Shastri and the Sri Lankan President Shrimavo Bandaranayke. The repatriation began in 1964 and continued up to 1984.

The migration of repatriate families to the Nilgiris began in 1970 and reached a peak in 1974. Being tea plantation workers many of them chose to settle down in Kodaikanal, Salem (Yercaud), and the majority of them in the Nilgiris, where they worked in tea plantations.

Since most repatriates were plantation workers in Sri Lanka, creating employment opportunities in tea, rubber, and cinchona plantations was seen as one of the most useful and productive ways of rehabilitating them. In 1976, the Government of India established a plantation in the Nilgiris, TANTEA, by clearing 3000 hectares of virgin forest, to provide employment for 2000 repatriate families. By 1983, however, around 40,000 families had arrived in the Nilgiris. When the repatriates came to the Nilgiris, they had to confront multiple problems. Besides finding it difficult to make a living, the repatriates faced the problem of housing and shelter.

The influx of repatriates in the early 1970s coincided with a boom in the tea industry. Several local farmers took to tea cultivation and needed people to work on the plantations. The repatriates were skilled in tea harvesting. They had experience and expertise in all aspects of tea cultivation from planting, plucking, processing, and packaging, and were ideally suited for the task.

Hence the local landlords enthusiastically employed the repatriates. They were provided accommodation on the plantation—in cleaned up cattle sheds or storage rooms—often in most sub optimal conditions without even basic amenities. These settlements were often remotely located that denied occupants access to public transport. Children had to trek long distances to school and often dropped out of school. During the long monsoons, the narrow footpaths were hazardous to users.

The repatriates were exploited by the local landlords. Even a slightest perceived infraction resulted in the repatriates being evicted. While the accommodation was free of charge, such workers were paid lesser than the ruling wages for the same kind of jobs elsewhere. While those accommodated on TANTEA were provided with basic housing, the others had to search for

settlement places—often the roadsides and isolated, swampy places infested with wild animals. They lived on the roads in thatched or plastic roofed/tin roofed sheds on *poramboke* (unauthorised) land—they settled wherever land was available.

## ISLAND Trust

ISLAND (Indo Sri Lankan Development) Trust was established in 1984 by Fr. Alphonsus, a Jesuit priest, in response to the pressing problem of Sri Lankan Tamil repatriates. ISLAND Trust conducted a study that showed 40,000 repatriate families in Nilgiris. There were 38,000 families in excess when the government had allotted land only for 2000 families. The three main areas of intervention were in housing, education, and employment.

## Targeted Intervention

With funding support from NOVIB, Holland, ISLAND Trust began to implement rehabilitation programmes for the displaced repatriates in and around Kotagiri district in the Nilgiris. The rehabilitation assistance centered on housing, health, education, economic assistance, and mobilising and organising the repatriates to enable them rebuild their lives with dignity and respect. Gradually its focus expanded to address the human rights issues of the repatriate community. To improve the collective bargaining power of people and solidarity among the community, ISLAND Trust facilitated the formation of a people's organisation in 1986—Malayaha Makkal Maruvazhu Manram (MMMM). To strengthen the organisation, all rehabilitation schemes were implemented through the organisation.

Another highlight of the organisation's interventions is its focus on women. ISLAND Trust initiated a housing programme for single women (widows and destitute) in four taluks owing to the widespread incidence of single women repatriates in The Nilgiris. To give them a sense of dignity and social and economic security through access to sustainable income generation, ISLAND Trust designed the intervention. The single women project was initially guided by the staff of ISLAND Trust. The activities were monitored by a women's organisation called Malayaha Madhar Munnani.

As most women had never been owners of a piece of land, they were enthusiastic about the idea of buying or leasing land for tea cultivation. ISLAND Trust purchased 80 cents of land for the repatriates as housing sites and leased it to them for tea cultivation. It also mobilised the women to organise themselves into savings and credit groups. Groups which expressed an interest in savings and credit were selected for further activities. Three groups were eligible for the economic intervention programme. In the first consultation in 1993, 35 women participated.

The idea of buying land was, however, not feasible because of ownership issues. Hence the group of eight women agreed to lease 1.32 acres of land near Kattabetu in Kotagiri taluk.

The group members handed over the savings and the profit incurred from tea cultivation to the People's Organisations and the trust provided matching grants. Each member paid Rs.20-25 a month. From 1995-98, the savings and credit groups were replaced by the SHG concept. The intervention was designed to enable the women use the profit to independently lease a piece of land for tea cultivation and the capital used to lease another piece of land for single women groups.

### Empowered Women

According to tea producers, the quality of tea is determined by the standards of fine and timed plucking. It is no surprise that the boom time for high quality tea synonymous with the Nilgiris that commanded enviable prices at auctions coincided with the arrival of the repatriates.

The involvement of women in tea cultivation on leased land has given them, besides, a steady income, a new found sense of dignity and respect. It has freed them from the exploitative clutches of the dominant community, reduced their work load, and gets them a steady income. Each woman earns Rs.60 on a daily basis during peak season, and Rs.50 in the off season. Between 2000-2007, the group made a profit of Rs.81,000 that they plan to invest in another piece of land for tea cultivation.

"This is the only job we know. Most youngsters have migrated to the plains in search of better jobs. We don't want them to suffer like us," say the women.



*Honey hunters harvest honey*



## Keystone Foundation: Empowerment through Eco-development Initiatives

### Honey and Tribal Livelihoods

Forests are a source of livelihood for millions of people across the world. Besides timber, they are a source of Non Timber Forest Produce (NTFP) which plays a major role in rural economy. Several indigenous communities inhabit the Nilgiri Biosphere Reserve. Traditionally these hunter gatherer communities have been dependent on natural resources and utilise and survive on them for extended periods of time. Among the adivasi tribes in the region, the Kurumbas, Kattunaickens, Irula, and Paniyas are traditional honey hunters. The forest is the sole means of livelihood for these hunter gatherers who live in remote villages deep in the forest. While the kurumbas are rock honey hunters, the Irulas specialise in tree honey hunting.

### The Giant Rock Bee

While there are four varieties of indigenous species of bees in Tamil Nadu, the non domesticated Rock Bee (*Apis dorsata*), among the largest, most productive and dangerous bees known to humans, is the major source of forest honey and contributes two-thirds to the total production of honey in the industry.

The rock bee's favourite nesting spot is an overhanging in sheer rock cliffs, strong branches of a tall tree or steep escarpments with more than 100 colonies in the vicinity. The combs are large and are 2 metres wide and one and half metres in height. A hive consists of thousands of bees and yields around 20 kg of honey. Due to the weight of the honey, bees prefer to build their hives using strong support and in open spaces.

### Traditional Honey Hunting

Honey hunting is an intimate presence and part of the lives of the adivasis. The activity fosters a sense of fellowship and affinity within the community and is marked by elaborate rituals and ceremonies. Elaborate bee songs and an ascetic lifestyle prior to honey hunting invest the activity with the spirit of the sacred. Honey hunting is a seasonal occupation. It reaches its peak production time for two months a year, usually from March to July. Honey hunters harvest honey either in pairs or as is more common, in groups of four to five people. The team members are usually from the same village, and in most cases, members of extended families.

Until recently, most of the honey hunters in the Nilgiris Biosphere Reserve were unorganised. Despite the hazardous nature of their work, most honey hunters get low returns for their work. Until recently, the practice in the Adivasi community was selling honey as barter in exchange for other products. Despite the price of honey in the urban market that varies from Rs.75 to Rs.120 per kilogram, honey hunters received a far lower price that ranged from Rs.11 to Rs.38 per kilogram. Due to such exploitation by middlemen and traders, honey hunters received a low return that was not compatible with the effort, time, skill, and hazards involved.

### Keystone Foundation

Keystone Foundation was established in 1993 by three like minded development professionals Snehlata Nath, Matthew John, and Pratim Roy. In 1993 and 1994 the team made surveys of honey gathering practices and techniques in parts of Tamil Nadu. The findings indicated that a traditional activity such as honey hunting could be an effective entry point to work with indigenous communities centered on natural resources and livelihoods. The team identified the Nilgiris as a potential area to begin their work—this led to the establishment of Keystone Foundation. Keystone Foundation arose out of a simple ecological principle of the interdependence of natural systems and uses eco-development as a tool for change.

Keystone Foundation has completed more than ten years in the Nilgiris, working with indigenous communities on eco-development initiatives. The foundation works in the areas of apiculture, micro-enterprise development, non-timber forest produce, land and water management, revival of traditional agriculture, and other issues concerning indigenous communities.

### Area of Operation

Keystone Foundation works the Nilgiris biosphere reserve spanning the states of Tamil Nadu, Kerala, and Karnataka. Their focus communities are the rock honey hunting *Kurumbas* and the tree honey hunting *Irulas* in Coonoor and Kotagiri in the Nilgiris. There are 1000-1500 Kurumba families in the Nilgiris and 60-70 honey hunters in Kotagiri and Coonoor. Keystone intensively works with 1500 kurumba families of which 100 are honey hunters. Of the 3500 Irula families, 100 are honey hunters.

### Eco Development as a Core Principle

Keystone Foundation believes in working with people, their traditional knowledge of forests and traditional conservation principles and techniques. As an eco-development initiative, Keystone Foundation strives to increase conservation perspectives, enhance alternative livelihood practices and sustain traditional wisdom and knowledge and cultural practices. Its interventions rest

on an integrated approach towards indigenous people through natural resources management, enterprise development and local governance.

## Keystone Interventions

Keystone Foundation initiated a series of interventions that assured sustained marketing support for traditional honey hunters. It has enabled honey hunters to secure a better price for their products. Traditionally honey hunters were paid Rs.20 per kg. Keystone currently offers them Rs.95 per kg, a rate higher than the market price.

Keystone also ensures immediate payment to the honey hunters. To effectively address the issue of exploitative middlemen, Keystone has established a system whereby the honey hunters collect the honey in the village centre and then directly bring it to Keystone. Honey and other homestead items cultivated by the tribal community such as organically grown coffee and spices are marketed through a chain of eco development retail stores—the Green Shops—that are prominent in Ooty, Coonoor, and Kotagiri. Keystone is also a member of IFAT (International Federation of Alternative Trade) and thereby ensures that the honey hunters get a better deal for their labour.

Keystone introduced a new technique of filtering honey—the technique of mid rib cutting. This involves cutting the comb perpendicularly into two halves and then tying it in a cloth until the honey drips. This method of filtering honey can be done leisurely at their homes. Earlier honey hunters would squeeze and crush the brood and larvae. Keystone trains one to five honey hunters every year in this technique.

Keystone hopes to increase market net working so that more tribals families living from this traditional activity can get a fair price for this risky activity. It has also created awareness among the honey hunters about the uses of bees wax that was earlier discarded as waste or given free of charge to traders. In addition, Keystone buys bees wax from the honey hunters.

Keystone introduced bench marks to ensure quality of honey: water content less than 23 percent, clarity and smell, authentication, and also identified bitter honey. It also introduced bottling techniques that ensured standards of hygiene in the process.

Building on a traditional skill in the community, Keystone Foundation introduced bee keeping in villages as a supplementary activity during the off season months.

Prior to Keystone interventions, honey hunters had no clear idea of the market structure. They are now aware of the enterprise mode and feel sense of pride as honey hunters. A significant percentage of honey in the Nilgiris is harvested by them. This has built confidence in the community and relevance in the monetary economy.



*Soap with vegetable oil*



## **PALAM (People’s Association for Leather and Allied Manufacturing): An Affiliate of SIPA**

### **A Bridge to a Better Life**

PALAM (People’s Association for Leather and Allied Manufacturing) Rural Centre, near Coimbatore, Tamil Nadu, is a member organisation of SIPA. PALAM was established in 1978 by David Edmunds to improve the marginalised lives of the dalit community. Traditionally leather workers, they found it difficult to find a market for their products. Low levels of literacy, poverty, poor health, and social exclusion that denied them even the right to own land resulted in an endless cycle of oppression and exploitation. They worked as seasonal agricultural labourers for the dominant local landlords who underpaid them.

PALAM launched its employment generating initiatives for the dalit community by starting a leather unit. It organised the dalit community and offered them special training in handcrafted leather products that complemented their natural flair as leather workers. PALAM tapped the fair trade market which they hoped would lead to more continuous employment and higher income. In this sense, PALAM acted as a “bridge” between the artisans and the markets and thereby enabled the unemployed and underemployed artisans access to sustainable markets and an opportunity to get a free and fair deal for their labour.

For years, sales from leather handcraft production sustained the group. The money from product sales resulted in all round improvement in the lives of the producers. PALAM purchased land and homes for the artisans, built schools for children in the community, and initiated health care and sanitation schemes and retirement benefits. Currently, PALAM graduates work in mainstream professions such as teaching and nursing.

Recently, however, the advent of synthetic materials and multinational corporations involved in the leather trade has led to a steep decline of leather sales. Hence PALAM diversified into a new product range—natural handmade spiced soaps made from vegetable oils. This has significantly increased sustainable employment opportunities for the workers.



*The making of palm candy*



## Palmyrah Workers Development Society (PWDS): Community Enterprise as a Development Intervention

### Palmyrah Artisans

In the southern districts of Tamil Nadu and parts of Kerala, vast stretches of palmyrah trees dot the landscape. The palm tree is multi utilitarian and a major source of livelihood for the tapper community. Most of the palmyrah tappers in the southern districts of Tamil Nadu belong to the Nadar community which consisted of palmyrah climbers and palmyrah owners. The former eke a living tapping *neera* (palm sap) from palmyrah trees, which is then processed and converted to jaggery (*karupetty*), a labour intensive job that traditionally involved the entire family, including children. Besides tapping itself is a hazardous occupation that involves climbing 30-40 feet palmyrah trees twice a day. Accident and mortality rates were high, with many widows and women-headed households. Non-literate, indebted, and unorganised, they lived in poverty and unhygienic conditions.

For centuries, palmyrah workers were economically exploited and socially stigmatised because of the low social value accorded to the occupation, poverty levels, and occupational hazards such as foul body odour associated with palmyrah tapping. *Neera*, the sweet sap of the palm tree, has a tendency to ferment if not preserved. This was an occupational hazard palmyrah workers had to contend with, as the fermented odour often lingered on their bodies after a day's climb. Implicated under the state prohibition laws, palmyrah workers were harassed by prohibition authorities.

In addition, traditionally, palmyrah workers processed palm jaggery, a sweet solid from *neera*. The processing of palm jaggery was done at the household level. Typically men tapped, while women brought the *neera* home and boiled it until the evening in open vats in the kitchen. Children collected firewood and agricultural waste for fuel and were forced to drop out of school. The women sold the jaggery in the market and purchased household provisions for the day. After the drudgery of boiling *neera*, the kitchen was free for domestic cooking only in the evening. Thus tapper families ended up with only one meal a day. Leisure for women was non-existent and personal hygiene of women, children, and men was poor.

### Palmyrah Workers Development Society (PWDS)

PWDS is a registered development organisation founded in 1977, as a response to the exploited lives of palmyrah tappers. It sought to improve the

*Palma Candy: A brand name*



socio economic conditions of palmyrah workers, women, children, and other marginalised sections in Kanyakumari and Thiruvananthapuram districts of Tamil Nadu and Kerala. A major impact of PWDS on the lives of palmyrah workers was in mobilising and organising them to emerge as strong people's organisations to fight for their rights and restore their dignity. The rights and demands of palmyrah workers were articulated in the form of a ten-point demand that set the agenda for the palmyrah workers' movement.

In over three decades, PWDS has brought about wide-ranging interventions to transform the lives of plamyrah tappers. With the support of PWDS, plamyrah workers were able to achieve many of their demands through policy changes in the district and state. PWDS in turn believed in a combined approach of rights and development perspectives. In this process, PWDS facilitated the capacity of the community in accessing skills, technology, formal credit, and other mainstream resources. A major achievement of PWDS is elevating the tappers' arduous pursuit of jaggery making into a business enterprise. Thus the process of strengthening people for rights and value addition of products took place simultaneously.

Studies undertaken by PWDS and the experiences of the organisation revealed that only marketable value added products from palm sap (*neera*) would improve the socioeconomic condition of palmyrah workers. Value added palm products were the outcome of a ten-year research programme that began in

1982 and gathered momentum in 1988. The programme was the result of a desire to augment the income of palmyrah workers by introducing candy syrup and spiced jaggery as potential products.

PWDS conducted a series of experiments that indicated palm candy making had the potential to emerge as a viable alternative product. The required technology was developed and therefore transferred from lab to field through a community based approach.

### From the Household to the Community

PWDS believed that production and processing of *neera* required an intervention that could result in economic and social impacts. It therefore aimed to take the processing from the household sphere into the community. PWDS therefore explored possibilities of introducing a value-added product with standard processing that would fetch more income for the community. This paved the way for the emergence of a Community Based Enterprise (CBE). Contrary to widespread assumption, CBE envisaged and developed by PWDS was not necessarily a group enterprise. Rather it was an enterprise that has impacts beyond economic returns at the family and community levels. A unique feature of this approach was that the economic intervention was initiated with a development perspective that resulted in sustained social impacts.

The objectives of the CBE intervention were to increase the daily income of palmyrah workers by organising palmyrah workers into producer groups that produced value added products. It also sought to relieve individual tapper wives from the drudgery of jaggery making and enable children to pursue education by freeing them from work. The intervention also sought to increase employment opportunities in rural areas by initiating palm based products.

PWDS believed in blending people power and product power. It effected the former through mobilising tappers to organise themselves and build their collective strength. As the next step, it sought to improve the product power of palmyrah artisans through introducing value added technology, acquainting the community with improved processing technology, creating access to resources and developing better marketing facilities.

### A Collective Enterprise

Community based palm candy production is a collective enterprise. Each production unit consists of 10-15 palmyrah workers who come together as producing partners. They supply *neera* regularly to the centre and also process it centrally. Suppliers receive a fixed price per litre of *neera* as advance to meet their daily needs. After selling the final product, each member in the unit receives a share of the profit in proportion to the quantity of *neera* supplied. The community is trained not only in production but also to manage the production unit efficiently. Each unit has appointed two women as candy makers and a

group helper who maintains records and accounts. The crystalline palm candy with the brand name *Palma Candy* comes neatly packed in 100 g polypropylene packs.

PWDS plays the role of a facilitator whose services include technology and training, development of alternative marketing structures to bypass middlemen, quality control, participatory impact monitoring, and creating linkages to formal financial institutions and related government agencies.

PWDS motivated, trained, and accompanied palmyrah workers who wished to start palm candy units as a group enterprise. The first palm candy unit was started in Kamplar village in Kanyakumari district in 1993 and in two other villages in 1994. Currently there are 14 palm candy production units in south Tamil Nadu. Based on the experience, PWDS standardised the production process, worked out the economics, and mainstreamed palm candy as a viable business opportunity eligible for support from mainstream banks.

## A Viable Business

The successful community based palm candy production illustrates how communities can be enabled to higher levels of economic performance through capacity building, access to resources, and enterprise development.

Palm candy has doubled the income of palmyrah workers as compared to jaggery. It has also reduced the work load of tappers' wives and children and inculcated savings habit among the members. Besides each unit has provided regular employment to two women during the season. Mainstream banks now list palm candy production as a viable business proposition. Palm candy has acquired the status of a brand!

Palm candy and other business opportunities have not only helped a few thousand families with high income but also imparted a business mindset among families. This has enabled them to undertake risks in the process of moving from wage earner to enterprise owner.

## Changing Mindsets

In the initial stages, motivating the community to take risks and start an enterprise, and organising and training palmyrah workers in community based enterprise was a major challenge.

"The processing of *neera* into palm candy is a simple technology. But to motivate palmyrah tappers to shift their focus from traditional jaggery or money yielding illicit liquor was a spine breaking exercise for the staff," says FXR George, Director, SEDCO, a PWDS network partner.

## People's Association for Social Action (PASA): NGO in Business

### Lace Makers of Kanyakumari

In Mullanganavilai village in Kanyakumari district, a group of ten Self Help Group (SHG) women sit in a circle, their heads hunched over lace work. The room is spotlessly clean. They expertly loop and twist thread between wooden bobbins against a circular frame mounted on a wooden stand. The women ensure that the doors are firmly shut to prevent the strong oceanic breeze from blowing in dust and dirt that would soil the lace.

Lace making is highly skilled, time consuming and difficult. Using fine cotton and silk thread, the women follow a fine pattern by pulling needle and thread through layers of cloth. When the design is finished, the pattern and cloth are pulled away, revealing a delicate piece of lace. It takes a woman six working days to weave a 30 cm piece of needle lace. The unit makes around 1000 pieces of lace every month. Each woman earns around Rs. 2000 a month.

On January 10, 2000, an SHG of 20 lace making women was formed. The group decided to engage in lace making as a means of generating income. They obtained a bank loan of Rs. 60,000 and business was brisk. Today the group has savings of Rs. 23,000. The group meets the salary of the lace making staff, lace instructors, rent, electricity bill, and other related expenses.

Although lace making is a popular home based activity in Kanyakumari district, organising lace makers into SHGs is a recent initiative. Such interventions have been initiated by PASA (People's Association for Social Action), a Kanyakumari-based NGO that believes in merging community development and enterprise promotion.

The art of handmade lace was introduced to South India by Belgian and Hungarian missionaries who came to Kanyakumari in the late nineteenth century. Although lace does not find a place in many homes in India, India's lace making tradition started as a way to help young women earn a living. Lace had long been a form of sustenance for women of the church and charity institutions: It was seen as ideal home based work for women, especially at a time when women were discouraged from working outside the home.

Even as the popularity of lace declined throughout the 20th century, lace making continued to provide women with a livelihood in rural pockets of India. Today hand made lace is much sought after in the fashion industry to accessorise designer wear, inner wear, and used to make handkerchiefs, bed linen, napkins, and table cloth.



*Pillow lace making*



*Kuchi thayil* or pin lace is unique to Kanyakumari district and at least one person in every household knows the art. Over the years, it became an intergenerational activity, with several members of the family involved. For the women in Kanyakumari, acquiring the skills of making lace was a gateway to a source of livelihood. In contrast to their earlier arduous work as agricultural labourers, or making coconut brooms, working in oppressive conditions in cashew factories, lace making provided them with the opportunity of working from home and even during the monsoons. Once women had learnt the craft of hand made laces, it assured them a steady income.

### People's Association for Social Action: (PASA)

PASA is a development organisation based in Kanyakumari district, Tamil Nadu. PASA was established in 1978. Currently PASA works with a village approach (with 300 to 500 families in each village) in Kanyakumari district by adopting a comprehensive community based approach. It promotes both community organisation and economic enterprises characterised by people's participation. Since 1987, all PASA programmes have been organised as an integrated project known as socioeconomic programme for rural development.

The PASA programme components consist of community organisation for development; income generation for self-employment schemes; and training for development of leadership potential, skills, and craftsmanship. PASA programmes are implemented by Village Development Committees (VDC) elected from different clusters of Village Development Associations (VDA). A feature unique to PASA is that most members of VDAs and VDCs are women.

### Community Based Enterprise as a Sustainable Development Option

The PASA intervention demonstrates the ability to strike a balance between community development and economic enterprise. One of its major strengths is being firmly anchored in the basics of community development irrespective of programmes. PASA has utilised community based enterprise as a sustainable development option, thereby merging development and commercial perspectives. Over the years, PASA has evolved an imaginative approach in managing and sustaining a core business activity within an NGO with a sustainable development mandate.

PASA's role in this process includes transfer of skills and technology up gradation, guidance to mobilise financial support, external support to create appropriate infrastructure with substantial contribution from the community, marketing support, and sustained motivation.

### From Private to a Community Based Enterprise

In 1987, PASA invested initial capital and imparted training to establish the following four economic units: embroidery, lace, tailoring, and poultry. Eight

lace units were established that provided employment to around 2000 women, mostly unmarried girls. PASA employed two full time designers, one of them being a person from abroad, to provide design inputs based on trends in the international market and specific client preferences.

An important feature of the economic units is that most of its workers are women who otherwise would not have had recourse to employment. In many instances, the husbands of these women are employed in neighbouring Kerala as construction workers. The women therefore were interested in acquiring new skills to take up ventures that would augment their family income. Besides the seasonal nature of their husbands' jobs meant that such vocations provided scope for sustained family income.

Prior to the PASA intervention, lace making was a private enterprise characterised by low wages and lack of staff welfare. PASA provided value addition by organising the community, offering training, and quality orientation for the export market.

## Empowered Women

The employment opportunities provided by the lace unit has given women a new found sense of identity. For the women who were earlier confined to the domestic sphere, stepping into the public sphere has increased their self-confidence. With an independent source of income, the women are now able to save and plan for their future. Besides, the fellowship generated by working together as a group is another intangible benefit—that for the women is as important as their gainful employment.

## Keeping a Tradition alive

A major challenge that PASA currently faces is to find a steady market for hand made lace. Ironically, the same factor that was responsible for the downfall of handmade lace in Europe a century back—machines— is today's threat to the survival of hand made lace in South India. The advent of machine made lace with its mass production and its near-perfect reproduction of the quality of hand made lace is a major threat. Since the mid 1990s, the market for hand made lace has shown a perceptible decline with the advent of machine made lace made in China and Vietnam.

Yet despite the downside to hand made lace, a major challenge for PASA is to identify a rapidly shrinking but existing market for hand made lace. One way of doing this would be to increase their repertoire of designs and products with the introduction of innovative designs. "We have not had a pulse of market trends in recent times," admits Mr. Gnanadhas. That for PASA is a challenge if it wants to preserve a fast vanishing tradition of creative artisanal lacemaking and home based income earning opportunities for women.

## Sea-Dot: Fresh from the Sea!

In Royapuram, a suburb in the heart of North Chennai, it is easy to feel close to the sea. The salt-laden sea breeze and the distinctive smell of fish indicate that this is the nucleus of the fishing trade in the city.

The cardboard boxes stacked outside the building in the narrow winding lanes offer little clue to an enterprise inside the house run entirely by women. The fishy odour and the sight of women wearing gloves, protective caps and masks, however, indicate that this is the production unit of Sea-Dot Pickles: a fish and prawn pickles production unit being handled and run entirely by a women's SHG in Kasimedu, a fishing hamlet in North Chennai.

The women belong to the fishing community and earlier worked as fish vendors. The men in the community are either fishers or work in the fishing industry. Most of them come from an area that sustained extensive damage and losses in the recent tsunami. The fish and prawn production unit was envisaged as a community based enterprise to provide women with a sustainable livelihood.

Sea-Dot, a fish and prawn pickles production unit was established in 2006 by a Chennai-based NGO, C-DOT (Communications Development Organisation Trust), and supported by the United Nations Food and Agriculture Organisation (FAO) under the Joint United Nations Tsunami Recovery (UNTRS) programme, as a livelihood enhancement initiative for the fishing community.

The community based enterprise, owned and managed by fisher women, aims to create sustainable primary livelihood for the marginalised fisher women through a well designed value added fish pickle production and marketing programme. The objective of the intervention was to develop a micro business model for value added fish products, run and managed sustainably by women.

As a first step, C-DOT organised fisher women into SHGs and provided them with vocational training in various activities which had a potential for a business enterprise.

As fish vendors, the women were unwilling and diffident to be involved in activities for which they lacked the skill and necessary know how. After several rounds of discussion, they expressed a willingness to be involved in a fisheries-based activity. C-DOT identified fish and prawn pickles as a viable economic intervention to enhance the livelihood prospects of the women. It took several months of motivation and "counselling" to create willingness in the community to involve themselves in the venture. Eighty-five women chose fish and prawn pickle making with marketing assistance as an external support.



*Processing fish into pickle*



*The making of Sea-dot pickles*

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The **Government Fisheries College and Research Institute, Thoothukudi**, trained 80 women in commercial production of fish and prawn pickles. **Action Aid**, an INGO, provided financial assistance that included equipment for the production unit, pre-operative expenses, follow up training expenses and working capital for a month.

The Sea-Dot pickles unit was started by **Puthuluga Women's Federation**, a group of 111 SHGs from six neighbouring areas in Kasimedu. The absence of a business mindset and attitudinal factors such as quick returns for investment, however, resulted in several women opting out. Currently, Sea-Dot Pickles is owned and managed by a wing of Puthuluga Federation, **C-DOT SHG**, a group of 34 members from 13 SHGs.

Prasanna George, Supervisor, C-DOT, recalls that in the initial stages they encountered considerable resistance from the community. Socially entrenched gender roles and the secondary status of women were evident in the hostility and refusal of men "to let their wives work outside the home." According to Prasanna George, the men expected their wives to be at home when they returned from work.

Mr. Rajendran, Director, C-DOT, says that the idea of a business venture was an alien concept for the women who "expected instant profits based on their fish vending experience. We had to create attitudinal changes and introduce the idea of an economic enterprise that involved an establishment phase, production phase, marketing, and finally yield profits that could be shared by the women."

As the unit began its commercial production of pickles, the women encountered several bottlenecks; the most pressing being the lack of expertise or knowledge regarding marketing. Hence C-DOT approached **FAO/UNTRIS**, who involved the **Tamil Nadu Small Scale Industries Association-The Friedrich Neumann Foundation (TANSTIA-FNF)** Service Centre, an ISO-certified service organisation with a focus on small and tiny industries, for an appraisal and project report. A market survey by TFNF indicated the commercial viability of the project, provided there was adequate marketing support. In addition the survey provided inputs for packaging, advertising, and sales.

The distinctive feature of Sea-Dot Pickles is that unlike many commercially available varieties that use frozen fish and prawns, Sea-Dot uses fresh fish and prawns that account for the longer shelf life of the product. The women collect around 60-75 kg of fresh fleshy fish (*sankara* or *sheela* varieties of fish) or prawn every morning. These are then transported to the unit where the women clean, cut, debone or disembowel the prawns or fish. The cut fish fillet is rolled in a *masala* paste before being dried in the sun for half an hour. The women then cook it to the desired level and the cooled final paste is filled into bottles or sachets. A weekly quality assessment by C-DOT ensures adherence to stringent standards. The unit has a production capacity of 100 kg of pickles every day and has a maximum production capacity of 2500 kg of pickles every month.



*Sea fresh pickles*



The women work six days a week from 9.30 am to 5.30 pm. They currently earn Rs.70 a day besides a share in the profits. This served as an incentive for the core group of women to retain their loyalty to the unit in the slow growth of the enterprise in the initial stages.

Currently the unit manufactures 50 kg of pickle or 360 bottles a day; and their goal is 500 bottles. A 200 g jar of prawn pickles costs Rs.60, while the fish pickle is priced at Rs.45. The unit has secured licenses from the **Prevention of Food Adulteration (PFA) Act**, the **Pollution Control Board** (although the activity is non polluting).

To ensure viability of the enterprise, TANSITA-FNF equipped the women with business promotion and marketing strategies, and training in book keeping. The women have evolved a working management model with all 34 women organised into six committees which handle different aspects of the enterprise. These include purchase of raw materials, accounts, marketing, maintenance, quality control, and communication. Each of these committees is headed by a woman from one of the SHGs. The committee leaders in turn form a core committee which is responsible for overseeing the business as a whole.

C-DOT provides marketing support, in addition to individual marketing by the women. Currently negotiations are on with a formal working agreement with a multi national company to market the products. In addition, the unit also undertakes demand-based ready-to-eat food items such as fish cutlets and plans to diversify their product portfolio.

According to Mr. Rajendran, the success of the enterprise has transformed the women into self-confident entrepreneurs. "They show a lot of initiative and fearlessly take on responsibilities. From diffident employees they are now self-confident enterprise owners who can function without external support." C-DOT and the group members are confident of reaching a break even level of production in the next year.

As for the women, the initiative has resulted in a sea change in their lives and livelihood. All of them are happy to work in the unit. The involvement in gainful employment has increased their self-esteem. Kalyani, an SHG member earns around Rs.1250 a month besides a share in the profits. Allirani, member of the Roja Malar Sudar, says that that women's status in the community and family has "gone up" after they began to work here. According to Prasanna George, the men are now supportive of the women's endeavour and even provide word-of-mouth publicity and marketing for the pickles!



*Products on Exhibit*



## SIPA (South India Producers Association): Towards Free and Fair Trade for All

### Craft Links: Linking Artisans across South India

Every object in Craft Links showroom in Chennai is painstakingly hand crafted by rural artisans across South India. Its product portfolio consists of 3000 items in 16 different categories: colourful wooden toys from Chennapattna or Kondapalli, key chains made of wood or plantain fibre, hand made stationery, trays, lanterns, and candles fashioned out of dried flowers, delicate dhokra figurines, rosewood furniture, terracotta, ceramic artifacts including oil dispensers, leather accessories, palm leaf baskets, palm candy, kalamkari and batik wall hangings, sea shell crafts, cane products, rosewood inlay papier mâché dolls, wood carvings, glazed pottery, and hand made bedspreads, cushion covers, and bags in vibrant colours.

Promoted by SIPA, (South India Producers Association), Craft Links is a platform for rural artisans in south India to market their products in a free and fair manner that ensures sustainability and social empowerment of the marginalised producer groups. SIPA acts as a bridge between rural artisans and NGO producers who work with artisan groups. SIPA's role includes providing organised support for the artisans, introducing standards of quality, marketing, assistance, packaging, value addition through technology, and engaging directly with artisans and thereby eliminating the exploitative role of middlemen.

### South India Producers Association (SIPA)

SIPA, a support organisation, is a collective initiative of not-for-profit organisations, producer cooperatives, and social action groups working in the four Southern states and Puducherry. SIPA is based in Chennai and reaches out to nearly 7000 rural artisans and the marginalised involved in economic development and sustainable livelihood initiatives. It is associated with over 200 NGOs through providing support for their socioeconomic empowerment activities with marginalised communities. SIPA is an accredited **Fair Trade Organisation (FTO)** affiliated to **IFAT (International Fair Trade Association)** and promoter member of **Fair Trade Forum-India (FTF-India)** and **Asia Fair Trade Forum (AFTF)**.

SIPA's fair trade principles ensure fair returns to producers, quality products at competitive prices to consumers, and bypass exploitation by middlemen. In doing so, SIPA acts as a bridge between the producer and consumer so as to enable remunerative prices for producers and quality goods for consumers.



“Rural artisans should act locally to improve their skills but think globally to better their earnings,” says K. Panchaksharam, Founder and Secretary of SIPA. SIPA was established in December 1985, with funding support from Oxfam Bridge, a leading UK-based agency in marketing Indian handicrafts. The organisation provides marketing support and producer assistance to grassroots producer groups, training and skill development, information sharing and networking on all trade-related aspects, and advisory and consultancy services. With 67 producer groups as members and 35 action agencies. SIPA implements income generation programmes for its artisan groups. SIPA identified 150 items from the southern states that had a high market value in the foreign market. These included a range of hand crafted and food products.

SIPA collects a nominal subscription from its producer members. It provides services to individual crafts persons and action groups free of charge. In 1992, SIPA focused on capacity building and skill training of artisans so that their products could attract a better price in the market. Simultaneously, SIPA addressed buyers by introducing a service charge that the buyers paid for. SIPA collects a 20 percent service charge from buyers and utilises it for its various programmes. A substantial part of the service charges is pooled to create a common fund for the crafts persons under the aegis of their respective producer groups.

With its focus on capacity building programmes, SIPA introduced entrepreneurship development programmes with a twin focus on enterprise and livelihood. A training centre was established outside Chennai in 1995.

According to Mr. Panchaksharam, SIPA aims at boosting the export of such items to “soft buyers,” otherwise known as alternative trading organisations. SIPA works collaboratively with IFAT (International Federation for Alternative Trade), an organisation that works with the oppressed and marginalised producer groups across the world to improve their skills and marketability of products. Currently SIPA supplies 85 percent of products to the international fair trade market, 15 percent to mainstream market, and 10 percent to the domestic market.

### Fair Trade Principles

SIPA provides market support services based on fair trade principles towards sustainable livelihood of marginalised communities through consortium exports and direct marketing through showrooms, exhibitions, and retailing. It also provides programme support through capacity building, skill enhancement, adaptation of appropriate technology, marketing and management aspects for community/artisan representatives, NGO staff, and executives.

SIPA offers information sharing and networking and advocacy and lobbying towards strengthening fair trade, micro and group enterprises on socio economic empowerment and sustainable livelihood. Besides it offers advisory and consultancy services to NGOs, community based organisations, networks, donor agencies, and government on capacity building, marketing, and linking socio economic empowerment programmes for the marginalised.

### Popularising Fair Trade

SIPA's focus on export is driven by a desire to upgrade the technique of the crafts persons as the foreign buyer is more discerning, demanding, and quality conscious. SIPA has a pulse on market trends in terms of consumer preferences and competitiveness and therefore extends its consultancy to producer groups. SIPA's initiatives in fair trade such as retail outlets and periodic exhibitions have resulted in fair trade being popularised, a move towards mainstreaming.

### “Staying in Business”

The biggest challenge for SIPA is “staying in the business” particularly in a globalised world with increased competition. Another pressing challenge is retaining a competitive edge through a combination of quality and timely delivery of products (within the stipulated 90-day period). SIPA also sees itself playing a key role in spearheading fair trade practices within the country. This involves fostering ethical standards in the community and educating civil society and NGOs, and Social Science departments of colleges and universities on principles and practices of fair trade.



*Teddy's foot massage rollers*



*Teddy work force*

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## Teddy Exports and Teddy Trust: Business with Social Responsibility

### The Community in Tirumangalam

South of Madurai, along the National Highway 7, the landscape is vast and arid dotted with hardy babul (*Acacia nilotica*) trees that are abundant in the region. The drought resistant, fast growing tree improves the soil through nitrogen fixing. Until recently, the people in the area used it for fuel and as fodder for cattle.

Agriculture and animal husbandry are closely connected with the socio-economic status of the rural community in Tirumangalam, which is agrarian and dependant on animals for transport, milk, meat, daily income and fuel. Most people worked as agricultural labourers and in the match industries in the neighbouring districts. Children from in and around Tirumangalam form a sizable percentage of the work force in the match industry. The people's lives were characterised by low levels of literacy, poor health and sanitation, and low income compounded by the seasonal nature of employment, and secondary status of women.

### Teddy Exports and Teddy Trust

Against such a backdrop, British national Amanda Murphy came to Tirumangalam as an overseas volunteer. Living in Tirumangalam, she realised that the most sustainable way to bring about social change was through employment opportunities. Noticing the ready availability of environment –and people friendly sustainable local resources like wood and cotton, and local people skilled in wood crafting and tailoring, Amanda Murphy decided to merge business interests and social welfare activities.

In 1990, she established Teddy Exports to produce quality goods for a global market. In 1991, Teddy Trust was formed to reflect the social commitment of Teddy Exports. Through Teddy Trust, Teddy Exports directs fifty percent of profits into various community development initiatives that include health, education, and veterinary care.

“A good business is a better answer to many of the problems in the world today than perhaps the more immediate solutions provided by agencies and charities,” says Amanda Murphy.

### Teddy Exports

The inspiration for Teddy Exports dates back to Amanda Murphy's stint with The Body Shop, (a global chain of 2000 skincare and cosmetics stores in 50 countries),



*Teddy printing unit*



*Students of Teddy Primary School*

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in London. She was influenced by its Founder Anita Roddick and Chairman Gordon Roddick of the importance of social values. Inspired by them, Amanda believed that business is not just about making money. Rather it could be used to bring about sustainable social change by empowering those at the bottom of the business chain.

In 1989, Amanda Murphy approached The Body Shop headquarters at Little Hampton, West Sussex, England, and offered to supply them 2000 massage rollers a month for a whole year.

The business began with just five people from a small mud hut under very basic work conditions. Amanda outsourced the work on contract to local carpenters. The initial years were difficult and progress was slow. Teddy's first product was a foot massager—the footsie roller.

Today Teddy Exports is an **ISO 9001:2000 certified Export Company, a member of the International Federation of Alternative Trade (IFAT), and winner of the Worldaware Business Award for Small Business (1999)**. It supplies a range of hand crafted wooden and textile products to The Body Shop. From just five employees, Teddy Exports and its allied units today has 1000 employees, 65 percent of whom are women.

A successful enterprise with an annual turnover of 12 crores, Teddy Exports is the first community trade initiative of the Body Shop. Based on the principle of 'trade not aid,' community trade initiative is a trade partnership with communities in need, and gives them a fair price for their products.

Teddy Exports shows the way in applying good practices to the growing and harvesting of wood, and has established a model plantation, a saw mill and a cooperative project with communities who live and manage the plantations. Today Teddy Exports is close to acquiring the **Forest Stewardship Council (FSC)** certification that reflects its commitment towards socially responsible use of timber sources.

Complementing the carpentry unit is the tailoring unit that makes shopping bags with screen printed motifs, gift bags, cosmetic bags, and hair scrunchies—all made of natural fabric and eco-friendly dyes. At first cotton bags were made to supplement and pack the footsie roller.

The well equipped printing unit and dye house specialises in screen printing, tie-dyeing, and batik. Stringent quality standards ensure that each individual product retains the high calibre individual craftsmanship and competes in the global market.

## Teddy Trust

Teddy Exports has channeled fifty percent of profits for community development activities managed by Teddy Trust. Teddy Trust has established several facilities for its workers and the local community. These centre on health, education, and veterinary care. It includes primary health care services, HIV/AIDS awareness

programmes and treatment services, and monthly medical camps through the Teddy Community Health Centre, veterinary services for the agrarian community in the surrounding villages that include fortnightly veterinary camps on basic veterinary care, and animal husbandry.

Teddy Community Health Centre provides cost effective health care to the employees of Teddy Exports and the surrounding community.

## A Socially Responsible Business

Teddy Exports is synonymous with well-established principles of social awareness, gender equality, empowerment of the local community, and fair trade principles in all its business practices. All its employees receive equal pay. Teddy Exports demonstrated the principle of social empowerment through its employment of HIV positive people, people with physical challenges, and the inclusion of children with special needs in the mainstream Teddy Primary School.

People are a precious resource at Teddy Exports. Women feel valued and gender discrimination is simply unheard of. And so are other forms of discrimination based on caste, colour, religion, disability or wealth as Teddy is an equal opportunities employer.

A feature unique to Teddy Exports is its absence of output related wages. Its scheme of salaries range from Rs.1800 upwards and employees are also provided medical benefits, access to pension schemes, heavily subsidised nutritious lunch, free educational support for children, annual excursions, and interest-free loans. These staff welfare measures reflect Murphy's belief in creating a safe and congenial work environment for her employees because she says "it's they who sweat it out."

Teddy Exports combines business and social responsibility to foster sustainable local development. B. Bhaskar, Manager, Murphy and Happy Wood Products, a unit of Teddy Exports, is one of the team of five who helped Amanda Murphy start the business. A former child labourer himself, Bhaskar recalls that when Teddy started its Non Formal Education Centre, there were at least 70-80 working children who attended classes. "We now have just around 12-15 working children," he says.

K. Murugeswari, who joined the tailoring unit in 1993, says that working at Teddy has increased the women's self-esteem and status in family and society. "When I came to work, I was the only woman from my village. Now there are 200 women from Alampatti (a surrounding village) who work at Teddy."

"Business presents the answer I believe to many of the world's problems and it is time we stood up and looked at what we can do seriously. If we all sat back and do nothing, the world will delete itself. I hope for anyone who has seen me today it will give them courage to take that first step, however small, to put that first idea into practice," says Amanda Murphy.

## List of Organisations

### Auroville

Auroville Village Action Group

Opp. TNEB Sub station, Irumbai Road, Irumbai Post, Villupuram District 605 111

Ph: 0413 2678871 (Off.), Mobile: 93676 009940

Email: anbumorris2004@yahoo.co.in, Website: www.auroville.org

### CSD

Centre for Social Development, Kulala Street, Tirunainarkurichy, Ammandivilai

Ph: (Off.) 04651 237455, (B/O): 04651 222874, Mobile: 94431 37457

Email: csdbhagavathi@sancharnet.in

### GMCL

Covenant Centre for Development

18-C/1, Kennet Cross Road, New Ellis Nagar, Madurai, Tamilnadu 625 016

Ph. (Off): 0452 2607762/ (Field) 04564 267279,

Email: mdu\_ccd@sancharnet.in, Website: www.ccd.org.in

### ISLAND Trust

P. Box 46, Island Cottage, 14/56-58, Club Road, Kothagiri 643 217

Ph: 04266 274926

Email: islandtrust84@gmail.com, Website: www.islandtrust.org

### Keystone Foundation

Keystone Foundation, PB No. 35, Groves hill, Kotagiri 643 217

Ph: 04266 272277

Mobile: Mr. Matthew John: 94433 27360/ Mr. Sam Raj: 94420 84097

Email: kf@keystone-foundation.org, Website: www.keystonefoundation.org

### PALAM Rural Centre

Pethampalayam Road, Veerapandy, Tirupur 641 605

Ph: 0421 2210012, Mobile: 94437 19203

Email: palamruralcentre@eth.net

### PWDS

PWDS, 12 Crystal Street, Martandam, Kanyakumari District, Tamilnadu 629 165  
Ph: 04651 270241, Mobile: 94434 66014  
Email: palmarts@sancharnet.in; palmyrah@dataone.in  
Website: www.pwds.org

### PASA

People's Association for Social Action (PASA), PASA Compound  
Pulipunam, Kattathurai PO 629 158, Kanyakumari District  
Ph: 04651 275070, Mobile: 94434 82957,  
Email: pasa@sancharnet.in, Website: www.pasaindia.com

### Sea-Dot

United Nations Team for Recovery Support  
FAO Representative for India  
Food and Agriculture Organization, 55, Lodi Estate, New Delhi 110 003  
Ph: 011 24628877  
Email: muralidharan@gmail.com), Website: www.un.org.in/untrs

### SIPA

Federation of South India Producers Associations,  
5/9 H.D.Raja Street, Eldams Road, Teynampet, Chennai 600 018  
Ph: 044 24352313, Mobile: 93810 55589  
Email: sipa@vsnl.com, Website: www.sipa.in

### Teddy Trust

Teddy Trust, Post Box 25, Tenkasi Road, Tirumangalam 625 706, Madurai  
Ph: 0452 280178  
Email: teddy@teddyexports.net, Website: www.teddyexports.net



