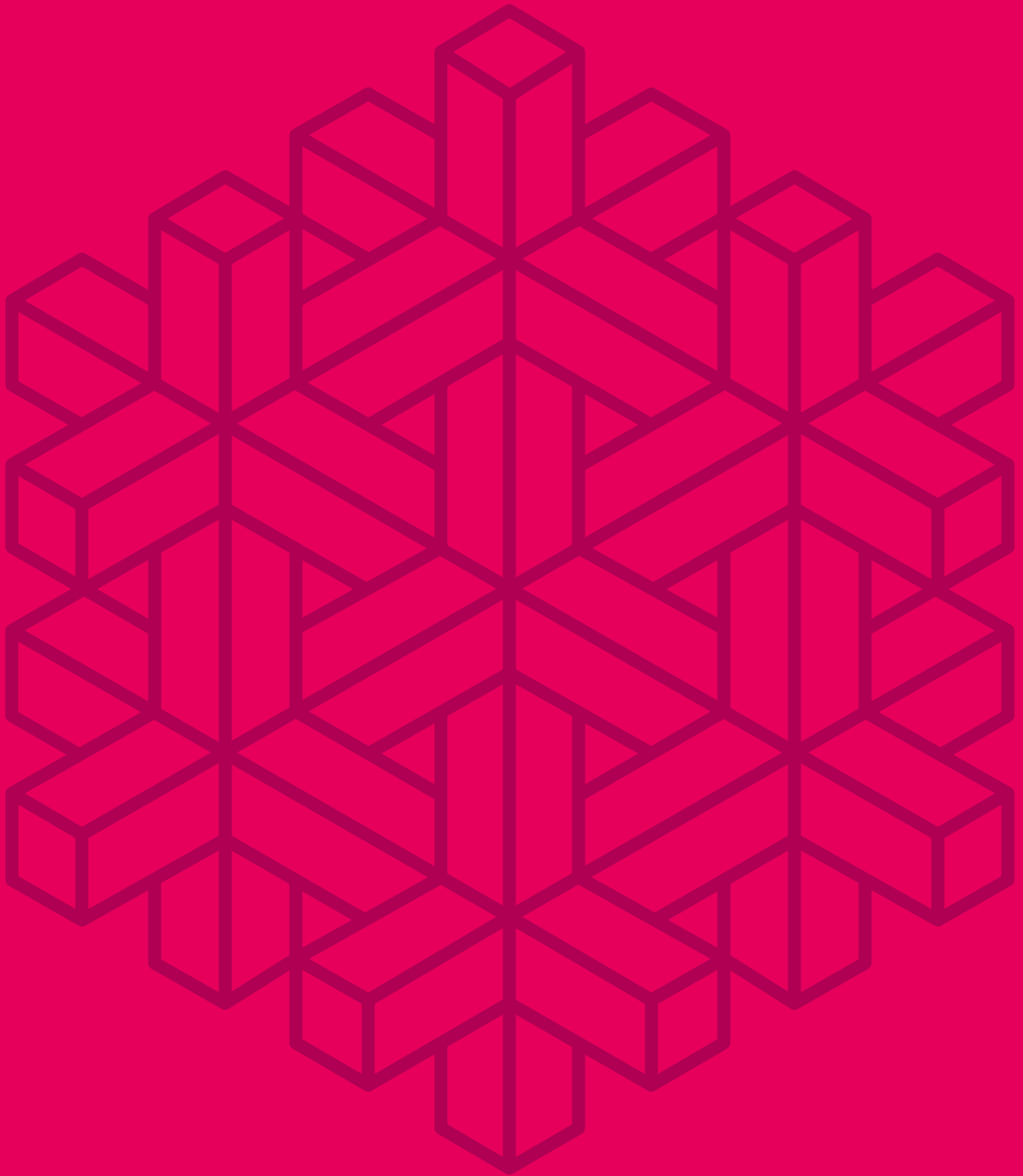


**Annual
Report**


2016 -17



**Axis Bank
Foundation**

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" Saving our planet, lifting people out of poverty, advancing economic growth... these are one and the same fight. We must connect the dots between climate change, water scarcity, energy shortages, global health, food security and women's empowerment. Solutions to one problem must be solutions for all."

Ban Ki-moon,
Eighth Secretary General
to the United Nations

Sustainable livelihoods has become the core sector for ABF's development work following a shift in strategic direction. As the Foundation continues to streamline its investing, 98% grants were made towards NRM based livelihoods and Skill development initiatives.

Over 60% of the ABF participants are women and grants have facilitated creation of 35,785 women collectives till 31st March 2017.

Grants Cumulative

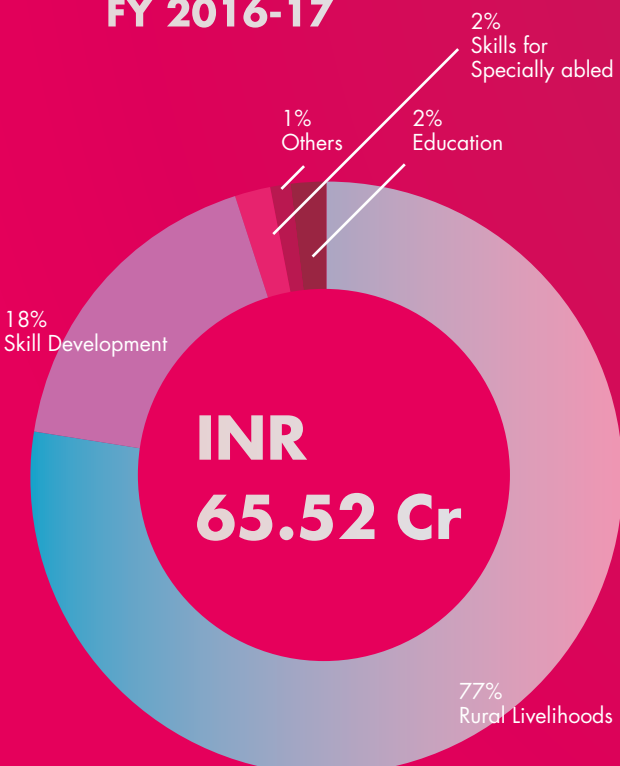


Outreach Cumulative

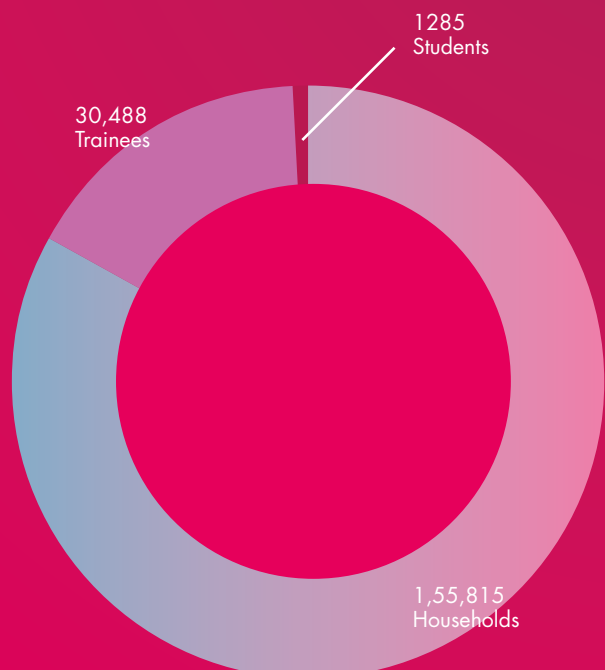


Annual Report 2017

Grants FY 2016-17



Outreach FY 2016-17



Axis Bank Foundation

Highlights

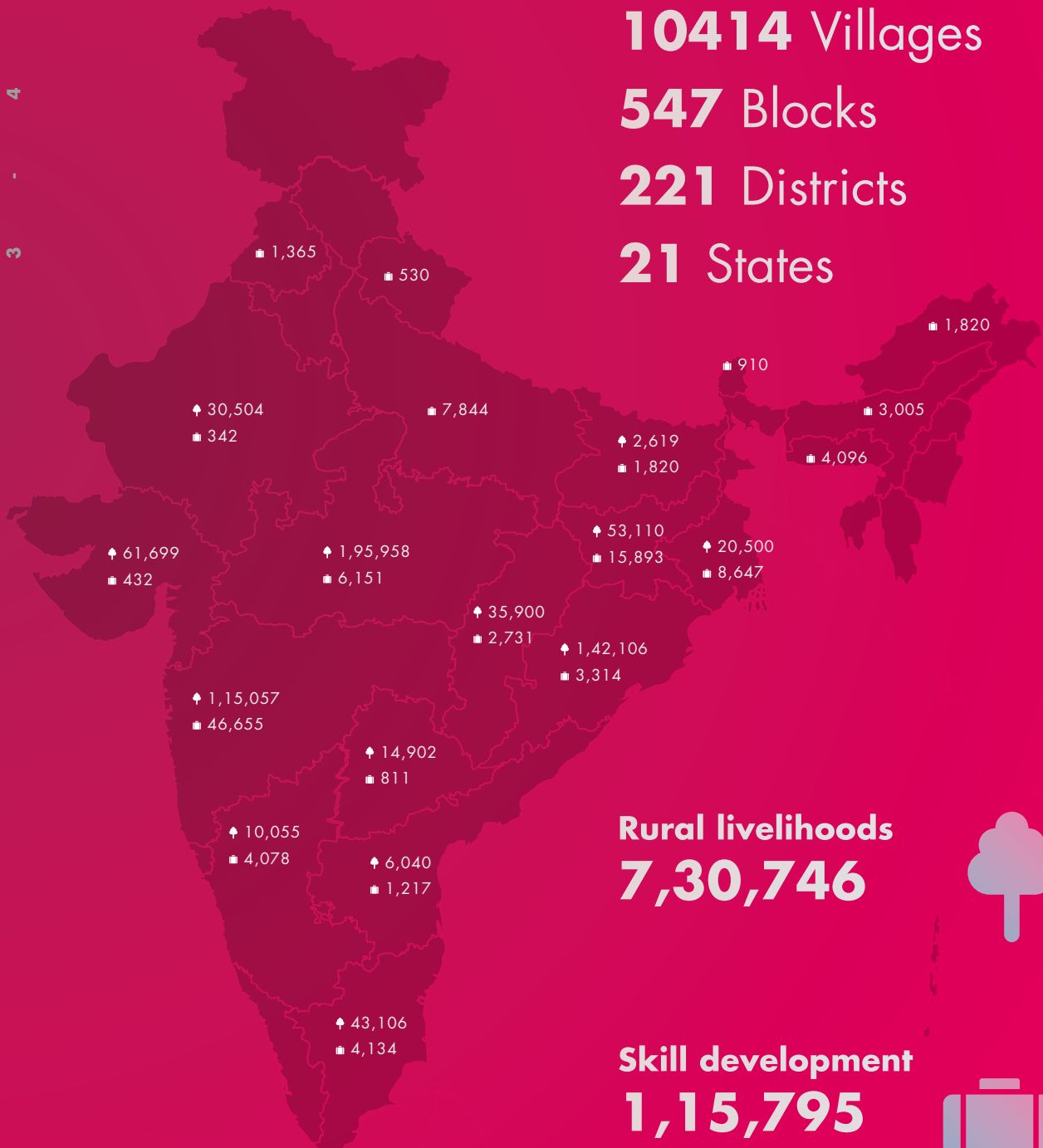
Geographical Presence across

10414 Villages

547 Blocks

221 Districts

21 States



Rural livelihoods
7,30,746



Skill development
1,15,795



Chairman's note

I am pleased to present Axis Bank Foundation's Annual Report for FY 2016 - 17. In order to make a socially relevant impact, programmes for the resource poor sections of the population have to be long-term, localised, integrated, inclusive and collaborative. Axis Bank Foundation (ABF) programmes are contoured along lines of the very same principles. We have created value in the community over a period of ten years, working with a specific goal and addressing the challenges around livelihood generation and economic growth.

The extent of agrarian distress and water scarcity in India has resulted in distress migration and the vulnerability of women and children in such households. ABF's strategy has involved deriving solutions across the entire value chain, ranging from the creation of water saving structures, agriculture intensive and non-farm interventions. Pointedly, others in the country are also working on similar interventions. However, the differentiator in each of ABF's programmes is the structuring of community based institutions or people led collectives to drive the interventions. The creation of functional SHGs, disaster risk reduction committees, water user groups, etc. with sound mentoring from our partner NGOs has provided a distinctive edge. This includes widening the impact of our programmes, allowing communities to design follow-on interventions to meet their unique developmental needs. As a group of agriculture and allied interventions, when combined with water saving aspects has provided a high level learning opportunity for the Foundation. We hope to translate some of these key learnings and models into relevant policy inputs in the future, apart from expanding our universe for collaboration and improvement of our impact metrics.

The Government of India and the Ministry of Skill Development and Entrepreneurship are moving forward in the right direction through institutions like NSDA and NSDC. ABF's programmes in the areas of skill development are well aligned with the Skill India mission. It mirrors the Government's aspiration to achieve scale and reach with regard to the courses offered across numerous trades. ABF's skill development programs were offered to female trainees, people from socio-economically challenged backgrounds and candidates from BPL households. Some of the key outcomes of the skilling initiatives include employment generation, increase in income levels and improvements on parameters like social inclusion, dignity at home and in the work place and economic empowerment.

The Foundation will continue on its path with an extended goal of bringing sustainable livelihoods to 2 million households. The future impact will be driven through further collaborations with the Government, specifically at the block and districts levels, and by extending the role of collectives and not-for-profit partners.

We at ABF are positively invested in the long term growth of the country through improved quality of life for people below the poverty line and women. We would like to take the opportunity to thank our implementing partners as we continue to walk down this path with a common goal and vision.

S. Ramadorai
Chairman, Axis Bank Foundation



Rajesh Dahiya
Executive Director, Axis Bank
& Trustee ABF



Trustee's message

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It has been an enriching experience mentoring the initiatives of Axis Bank Foundation. I have had the privilege of working with a group of eminent, dedicated and knowledgeable fellow trustees. In addition, the drive and initiative displayed by the dedicated team at the Foundation, the strong role essayed by the not-for-profit partners and the strength of the people in the communities to take charge of their development aspirations are equally critical factors that drive these programmes.

The learning maps of the Foundation have never been one dimensional, they have been multi-layered with the lessons from the Boardroom influencing our partners, or a field visit or monitoring visit to an implementation site providing a learning experience for the trustees or senior management.

Axis Bank Foundation has been investing in a focused manner across key areas like natural resource management, financial inclusion and vocational training; under its integrated rural development vertical. The programmes are tailored to meet the development needs of the economically backward sections of the population such as specially-abled children, farmers, women and children of VOCSETs (Victims of Commercial Sexual Exploitation & Trafficking).

Axis Bank's rural banking arm has expanded its footprint across India enabling financial inclusion, micro-finance, banking services and credit access for all. Similarly, Axis Bank Foundation has developed a theory of change to create sustaina-

ble livelihoods across rural India. Our intervention concepts range across natural resource management (NRM), agriculture and allied interventions, and access to financial inclusion and entrepreneurship development. These interventions concepts are uniquely designed in a localised manner to address geography specific challenges such as acute water scarcity, causes that manifest into lack of alternate income generating options and distress migration etc.

The intensive implementation work undertaken by our partner organisations with consistent mentoring from the ABF team has translated into impact at the ground level. Our programmes focus on NRM by developing water structures, soil conservation practices combined with providing the people agricultural inputs and a range of non-farm interventions like livestock, and horticulture have evidenced outcomes like a 60-70% increase in income levels. The formation of collectives such as SHGs, federations and water user committees have allowed for increased access to credit from banks. The Foundation's many interventions have also brought social safety nets like life insurance and health insurance for the resource poor section of the population while also enabling access to their rights and privileges such as ration cards. This in turn has resulted into the overall social and economic well-being of our distinctive beneficiary groups.

Moving ahead, the Foundation and the people we impact will continue driving the growth story.

ET & CEO's corner

The Axis Bank Foundation is respected and recognised by a wide cross section of stakeholders for its people-intensive approach. People for ABF include our programme participants, not-for-profit partners, dedicated field resources, in-house programme team, our Trustees and the Bank's CSR Committee. We are happy to report that we are on course to reach our target of 1 million sustainable livelihoods by December 2017 with our programmes touching the lives of 9,09,487 participants as of 31st March 2017.

ABF and its partners have had a shared learning pathway in creating impactful interventions for communities. Our intent has gone beyond grant making and places greater focus on strengthening the capacities of our partner ecosystem; this in turn has enriched the quality and quantum of ABF's interventions. Our collaborative implementation approaches with partners and communities over the years have demonstrated many successful and scalable development models.

The Foundation's primary focus has been on creating material and social livelihood resources. These resources have been created in the form of both capital and assets. Our intervention concepts flow across these capitals in an integrated manner to create lasting impact.

- Natural capital like land, water, produce and soil management
- Economic capital like access to income, savings and credit
- Human capital like development of skills, capacity building, leadership development and knowledge management
- Social capital like affiliations, groups, federations
- Physical capital like infrastructure, amenities, information and communication

We have addressed deep rooted agrarian distress by developing innovative localised solutions involving a spectrum of building blocks like water-saving structures, soil conservation, recognising indigenous irrigation methods, farm and non-farm activities, enterprise development, warehousing, market linkages, access to credit and financial inclusion. Our interventions were amplified through nurturing social capital like affiliations with the Government, encouraging our implementing partners to engage with a gamut of smaller local NGOs to achieve scale, collaborating with other corporates, academic institutes and knowledge platforms. In addition, at the community level, most interventions centre on collectivisation of people and working through instruments like water user groups, SHGs, farmer producer groups, and federations.

Along with NRM-based rural livelihoods, ABF also supports skill development to enable employments in the organised sector, aspirational skilled migration and dignified work conditions. The Foundation's partners have developed physical and social capitals across the skilling ecosystem and tried to close the loop with placement linkages in relevant industry sectors. Funding support from the Foundation has enabled our partners to scale operations by setting up newer training centres, employing quality trainers and in many cases also customising the training to the requirement of local markets.

The Foundation will continue its commitment towards integrated rural development through creating 2 million sustainable livelihoods over the next eight years. We will continue to strengthen the capacities of people, community centric collectives and our not-for-profit partners, with interventions benefitting women and households below the poverty line. Our team will lead the way in anchoring a learning and collaborative network structured to respond to the development needs of people.

Anil Kumar
Executive Trustee & CEO ABF



Governing Board



S Ramadorai
Chairperson &
Trustee
Since 2010

Mr Ramadorai, Padma Bhushan and CBE (Commander of the Order of the British Empire), is the exemplary leader who transformed Tata Consultancy Services to become a leading global IT services company during his tenure as its CEO. He has been in public service since February 2011 when he was appointed as the advisor to the then Prime Minister for the National Skills Development Council. He went on to head the National Skill Development Corporation and the National Skill Development Agency till 2016. Currently Mr Ramadorai is the Chairman of AirAsia (India) Pvt Ltd., and also serves as an Independent Director on the Boards of Hindustan Unilever Limited, Asian Paints Limited and Piramal Enterprises Limited. He is the Chairman of the Council of Management at the National Institute of Advanced Studies (NIAS) and the Chairman of the Governing Board at the Tata Institute of Social Sciences (TISS). He is also the President of the Society for Rehabilitation of Crippled Children (SRCC) which is building a super specialty children's hospital in Mumbai.



Sheela Patel
Trustee
Since 2006

Padma Shri Ms Patel is a development professional and the founder Director of the Society for Promotion of Area Resource Centres (SPARC); SPARC is one of the largest NGOs that has been working on issues of the urban poor across 70 Indian cities and over 20 countries globally. She also founded and is the current Chairperson of Slum/Shack Dwellers International (SDI), an international network of poor people's organizations and the NGOs that support them in Asia, Africa and Latin America. Ms Patel is on the Technical Advisory Group of the Gol's Ministry of Urban Development for the Jawaharlal Nehru National Urban Renewal Mission (JNNURM) and sits on the Prime Minister Review Committee on JNNURM. She has previously held crucial leadership roles at SPARC Samudaya Nirman Sahayak (SSNS), Society for Participatory Research in Asia (PRIA), World Bank's Water and Sanitation Program, and at International Institute of Environment and Development, UK. She was also a member of the MDG Task Force on improving the lives of slum dwellers and advisor to the UNDP Commission for the Legal Empowerment of the Urban Poor.



Som Mittal
Trustee
Since 2015

Mr Mittal has worked extensively in the IT and automotive industries across geographies. A Distinguished Alumni of IITK, his contribution to the ICT industry globally was recognized with a Lifetime achievement award by World Information Technology and Services Alliance (WITSA). During this five year tenure (2008-13) as the Chairman and President of NASCOM, the premier trade body for the IT-BPM Industry in India, the industry crossed the USD 100 billion milestone and significantly expanded its value offerings. He was a member of the Indian Prime Minister's Committee on National e-Governance, and the and on the Global Advisory Council of the WITSA. While in the past Mr Mittal has held top executive positions at companies such as Wipro Digital, Compaq, HP, Larsen & Toubro, Escorts and Denso etc. Currently, he essays a mentoring role as an advisor to senior corporate leaders and government entities. He also sits on the boards of Axis Bank, EXL Service Holdings Inc., Cyient Ltd, NIIT Univ. among others and is associated with numerous NGOs.

ABF's board of trustees have steered the Foundation's intervention concepts through their strategic inputs, vision and industry expertise. Each one of the trustees holds a place of eminence with their distinctive knowledge of the social sector, technology and financial services industries.



V. Srinivasan
Trustee
Since 2015

Mr V. Srinivasan is the Deputy Managing Director of the Axis Bank and the Chairman of Axis Finance Limited. He joined Axis Bank as the Executive Director - Corporate Banking in 2009 and was elevated as a Director on the Board of Axis Bank in October 2012. He has over twenty years of experience in the financial services industry and has worked in the areas of Corporate Banking, Investment Banking, Treasury and Foreign Exchange Management. Prior to joining Axis Bank, Mr. Srinivasan was Managing Director and Head of Markets with J. P. Morgan, India. He is presently a member of the CII National Council on Services. He has in the past also served on various RBI Committees including the Technical Advisory Committee, Committee for Repos and Committee for STRIPS. He has previously held leadership positions at the Fixed Income Money Market and Derivatives Association of India (FIMMDA) and the Primary Dealers Association of India (PDAI). He holds an engineering degree from the College of Engineering, Anna University, Chennai and is an MBA from the Indian Institute of Management, Calcutta.



Rajesh Dahiya
Trustee
Since 2015

Mr Dahiya, Executive Director-Corporate Centre, Axis Bank Ltd., is an engineer with a Masters in Management. He began his career in 1990 with the Tata Group and went on to handle various responsibilities in the company in Human Resources, Manufacturing, Supply Chain Management, Institutional Sales, and Exports across Rallis India, Tata Tea and Tata Sons Ltd. At Axis Bank, Mr. Dahiya is responsible for Audit, Compliance, Corporate Affairs, Legal and Human Resources. He has lived in various parts of the country and now a Mumbai-kar living with his wife and two daughters. He devotes his free time to road travels, poetry, and music and cityscape photography. He is also on the Board of Axis Bank Foundation.



K Anil Kumar
Executive Trustee
& CEO
Since 2015

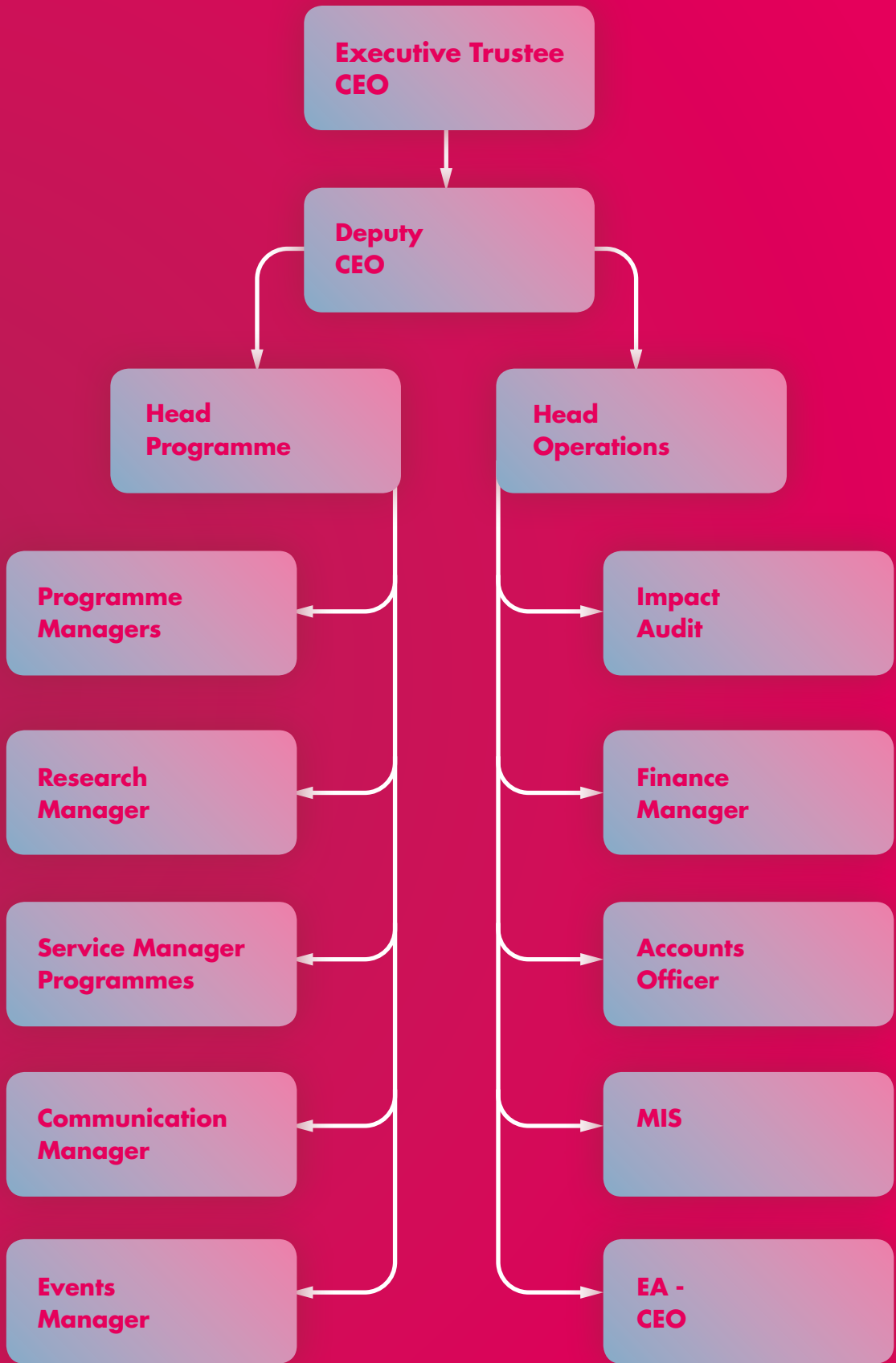
Mr K Anil Kumar, 58 years, a Certified Associate of the Indian Institute of Bankers, has been in the banking industry for over 35 years. After joining State Bank of Travancore, part of the State Bank of India Group, as a Probationary Officer in 1979, he served in various capacities in Trade Finance, Retail Banking, Agricultural Banking, SME Banking and Corporate Banking. He joined Axis Bank in 1995. After more than a decade of branch banking and SME business he moved to Financial Institutions and Trade Finance businesses for Axis Bank and served as the global head for these businesses since inception, until he moved to Axis Bank Foundation in early 2015. He assumed the responsibility as the Executive Trustee and CEO of the Axis Bank Foundation in February 2015. As the head of Axis Bank Foundation he is embarked on a mission to show the pathway out of poverty for a million people by helping them find sustainable livelihood options. He has also been heading as Chairman a non-profit he founded, since 2005.

Team

The success of any organisation is dependent upon the capabilities and dedication of the team that is driving it. ABF comprises of an 18 member team that manages its development programmes under the stewardship of the Executive Trustee & CEO. The cross functional experience of team members in the development sector, banking, accounting and communications sectors enables design and delivery of impact driven programmes.

The functional teams are organised into a programme unit and an operations unit. The programme unit develops and operationalises ABF's strategy by creating and enabling synergies between all stakeholders, identifies partners, designs projects and implementation plans, and conducts monitoring and evaluations of projects. Each ABF funded project has a dedicated programme manager that works closely with the implementing partner. Frequent visits to the villages and meetings with participating communities is an integral part of the monitoring process. Research, documentation and knowledge management is critical to the decision making at the Foundation and a dedicated resource for research works with the programme managers to strengthen the projects. The operations unit is responsible for conducting due diligence of implementing partners, financial audits and non-financial assessments.

The Foundation has established a culture of shared learning through various means. Consultative meetings, reviews, industry forums, field visits are frequently organised through the year.



Progressive reforms over a period of last 70 years has led to India becoming one of the fastest growing economies in the world. The World Bank pegs India's GDP to grow at a 7.2% in FY 17-18. Major shifts in investments and usage of technology since the 1950s made the Services (58%) and Industry (24%) sectors main drivers of the Indian economy in 2014 with agriculture and allied activities contributing to only 18% of GDP.

However, not everyone in the country has been able to cash in on India's industrial and economic growth. Despite being the 6th largest economy in the world, India remains a low middle income country (South Asia) and close to 22% of its people live below the poverty line (Census 2011). In the most populous democracy in the world, the newer sectors have not been able to provide adequate employment or better paying jobs for a greater part of the working workforce. It is estimated that around 12 million people are added to India's workforce every year, and majority of them do not have the skill sets or education levels sought by the booming sectors such as automobile and auto parts, engineering goods, pharmaceuticals, and IT enabled services.

Thus, even while India's is not an agrarian economy, agriculture and allied sectors in spite of their low productivity continue to support more than half of the country's population. Majority of the 90 million farmer households have small or marginal land parcels and practice only traditional rain fed cultivation. Incomes/produce from the primitive agricultural techniques are more often than not insufficient to survive the year. The only way to sustain for many farmer households is to supplement their incomes by taking up alternate employment. In addition, their sole reliance on rains and informal credit sources increases their vulnerability as victims of a vicious debt cycle. The negative slide into poverty exacerbates through episodes of crop failures or losses resulting from limited storage infrastructure and/or market linkages. In addition to this acute agrarian distress, agricultural scientists warn of depletion of land quality and fertility because of the nonscientific farming methods, including indiscriminate use of chemical fertilizers and pesticides to boost harvest, adopted by the farmers. The current difficulties of the agricultural sector are only going to worsen due to the effects of climate change thus making farming, in its current form, a non-viable option for the newer generations.

Joining the informal sectors locally or by migrating to bigger cities is the only option available to a large majority of India's rural and semi urban population because of their limited skill sets. Men

living in these areas out-migrate for employment, leaving women, elderly and children in the villages to take care of domestic chores and also to farm on small parcels of land. These women rely heavily on the income sent back by the men. The absence of tangible cash earnings for the roles they play, results in the acute 'feminization of poverty'.

In the given context, it becomes crucial to enable sustainable livelihood solutions for the majority population, largely the unorganized workforce, for India to rise as a middle income country within the next few years. As far as the economic drivers are concerned, there is little hope that the industry sector because of its capital and technical skill intensive nature will provide significant growth in jobs. There is however tremendous potential to generate jobs in the services sector provided the right skill sets are developed. Similarly, the agriculture and allied sectors have a huge potential role to play in the economic development of the country not only in terms of contribution to the GDP but also in terms of improving the socio-economic conditions of a large population. This can happen with efforts targeted towards education about sustainable agricultural and natural resource management, development of irrigation facilities, financial inclusion and ensuring market linkages.

The Government of India has been making sustained efforts to plug the development gaps by enacting relevant laws, development policies and reforms. After making monumental gains in improving the health and literacy levels in the country, the government's development agenda has shifted to making improvements in the standard of living. This shift was accomplished by concentrating more on quality education and vocational training, and creation of livelihood generation avenues. At the global level, the government has vowed to support and work towards the achievement of the Sustainable Development Goals (SDGs) by 2030. By ratifying the 2030 Agenda for Sustainable Development, the Government of India aspires towards improving the quality of lives of its people by supporting positive changes in their socio-economic and physical environments. Since 2013, the Indian corporations also are lending a hand in the country's development by supporting the government's development agenda by undertaking CSR programmes as per specifications of the Section 135 under the Indian Companies Act.

Uniquely, the Axis Bank Foundation, the CSR arm of Axis Bank, through its focused approach for generating sustainable livelihoods is closely aligned with the nation's developmental agenda and sustainable development goals.



Understanding India's livelihood challenge

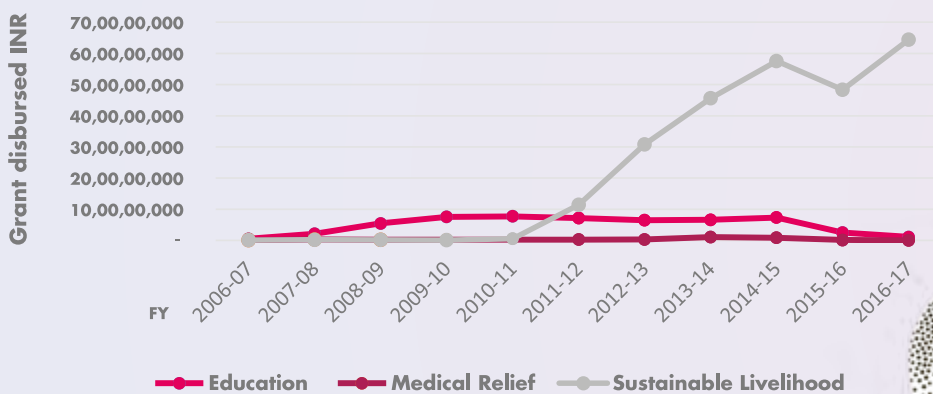
The Axis Bank Foundation was set up as a public trust in 2006 to implement Axis Bank's CSR through partnership with grassroots NGOs. From 2006 to 2009, the Foundation largely focused on creating inclusive education opportunities for abled and disabled children from the economically weaker sections of society. It also supported a highway rescue and trauma care programme that addressed the issue of deaths on highways due to lack of immediate medical support.

Visits to the hinterlands, numerous community meetings and engaging with local stakeholders, led to a realization that to address the multi-faceted development challenges, a holistic and integrated livelihood based approach was required. A strategically designed livelihood program would help poverty alleviation and thereby enhance the ability of people to seek a better quality of lives for

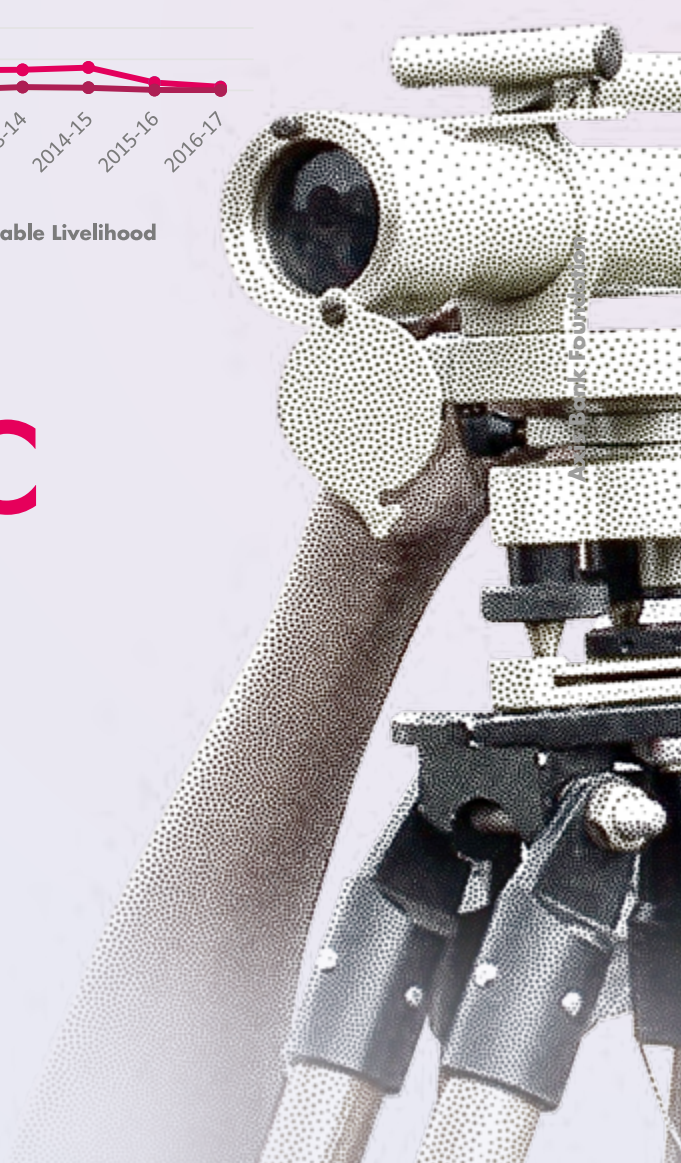
themselves through access to education, health-care, and delivery of other public services. A first step towards this, was enabling economic and social empowerment of people with solutions that increased incomes from agriculture, gave access to appropriate technologies, skilling, finance and markets. An underlying strength to this was identified as building capacity of people – communities, grassroots workers, employees of partners NGOs and staff of ABF.

2010 established a firm step towards this direction. A mission to support 1 million livelihoods was conceptualized, resulting in majority of the funding to be directed towards this mission. The Foundation has streamlined all its projects under a unified goal of fostering and enhancing livelihoods. Under the broader umbrella of Sustainable Livelihoods, ABF today focuses on agriculture and allied sec-

Trend in grants made by ABF



Strategic



tors by working on natural resource management; agriculture, horticulture, livestock development and capacity enhancement. Support to vocational training for the able and disabled youth, and micro enterprise development are also supported under the Livelihoods portfolio. The Foundation has recognized the need of bringing women, especially in rural India, into the economy as an integral part of social and economic transformation. And thus the programmes encouraged that that more than 60% of its participants are women. Financial inclusion of women and giving them access to affordable credit is and will always be a crucial component of developing livelihoods for women.

Being on course to realize its mission of supporting a million livelihoods by 2017, ABF is strengthening its support for economic empowerment

of communities by pledging to support 2 million households over the next few years. To maximize the impact of its work, the Foundation has adopted a block concentration approach that will allow for penetration of outcomes as well as allow for aggregation for a positive influence on the markets. The Foundation will support NGO partners to build their own capabilities at the grassroots to create innovative livelihood solutions that empower communities.

Over the next few years, ABF will consolidate its work in the rural livelihood space by building capacities of communities develop social capital by strengthening People's Institutions (PIs) and enabling forward and backward market linkages. ABF will also work towards leveraging partnerships including establishing linkages with government programmes to ensure long term sustainability of outcomes.



Intent

Alignment with Sustainable Development Goals



1 No Poverty

1.2. Reduce the proportion of men, women and children of all ages living in poverty in all its dimensions

1.4. Ensure that all men and women, in particular the poor and the vulnerable, have equal rights to economic resources

1.5. Build the resilience of the poor and those in vulnerable situations and reduce their exposure and vulnerability to climate-related extreme events and other economic, social and environmental shocks and disasters



2 Zero Hunger

2.1. End hunger and ensure access by all people, in particular the poor and people in vulnerable situations

2.3. Double the agricultural productivity and incomes of small-scale food producers

2.4. Ensure sustainable food production systems and implement resilient agricultural practices



4 Quality Education

4.5. Eliminate gender disparities in education and ensure equal access to all levels of education and vocational training for the vulnerable, including persons with disabilities, indigenous peoples and children in vulnerable situations

ABF through its programmes is contributing to the attainment of SDGs 1, 2, 5, 10 and 13 and subsequent targets under each goal.



5 Gender Equality

5.5. Ensure full and effective participation of women and equal opportunities for leadership at all levels of decision-making in political, economic and public life

5.A. Undertake reforms to give women equal rights to economic resources



10 Reduced Inequalities

10.1. Achieve and sustain income growth of the poorest section of the population at a rate higher than the national average

10.2. Empower and promote the social, economic and political inclusion of all



13 Climate Action

13.1. Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries

13.B. Promote mechanisms for raising capacity for effective climate change-related planning and management

The building blocks of ABF's livelihood approach are centred on creating enabling mechanisms and community centric institutions. The grants are given to not-for-profit organisations that have a granular understanding of 'what will work' in the 'local context'. The investments in patient capitals across the physical or natural, economic, human and social spheres translate into sustainable livelihood generating avenues.

Sustainable





22

Livelihoods



The larger capacity building narrative in the social sector has focussed on communities. Conversely, ABF's grants have a dual focus on capacity building. First is strengthening partner organisation capacities, which in turn addresses their potential to scale viable solutions and collaborate further. This has been evidenced through partner organisations adopting an innovative solution to scale rural livelihood interventions by working with a network of smaller local NGOs. Second is building capacities of communities that comprises of community resource persons and grassroots leaders that are intrinsically involved with the implementation of core interventions. ABF in parallel, has also focussed on developing a learning culture between their partner organisations and the Foundation.

The concepts and areas of interventions under rural livelihoods are integrated in myriad ways, with a sequential introduction of activities or with several activities being introduced in parallel within rural (agrarian) communities. For example, establishment of collectives is followed by watershed management interventions, agriculture intervention, and access to credit and markets.



Apart from the focus on rural livelihoods, ABF addresses the broader employability challenge of youth across India through employment linked vocational training programmes. ABF works with a network of implementing partners that has over the years translated into a pan India presence. The critical mismatch between industry demand and finding a supply of appropriately trained candidates is addressed by the implementing partners offering demand focussed skilling programmes. The vocational training courses are aligned to nationally defined training standards and give equal attention to developing the candidates' English speaking and other soft skills. Given the focus on livelihood generation, the training programmes are anchored on placements and relevant post placement mentoring. The inclusive nature of the interventions are demonstrated through skilling programmes for the specially abled and gender specific courses.

A cross cutting theme in the intervention concepts and thematic areas of focus has been a gender action plan with specific emphasis on indicators such as social inclusion, mobility and increased voice and decision making. This has resulted in mainstreaming women in agriculture, creating and improving access to financial instruments and opportunities for a larger decision making role.

Integrated Intervention Concepts

ABF and other partner organisations co-design localized livelihood models



Introduce patient physical, natural, economic, human and social capital



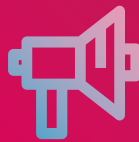
Build Capacities of partner organisations and community based organisations



Nurture Collectives



Market Linkages



Collaborate



Scale



Sustain



Learn



The intervention areas under ABF's sustainable livelihood focus

Rural Livelihood Development The activities under these programmes comprise of watershed management, agriculture and horticulture enhancement, livestock enhancement, and enterprise development. A common strand in rural livelihood programmes is the focus on building social capital by supporting collectivisation at various levels.

Skill Development initiatives include vocational training and subsequent job linkages for youth in peri-urban and urban areas.

Physical & Natural Capital



The physical or natural resource stocks from which resource flows and services useful for livelihoods are derived.

1. Land
2. Soil
3. Water
4. Plants & Trees
5. Infrastructure
 - Shelter
 - Amenities
 - Information
 - Communication

Human Capital



The capabilities essential for successful pursuit of different livelihood strategies.

1. Skills
2. Knowledge
3. Ability to labour
4. Good health
5. Capacity building

ABF's strategic intent and structuring of interventions resonates with Chambers and Conway's definition of sustainable livelihoods - the communities' abilities to cope with and recover from stresses. Additionally, they categorise successful outcomes of a livelihood intervention as an ability to create or improve access to assets and resources that people can use while undertak-

ing their own income generating activities. In alignment with this aspiration, the reporting out of ABF's results under the sustainable livelihoods portfolio is aligned to DFID's framework for augmentation of livelihoods. The DFID framework (1999) outlines requirements for creation of sound livelihood options for communities along five capitals or resources – natural, physical, economic, human and social.

DFID's Five Capitals for Livelihood Augmentation: Natural, Physical, Economic, Human, and Social

The capital bases which are essential for the pursuit of any livelihood strategy.

1. Cash
2. Credit / Debit
3. Savings
4. Assets
5. Basic infrastructure
6. Production equipment
7. Technology

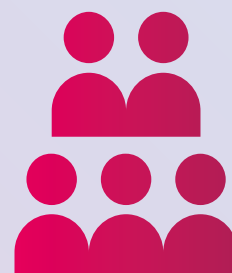
Economic Capital



The social resources upon which people draw when pursuing different livelihood strategies.

1. Networks
2. Social claims
4. Social relations
5. Affiliations
6. Associations

Social Capital



Rural livelihoods

ABF supports rural livelihood enhancement through a multi-pronged approach that ensures comprehensive development various natural, physical, human, economic and social capitals. Agriculture and allied activities, the dominant sector of employment and livelihood in rural India is the major focus of ABF's rural livelihood enhancement programme.

ABF's multi-pronged approach under rural livelihood development focuses on

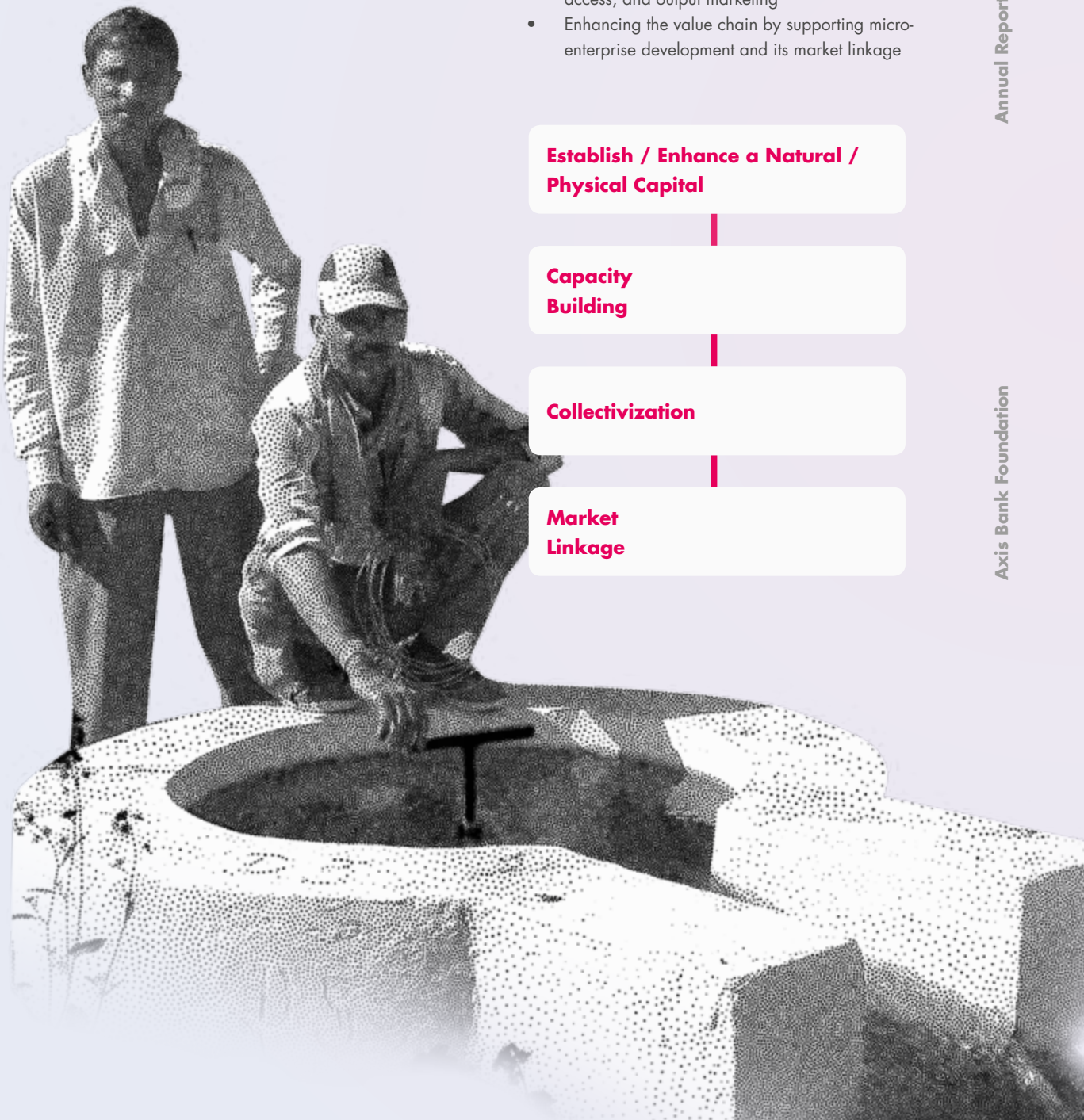
- Availability and access to natural resources – water, soil quality, etc.
- Improving availability, accessibility, and affordability of various agriculture related inputs
- Capacity building of people
- Collectivization for better input sourcing and access, and output marketing
- Enhancing the value chain by supporting micro-enterprise development and its market linkage

Establish / Enhance a Natural / Physical Capital

Capacity Building

Collectivization

Market Linkage



Watershed Management

Enhancing Agricultural Productivity

ABF with its partners strategically identifies and works in geographies distressed in water and agricultural productivity. Its interventions in an area are usually initiated by establishing new or enhancing existing watershed management structures. Conservation and development of water bodies, and catchment treatment for arresting the siltation of tanks and channels are demonstrated by introducing innovative water and soil conservation measures. Activities like tree plantation, levelling of farm fields and construction of raised borders for perimeter runoff control are promoted for checking soil erosion. Plantation of fruit trees and soft trees also augments the household's income.

Creation of watershed structures in many cases is also aligned with government programmes to leverage on available funds under watershed and MGNREGA. A mix of both revival of traditional diversion based or tank based irrigation systems, and introduction of newer irrigation models like lift irrigation, drip irrigation and solar based irrigation is promoted depending on topographical and climatic conditions, need and level of people's participation in the respective project areas.

Participation and ownership of people over these structures is essential for their sustainable and judicious use. Community members are organised to form Water User Associations (WUAs) which are linked to respective watersheds. Capacity building of these local institutions are conducted to enable maintenance of the natural capital created through its programme. People's participation is also encouraged through collection of nominal user fees through the WUAs; this also ensures financial sustainability for these capitals. The participatory irrigation management has resulted in improvements of land and farm productivity from round the year water availability and reduced soil erosion.



Interlinked with the gains from water structures, partner organisations introduce appropriate dryland agriculture packages within communities to augment their livelihoods. These cultivation practises are customised depending upon local conditions to enable judicious and efficient use of the harvested water. Crop diversification is encouraged along with promotion of better seeds and crop varieties which have water requirement in sync with the local conditions. Innovative techniques like Systemic Intensification of Rice (SRI) are promoted. Improved availability of water has helped in mitigating risk of crop failure and has encouraged multi-cropping. Use of organic manure, compost and bio-pesticides has enhanced the soil fertility by improving its nutrient quality and water holding capacity. Introduction of these locally relevant agriculture packages has resulted sourcing of higher quality inputs at lower costs. Reduction in investment and resultant higher yields from superior inputs has eased the overall credit burden of the participant farmer households.

These dryland agriculture packages are accompanied with promotion of horticulture. Additionally kitchen gardens are promoted through introduction of improved seed for a variety of vegetables and fruits. While the primary aim of this activity is to ensure nutrition security of the participant household through dietary diversification, sale of excess produce also serves as means to further augment household income.

Livestock Enhancement



Livestock rearing activities such as goatery, fishery, duckery, poultry, apiculture etc is promoted, especially among the women participants, to enhance the agricultural household's overall income. Building capacities of people in scientific livestock rearing and leveraging existing government schemes ensures that the farmer now has an additional livelihood avenue that is not season specific.

SHGs are supported by setting-up revolving funds for the procurement, upkeep and marketing of livestock assets. ABF grants provide for training of participants and support inputs such as setting-up of sheds and provision of feed. Veterinary support is provided in the form of deworming, vaccination and artificial insemination. Additionally, human capital is developed in form of a cadre of community resource persons - pashu mitras/sakhis who are trained to provide livestock support across various programmes and geographies. Further, to improve the subsidiary value chain and attain economies of scale, support is secured for developing infrastructure such as cooling systems for dairy product storage and in providing trainings to build capacities of SHG members to use these technologies. Dairy and milk products are aggregated and out marketing support is provided to link it with the market.

Income generation from livestock has steadily been on a rise. It has been a critical value addition in terms of providing livelihood security to farmers with small land holdings, landless labourers and women by diversifying their income sources. A basket of livelihood activities for a rural household helps in mitigating the risk arising from a high dependence on any single source of income.

Collectivization



ABF's rural livelihood programme have been able to make long lasting impact at the grassroots because of its inherent design of building capacities and capabilities of the communities to drive the various activities. The previous sub sections give an overview of formal and informal village level groups of people that have been organised into that help in developing a sense of accountability and promotes participation of the community ensuring long term sustainability of outcomes.

Developing and supporting Self Help Groups (SHGs) is an important element for strengthening and mainstreaming the development agenda of people. The capacity of the group is built on savings management and documentation protocols through modules on financial literacy that enables growth of a savings corpus and allows for internal lending over time. The subsequent linking of SHG savings to banks (financial inclusion) and proper documentation of the groups transactions, gives them access to affordable credit in times of exigencies or more commonly to invest in livelihood activities (either as a group or individually).

Women participation has been a major focus for both agriculture and financial inclusion related interventions. Most of these collectives are women SHGs and the process has succeeded in mainstreaming women participation in agriculture and banking by increasing their decision making ability through collectivization, financial inclusion and capacity building. As the SHG's saving operations stabilize, the meetings serve as platforms to increase awareness among the group about their rights and duties. The members' enhanced knowledge and confidence over time has increased their participation in the village level decision making

Enterprise Development



process. Long term association with collectives and collective action has contributed significantly in emergence of local leadership. Women led SHGs/PGs have helped in creation of a strong social capital fostering increased social mobility and inclusion. The members play critical roles in planning and overseeing development work as representatives of Village Development Committee (VDC), and there have been examples of women participants contesting and even winning Panchayat elections. As the programmes mature and the commercial activities of the SHGs grow, a need of aggregation is being felt and there is now a shift to formation of federations.

Another set of livelihood activity related collectives promoted are producer group collectives. These are formed for better penetration of knowledge, participatory discussions and aggregation of inputs and produce. As the agricultural or livestock productivity is enhanced, there is need for aggregation to give the people a voice and bargaining power while selling their produce. The producers groups are then confederated into Producer Organisations (POs) to improve their access to inputs (especially financial) and forward market linkages through collective negotiating power. POs are supported in crop aggregation and marketing, assisting them in increasing their share of revenue in the value chain, and to reach bigger markets. It ensures better negotiation on prices by removing market intermediaries and selling in bulk often by previously agreed upon contracts.

With access to knowledge, finance and market, an enabling environment that promotes people to set up or find employment in local enterprises gets created. With lower financial and skill requirements, micro enterprises play a crucial role in economic development especially in emerging economies as an effective solution to alleviate poverty. Microenterprise development is supported at the household level by addressing gaps such as lack of direct capital, inadequate knowledge of business management and marketing, poor access to infrastructure and facilities, and reliance on traditional skill sets that challenge the development of the sector.

The capacities of people especially women have been developed to enhance agricultural and livestock produce, or produce value added products using local resources and often through relevant traditional processing techniques. Integral to the capacity building exercise is supporting individuals and groups (SHG, JLGs) to develop sound business plans and subsequent hand holding by Community Resource Persons to run the business activities. Availability of the much needed financial capital to set up enterprise either in form of a revolving fund or a loan (through SHG or a bank loan for JLGs) is ensured. The next focus of the programme is enabling market linkages for sale of finished goods. More evolved establishments are now focusing on aggregating and marketing produce through institutions such as cooperatives, SHG federations and producer organisations.

In addition to promoting home based enterprises, support is provided for micro and small scale production units. These livelihood centres set up in local areas have potential to generate employment for larger number of community members either through direct employment at the centre or indirectly by establishing sourcing channels for local raw materials.

Microenterprises under rural livelihoods have empowered communities to harness a better quality of life by means of supplementary or alternate income sources, participation (especially of women) in market or cash based economies, and translated into increased purchasing and savings capacity at household level.

Key Outcomes

Physical & Natural Capital



5658

Water structures created

1,100 Hectares

Forest area protection

1,60,730 Hectares

Land irrigated

23,345 Hectares

Reduction in soil erosion

54,77,757

Trees Planted

2,86,208

Fruit Trees

36,36,832

Soft wood Trees

1,81,365

Other Trees

Annual Report 2017

Human Capital



64,603

Farmer households trained in Organic Farming methods

5022

Community based Krishi and Pashu sakhis trained

19,543 Households

Bio-pesticide usage

1,23,894 Households

Having kitchen garden

731,361

Farmer households reached

Axis Bank Foundation

Through the integrated rural livelihood development programme that focusses on creating a viable watershed, improving dryland agriculture practices and promoting supplementary or complementary sources of livelihood, a model of sustainable livelihood is emerging. The support has resulted in an increase in land under irrigation coverage, and minimised risks by optimising farming and allied activities. The increased productivity and value addition through

market linkages has translated into increases in incomes, savings and food security at the rural household level. Most participant households have seen a 50 - 100% increase in income, increase in possession or assets, and improved access to financial instruments. These outcomes have helped in promotion of sustainable agricultural practices, provided alternatives to combat distress migration, and to some extent alleviated rural poverty.

32

Increased income, savings and asset ownership of household

Improved access to credits for CBO's
INR 30.37 Cr borrowed by SHG and JLG

20,662 Participant's incomes supplemented through linkages with micro enterprises

1,54,628
Savings Bank accounts opened

38,700 Agricultural assets created	57,617 Livestock assets created
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Economic Capital



31

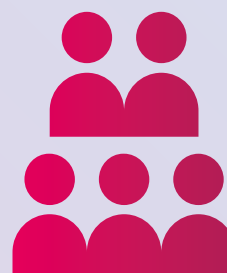
30,454
Women collectives

1,672
Water user groups formed

Increased voice and participation in market based and community transactions

18,599
Households avoided migration

Social Capital



Skilling India's youth



Annual Report 2017

ABF Bank Foundation

While ABF focuses a majority of its livelihood efforts to support – agriculture and allied livelihood activities, it also supports skill development especially in peri-urban areas to enable skilled migration and dignified work conditions. Vocational training within the Foundation's portfolio encompasses programmes for youth, including those with special needs.

Demand focused model

ABF partners with NGOs across the country to implement initiatives that develop capitals across the skilling ecosystem and closes the loop with placement linkages in relevant industry sectors. Apart from the core skills training, skilling initiatives also look at enhancing employability of trainees by providing training in soft skills such as spoken English and life skills, and in basic computer skills. The life skills aspect includes personality development, confidence building, public speaking and discipline related training.

Scale and inclusiveness

ABF's support has enabled their skilling partners in scaling operations by setting up newer training centres, employing quality trainers and in many cases also developing training plans and curriculum customised to the local industry's requirements and needs. The projects have been implemented in challenging geographies and focus on creating an atmosphere of inclusive employability. Prospective trainees and their families are counselled about what to expect from the training programmes and the commitments required. The training process itself focuses on practical training through simulation labs or through industry exposures and On Job Trainings (OJT). Intensive counselling by the trainers and dedicated counsellors ensure higher retention rates in these short duration courses. As the skilling is directed towards enhancing employability, ABF implementing partners focus on employment linkages either through job placements or by supporting the trainee in starting a self-enterprise.

Skilling the specially-abled

Skilling of youth with special needs has emerged as a niche area of ABF's grant making since 2014. This aspect of vocational training can be viewed as a natural progression from the special education initiatives supported by the Foundation. ABF has partnered with NGOs with expertise in skilling the specially-abled. The Work Integrated Soft Skills English (WISE) programme provides training in English, Typing (computer), Life-skills and Retail skills that enhances the employability of the trainee. With ABF's grant support, the implementing partner has been able to develop 14 new centres for WISE training across 9 states till FY 2016-17. The trainers under the programme undergo intensive training to ensure effective knowledge and skills transfer to the trainees. The small batch size, customised curriculum and pedagogy, personalised mentoring and grooming of each trainee ensures positive learning outcomes. While the larger programme focuses on developing soft and basic skills that may be applied in any sector, the curriculum structure also allows for training in specialised skills that may be required by specific industry sectors towards the end of the 60 day training period. The partner facilitates placements through network recruiters who have been sensitised by the NGO on 'how to work with the employees with special needs'.

Key Outcomes

Physical & Natural Capital



140+
Training centres supported

Annual Report 2017

Human Capital



1,15,795
Youth trained

46,318	69,477
Male	Female

7,433
Differently-abled youth trained

Axis Bank Foundation

With a 60% placement rate, the skilling process has resulted in opening avenues of steady income from secure jobs in inclusive working environments for youth with varied formal education levels. Acquiring relevant skills and appropriate job linkages has resulted in an increase in aspirational migration among sections such as landless and specially-abled. Those trainees opting for job placements have been brought under the cover of a social security net as per the regulatory

requirements. The support towards the skilling of specially-abled youth has enabled the implementing partner to demonstrate and advocate the need for such specialised training to mainstream rural youth with speech and hearing disability.

Availability of skilled labour
to industry

60% Trainees placed in jobs
or started enterprises

INR 5967

Average monthly salary of trainees
linked to jobs

INR 3716

Average monthly wage of trainees
that have taken up an enterprise

Economic Capital

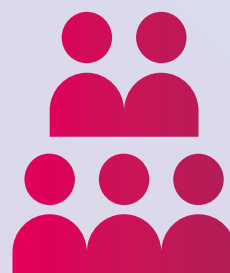


Social Capital

Linkages to ensure improved work
conditions for trainees

Advocacy efforts leading to greater inclu-
sion, especially of women and specially
abled, in the workforce

Upward social mobility at the
household level



Anchoring partnerships

ABF partners with NGOs that have been working with grassroots communities in different parts of India. The NGOs are equipped with the anthropological, social, political, ecological and economic knowledge of the respective regions and communities. Using this knowledge and their own technical and managerial capabilities, the implementing partners are able to leverage social and natural resources to the advantage of the communities by building sustainable intervention models. While the results based programmatic planning, manage-

ment and monitoring translates into higher efficiencies, the ability to co-create every aspect of the project during the long term association with ABF acts as an enabler to significantly scale up their activities and deepen the impacts. The co-creative process benefits both the participating communities as well as the partnering NGOs. The communities benefit from sustained support from the project activities and are able to stabilise their outputs and governance by the time the project ends. On the other hand, the NGO partners are



Education

Able Disabled All People Together

Lend A Hand India

Mutually Beneficial Activities Foundation

Mitra Jyoti

Pratibandhi Kalyan Kendra

Shishu Sarothi

Society Undertaking Poor People's Onus for Rehabilitation



Other

Balipara Foundation

Dhan Foundation Chennai Relief

Godhuli

Women Weave Charitable Trust

able to bolster the existing institutional resources to enhance their own capacities to scale and deliver upon the new operational strategy of block level concentration that deepens impact.

In FY 2016 - 17, ABF made grants to 34 NGOs working in or contributing indirectly to secure livelihoods for economically backward communities across India. ABF projects are currently being implemented across 10,414 villages of 547 blocks in 221 most backward districts of the country.



Livelihood

Action for Social Advancement

Aga Khan Rural Support Programme (India)

Bandhan Konnagar

Centre for Collective Development

Development for Humane Action

DHAN Vayalagam (Tank) Foundation

Dilasa Sanstha

Don Bosco Tech Society

Enable India

Foundation for Ecological Security

Harsha Trust

Kherwadi Social Welfare Association

Krishi Gram Vikas Kendra

N M Sadguru Water and Development Foundation

Navbharat Jagriti Kendra

Noida Deaf Society

Peoples Rural Education Movement

Peoples Science Institute

Plan International

Professional Assistance for Development Action

Samaj Pragati Sahayog

Self-Reliant Initiatives through Joint actions

S G B S Unnati Foundation

The Corbett Foundation

Youth 4 Jobs Foundation

Partners speak

"ABF has supported piloting of a new intervention model. The support enabled us to organise trainings for capacity building of the people. It allowed me and my team working with the communities to learn and apply newer techniques around Livelihood Interventions. ABF's support has provided us with ample opportunities to engage with the local community and enabled us to develop an understanding of both our strengths. For example, the collective spirit inbuilt in Gond culture is being leverage to strengthen collective forums. These forums are essential in developing a grounding sense of agency – "I matter" and to support the development of a collective consciousness for furthering of the society; they are now defining development as they see it and are claiming public spaces as citizens."

PRADAN

"ABF project has enabled us to expand our staff base at the grassroots level which has deepened our reach to the communities. Having adequate staff on board meant that our staff can now engage with our communities more rigorously through continuous meetings, interactions and trainings. Previously under the LWRD initiative, our activities were limited to activities as field bunding, contour trench, lift irrigation, dug well etc. but now we have expanded the depth of our watershed management approach by adding more activities such as shallow bore, farm ponds, etc. To summarise, before the ABF grant our activities were implemented in a sporadic manner because of uncertainty of funds. ABF funding has allowed us to plan and implement a comprehensive development programme."

**Action for Social
Advancement**

“ABF supported Dangi Vikas project relied heavily on a participatory rural appraisal processes to mobilise communities in identifying their own problems and priorities. We subsequently supported them by conducting need based capacity building workshops and organising exposure visits. Our work employs the para worker or extension worker approach that has enabled the community to access new knowledge and skills from their own peers. As these are locals, the resource person is always available and accountable to the local community, hence knowledge/skill transfer remains a continuous rather than one-time process. As a result of this, the farmers and other community members are now independently running their own enterprises, managing natural resources such as water. We have also mobilised communities to form village level institutions called Gram Vikas Mandals, strengthened SHGs and created User Groups for various activities. Thus the ABF support has enabled our team members to build village level resources and strengthen local institutions that are owning up and working towards their communities’ development agendas.”

**Aga Khan Rural Support
Programme (India)**

“The focus of our intervention has been strengthening local stewardship by improving access to information and enabling communities’ capacities in claiming and securing collective tenure rights over shared natural resources; improving information on various government programs and schemes; nurturing their skills in natural resource management; conflict resolution and negotiation. Communities have a higher stake when there are elements of trust, interest and security in the initiatives undertaken. The initiative focusses on bringing people together and going through a natural process of need prioritization, analysis, trying some for change and adapting the most appropriate alternative. We see our communities as 'partners' rather than as 'beneficiaries' of development. They hold within them reservoirs of traditional wisdom which we try and leverage through our local cadre of community resource persons. These people while helping their own communities adopt sound cultivation and livestock rearing techniques, facilitate exchange of knowledge within neighbouring villages.”

**Foundation for Ecological
Security**

Forums

ABF fosters collaborative learning for its stakeholders. It organises and participates in several forums at which NGO partners, academicians, development sector experts, and other corporate foundations come together to share and learn. Taking this tradition forward, ABF organised its 2nd Annual Conference – “Rural Livelihoods and Sustainability” on 7th - 8th December 2016. The objective of the conference was to deliberate upon the importance of water security as a means of fostering rural livelihoods. The conference had in attendance eminent sector leaders and provided an immense learning opportunity for the participants through insights and discussions on topics ranging from water conservation, security of rural livelihoods and innovations.

As part of the event, a round table was organised on the 7th on water conservation and water security. The round table was attended by Dr. Mihir Shah, Founder - Samaj Pragati Sahayog, Mr. Apoorva Oza, Chief Executive - Aga Khan Rural Support Programme (India), Mr. Jagdish Rao, CEO - Foundation for Ecological Security, Mr. A. Gurunathan, Director - Tata-Dhan Academy, and Mr. Harnath Jagawat, Founder- NM Sadguru Water and Development Foundation (NMSWDF) and was facilitated by Dr. Tushaar Shah, Senior Fellow - International Water Management Institute. Participants shared their current practices and discussed challenges faced on ground. They further deliberated on water security in the context of climate change and its impact on livelihoods. Some of the suggestions were incorporated by ABFs in its livelihood strategy.

Later in the evening, a debate on “Sustainability of the development sector – Grant funding or impact investing” was organised. While Mr. Cyril Anand, President and Chief Risk Officer - Axis Bank and Mr. Jairam Sridharan, Chief financial officer - Axis Bank debated in favour of impact investing and Mr. Ved Arya, CEO and Managing Trustee - Srijan, and Ms. Meera Shenoy, Founder - Youth 4 Jobs pointed out the merits of a grant funding model.

The event on the 8th began with a welcome address by Mr. S. Ramadorai, Chairman – Axis Bank Foundation. This was followed by the release of a report titled ‘Water – The Lifeline of Rural Livelihood’. The report showcases the Foundation’s efforts towards water conservation, security and access through a compilation of case studies highlighting projects that enable Livelihood and Water security. Dr. Tushaar Shah, and Dr. Anil K Gupta, Professor - IIM Ahmedabad and Founder - Honey Bee Network were the key note speakers at the event. Dr. Shah discussed about the agrarian crises in India highlighting various risks faced by landless and small farmers, and some model initiatives that have been able to tackle these issues. Dr. Gupta’s address emphasised on the importance of collaboration among all stakeholders to promote innovative solutions at the grassroots to effectively manage natural resources and prevent future crises. The key note addresses were coupled with insightful panel discussions on two very pertinent issues that challenge work in the space of sustainable rural livelihoods. The session panellists drew upon their own experiences and knowledge systems resulting in an impactful knowledge sharing session for the participants.



Dr. Mihir Shah, Mr. Jagdeesh Rao, Ms. Joanna, Director, Strategic Marketing and Communication – ICRISAT, Prof. Girish K. Agrawal, Professor, Strategy and Policy - Institute of Rural Management Anand, and Mr. Ashis Mondal, Founding Director - Action for Social Advancement (ASA) highlighted the agrarian crises and its consequences. The panellists highlighted the need for creating an enabling environment to promote sustainable rural development, formation of SHGs and their bank linkages as a means to combat the crisis. The second discussion lay emphasis on participatory efforts at grassroots to establish a sense of ownership among participants. The panellists Dr. I V Ramanuja Rao, Director - INBAR and Chairman - CIBART, Shri. H R Dave, DMD - NABARD, Mr. Amir Ullah Khan, Research Director - Aequitas, Board Member - Digital Empowerment Foundation,

and Ms. Naina Subberwal Batra, CEO - Asian Venture Philanthropy Network (AVPN), stressed on the need for innovation in the rural sector as a means for survival and growth. The panel reiterated on the importance of people as producers, farmers, artisans, entrepreneurs and their capability to innovate for adapting to the dynamic ecosystem in which they operate.

Besides hosting the Annual event, ABF regularly organises several discussion forums with its partners to facilitate collective learning, sharing of best practices and creating joint solutions to achieve its goal of fostering sustainable livelihoods. These focused events also help ABF and its partners to discuss and align with the latest innovative practices being adopted in the social sector and deliberate on the overall landscape of social empowerment in the country, in context to livelihood.

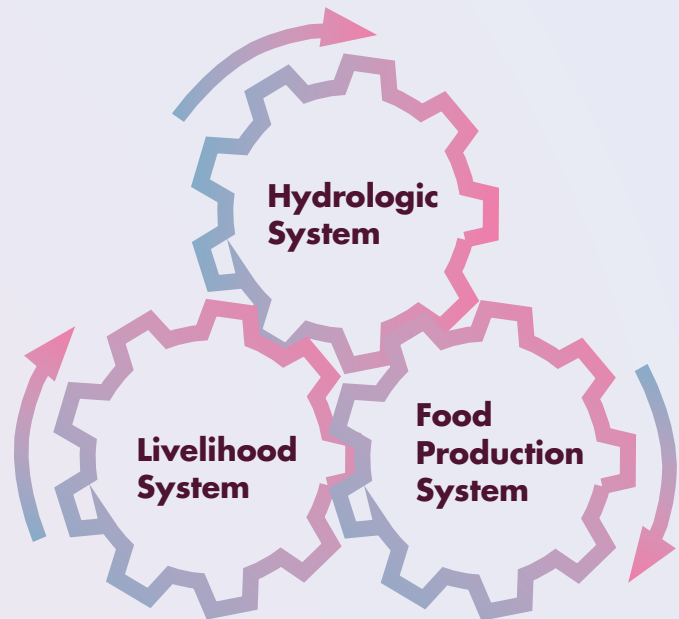
Case study: Watershed management



The emphasis on water security at Axis Bank Foundation is crucial for fostering sustainability in rural livelihoods. Ensuring water availability to the farmer by establishing new or enhancing watershed management practices is the first step in the project design. The project mobilises local communities and leverages relevant government programmes to create cost efficient structures to store water as well as replenish groundwater levels in watershed areas. These structures and practices that harvest rain water, and check soil erosion by limiting surface water runoff are crucial in maintaining the quality of land that supports cultivation. Another aspect of ABF's efforts at water conservation is organising communities to form Water User Associations (WUAs) and subsequent capacity building to

encourage judicious use of water and effective management of the water structures. The availability of water followed by introduction of appropriate dryland agriculture packages and linkages to the markets has resulted in improved productivity, and enhanced revenues for the farmer.

ABF's 2nd Annual Conference highlighted the role of water security towards enabling sustainable livelihoods in rural areas. A report titled 'Water – The Life Line of Rural Livelihood' was released on this occasion. The report is a compilation of detailed case studies of successful interventions with NGO partners and is a part of ABF's continued attempt of disseminating learnings to a wider audience.



Summary of the report

An acute challenge of the agriculture sector in India is that a majority of its farmers practice rain-fed agriculture and are thus prone to the vagaries of nature. The World Resources Institute has placed India in the 'High Water Stressed Country' group. Hence, addressing water stress is a priority for the country especially when the entire population's staple diet consists of rice and wheat, two extremely heat sensitive crops. The agrarian crisis confronting the country at present requires solutions that address the linkages between Hydrologic system – Livelihood system – Food production system.

ABF's funded projects support revival of traditional water structures as well as create new infrastructure for water conservation, thus recharging groundwater in watershed areas, and ensure efficient water usage in agriculture by promoting water management techniques. These practices preserve the fertility of land through soil and moisture conservation.

The Foundation's projects have introduced rain water harvesting structures that ensure water availability all year round. In addition to this, small scale and micro irrigation systems aimed at increasing the land coverage are introduced in parallel. A participatory approach towards rural development by involving communities in management of the water resources through innovative techniques has resulted in effective and efficient utilisation of water. Watershed management is coupled with a dryland agricultural package which entails diversification of crops, and use of organic manure and bio-pesticides that preserves the quality of natural resources. Farmers are encouraged to take up crops based on local conditions of weather, water availability and soil type etc. The appreciation for traditional knowledge of communities and its inherent strengths has helped in further strengthening of watershed management projects. The prolonged availability of water has resulted in improved incomes for farmers in agriculture distress states like Maharashtra, Tamil Nadu, Madhya Pradesh, Rajasthan, Karnataka and Gujarat. The efforts have helped farmers to practice multiple cropping with reduction in production cost. A few examples of this water conservation work are listed below.



Phad irrigation system and Doha model in Maharashtra

The Vidarbha and Marathwada regions in Maharashtra are synonymous with distressed agriculture leading to several socio economic issues. The solution to the region's agricultural distress lies in adoption of locally suited water resource management measures. In Phad irrigation system, rainwater or flowing river water is diverted to a nearby field by constructing diversion based weirs, contour canals or through PVC pipes. Water flow is channelised to the fields without usage of any mechanical or electrical energy, hence making it a cost-effective solution. Doha is a stream based water storage model. It is a low-cost water harvesting structure built at bed level of the stream to harvest rain water below ground level. The Doha pits are created by widening and deepening existing sections.

Revival of traditional tank based irrigation system in Tamil Nadu

The four blocks in the Pambar - Kottakaraiar river basin are located within drought-prone districts of Tamil Nadu. Water conservation and subsequent

cultivation in this entire belt is dependent upon hundreds of small-scale water bodies namely irrigation tanks and village ponds that were constructed centuries ago. These structures are revived and its management is reinstated with the community institutions called Vayalagams to manage the water distribution and long term maintenance of the tanks.

Natural resource management system through development of "Commons" in Rajasthan and Karnataka

Udaipur and Pratapgarh districts in Rajasthan face rampant illegal tree cutting, weak protection systems, difficult land tenure arrangements etc. that have led to severe environmental degradation. Similarly, certain parts in Chikaballapur district in Karnataka face weakening of traditional water harvesting structures and over-exploitation of ground water for cash crops. Restoration of water structures and development of governance institutions is being facilitated for effective management of natural resources. The interventions have helped in improving the productive capacities of farm-lands through land development and soil moisture conservation measures.



Participatory irrigation management in Gujarat

The hilly terrain and excessive soil erosion in the Dang district, leads to high levels of surface water run-offs. The key water conservation interventions introduced in the region are Boribandhs – plastic sand sacks walls built against the water flow, gravity based irrigation, revival of already existing check dams, solar-based irrigation, drip irrigation, mini-lift irrigation and group wells/lifting devices. A sense of accountability and ownership over the assets have been instilled by ensuring participation of village-level institutions in planning, implementation and maintenance of the project activities.

Check-dam and lift irrigation model in Western India

The districts of Dahod and Mahisagar in Gujarat, and Banswara and Dungarpur in Rajasthan have mixed landscapes including undulating plains and rugged terrains. The project activities include construction of water harvesting and storage structures, and distribution channels that ensure water availability to the farmers for longer periods. These structures also help in replenishment of the water table.

Irrigation development in Madhya Pradesh

Dewas and Khargone are districts in the most backward, remote and drought-prone parts of the country. The interventions here are watershed development and dry land agriculture.

The projects with NGO partners have helped raise awareness on the importance of water as one of the most critical elements for sustainable livelihoods and strengthen the linkage between the two. Thus a common strand across the ABF supported projects is highlighting the importance of efficient management of water. Evidence based assessment have indicated that the interventions are making a hydrological impact on the environment while improving the productivity of land and enhancing the livelihoods of marginal farmers. Community participation and capacity development of farmers by training them on modern farming practices and techniques has ensured sustainability of the outcomes. Conservation of water is a complex issue and the report through multiple case studies stresses on the need to look at it through a prism of multidisciplinary approaches.

Financial Statements

We have examined the balance sheet of AXIS BANK FOUNDATION, AAATU2526R as at 31/03/2017 and the Statement of Income and Expenditure for the year ended on that date which are in agreement with the books of account maintained by the said trust.

We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of the audit. In our opinion, proper books of account have been kept by the head office and the branches of the abovenamed trust visited by us so far as appears from our examination of the books, and proper Returns adequate for the purposes of audit have been received from branches not visited by us , subject to the comments given below:

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

- (i) in the case of the balance sheet, of the state of affairs of the above named trust as at 31/03/2017 and
- (ii) in the case of the Statement of Income and Expenditure, of the surplus of its accounting year ending on 31/03/2017

The prescribed particulars are annexed hereto.

Place : Mumbai
Date : 31/07/2017

Name
Membership Number
FRN (Firm Registration Number)
Address

Sumant Sakhardande
034828
103523W / W100048
Haribhakti and Co LLP
Chartered Accountants
705 Leela Business Park
Andheri Kurla Road, Andheri (E)
Mumbai 400 059

Balance Sheet as at 31st March, 2017

Particulars	Note No.	As at 31st March, 2017	As at 31st March, 2016
I. Sources Of Funds			
		Amount in Rs	Amount in Rs
1. Trust Funds			
Corpus Fund	3	65,00,00,000	65,00,00,000
Reserves and Surplus	4	25,12,96,566	8,34,19,846
Total		90,12,96,566	73,34,19,846
2. Current Liabilities			
Other Current Liabilities	5	73,17,414	1,97,375
Total		73,17,414	1,97,375
Final Total		90,86,13,980	73,36,17,221
II. Assets			
1. Non Current Assets			
Fixed Assets - Intangible Assets	6	41,403	53,699
Long Term Loans and Advances	7	1,82,86,568	1,77,06,745
Total		1,83,27,971	1,77,60,444
2. Current Assets			
Cash and Cash Equivalents	8	89,02,86,009	71,58,56,777
Total		89,02,86,009	71,58,56,777
Final Total		90,86,13,980	73,36,17,221

Accompanying notes forms part of the financial statements

As per our attached report of even date attached.

For HARIBHAKTI & CO. LLP
Chartered Accountants
Firm Regn. No. 103523W/W100048

For and on behalf of the Board of Trustees

Sumant Sakhardande
Partner
Membership No. 034828
Place : Mumbai
Date : 15 June 2017

K. Anil Kumar
Executive Trustee
& CEO
Place : Mumbai
Date : 15 June 2017

Rajesh Kumar Dahiya
Trustee

Statement of Income and Expenditure for the year ended 31st March, 2017

Particulars	Note No.	For the year ended 31st March, 2017	For the year ended 31st March, 2016
		Amount in Rs	Amount in Rs
Income			
Income from Operations	9	85,77,91,256	53,76,55,377
Income from Other Sources	10	3,10,12,666	2,12,78,022
Total		88,88,03,922	55,89,33,399
Expenditure			
Application of funds towards object of Trust	11	66,86,71,799	51,83,58,006
Personnel expenses - Deputation cost		3,89,77,233	2,40,20,503
Depreciation and amortisation expenses	12	12,296	7,782
Other expenses	13	1,32,65,874	77,02,150
Total		72,09,27,202	55,00,88,441
Excess of Income over Expenditure		16,78,76,720	88,44,958

Accompanying notes forms part of the financial statements

As per our attached report of even date attached.

For HARIBHAKTI & CO. LLP
Chartered Accountants
Firm Regn. No. 103523W/W100048

For and on behalf of the Board of Trustees

Sumant Sakhardande
Partner
Membership No. 034828
Place : Mumbai
Date : 15 June 2017

K. Anil Kumar
Executive Trustee
& CEO
Place : Mumbai
Date : 15 June 2017

Rajesh Kumar Dahiya
Trustee

Notes to the Financial Statements for the year ended 31st March, 2017

Note 1 : Overview

a.) The Axis Bank Foundation (ABF) has been set up as the Corporate Social Responsibility arm of Axis Bank Ltd. and has been registered with Charity Commissioner, Mumbai under the Public Trust Act, 1950 in Maharashtra vide Registration No. E - 23597 (Mumbai). The Trust is also registered under Section 12A of the Income-tax Act, 1961 and certificate no. 80G/2922/2008/2008-09 has been granted by the Income Tax Department. As per Section 80G(5)(vi) of the Income Tax Act, 1961, any approval granted under Section 80G(5) will be valid till it is withdrawn. The 80G certificate of the Trust continues to be valid.

b.) The Trust has been registered under the Foreign Contribution (Regulation) Act, 1976 vide letter dated 11/09/2015, bearing registration number: 083781476.

c.) The strategy of Axis Bank Foundation (ABF), the Corporate Social Responsibility arm of Axis Bank, has been twofold. At the community level, it aims to provide 'Sustainable Livelihoods' to the economically weaker and underprivileged sections of the society. To achieve this goal, ABF has partnered with several likeminded and reputed Civil Society Organizations across 26 states in India. Under this overarching goal of 'Sustainable Livelihoods', ABF conducts programmes to help provide equitable and quality education to children from weaker socio-economic background, vocational skills for people with multiple disabilities and unemployed youth of urban and rural India. It also creates new opportunities for poor farmers especially the tribals and helps to build the capacities of artisans and craftsmen. In all, ABF's programs lay special focus on the girl child and women.

d.) At the corporate level, ABF involves, encourages and provides opportunities to employees of Axis Bank and its group companies by engaging them directly with the community.

Note 2 : Significant Accounting Policies

a.)Basis of Preparation

The Financial Statements are prepared under the historical cost convention in accordance with generally accepted accounting principles and the applicable Accounting Standards issued by the Institute of Chartered Accountants of India.

b.)Use of Estimates

The preparation of the financial statements requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as of the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Differences between the actual results and estimates are recognized in the period in which the results are known / materialized.

c.)Fixed Assets

Intangible Assets are stated at cost less accumulated depreciation.

d.)Depreciation

Depreciation on Intangible Fixed Assets, has been provided on Straight Line Method over a period of 5 years on prorata basis from the date of additions and/or disposal. The cost of and accumulated depreciation for fixed assets sold, retired or disposed off are removed from the stated values and the resulting gains and losses are recognized in the Income and Expenditure account.

e.)Revenue Recognition

Donations: Donations are recognised as income in the year of receipt.

Interest: Interest is recognized on a time proportion basis.

f.)Taxes on Income

The Company enjoys exemption under section 12A, read with section 12AA/(1)(b) of the Income Tax Act 1961 and therefore income will not attract any Income Tax Liability.

g.)Provisions & Contigent Liabilities

The Trust recognises a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

h.)Accounting policy on Application of funds towards object of Trust

Grant disbursed to NGO Partners is accounted on cash basis.

Particulars	As at 31st March, 2017	As at 31st March, 2016
	Amount in Rs	Amount in Rs
Note - 3		
Trust Fund		
Opening Balance	65,00,00,000	65,00,00,000
(+) Additions / (Deletions) during the current year	-	-
Closing Balance	65,00,00,000	65,00,00,000
Note - 4		
Reserves & Surplus		
Surplus as per Statement of Income & Expenditure		
Opening Balance	8,34,19,846	7,45,74,888
(+) Net Surplus for the current year	16,78,76,720	88,44,958
Closing Balance	25,12,96,566	8,34,19,846
Note - 5		
Other Current Liabilities		
Provision for Expenses	41,06,500	1,82,875
Sundry Creditors	31,95,914	-
Statutory Dues - Withholding Taxes	15,000	14,500
Total	73,17,414	1,97,375

Note - 6											
Fixed Assets- Intangible Assets											Amount in Rs
	GROSS BLOCK - AT COST					DEPRECIATION				NET BLOCK	
S. No.	Discription of Assets	As at 01.04.2016	Additions / Transfer In	Deductions / Transfer Out	As at 31.03.2017	Up to 01.04.2016	For the year	Deductions / Transfer Out	up to 31.03.2017	As at 31.03.2017	As at 31.03.2016
1	Computer Software	61,481	-	-	61,481	7,782	12,296	-	20,078	41,403	53,699
	Total	61,481	-	-	61,481	7,782	12,296	-	20,078	41,403	53,699
	Previous Year	-	61,481	-	61,481	-	7,782	-	7,782	-	53,699

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Particulars	As at 31st March, 2017	As at 31st March, 2016
	Amount in Rs	Amount in Rs
Note - 7		
Long Term Loans and Advances		
Others - Unsecured, considered good		
Capital advance	28,23,331	11,14,611
Prepaid expenses	1,32,514	-
Tax deducted at source	1,53,30,723	1,65,92,134
Total	1,82,86,568	1,77,06,745
Note - 8		
Cash and Cash equivalents		
Balances with Banks	55,05,54,549	47,83,53,311
Fixed deposits with a Bank for less than 12 months	33,97,31,460	23,75,03,466
Total	89,02,86,009	71,58,56,777
Note - 9		
Income from Operations		
Donations	85,77,91,256	53,76,55,377
Total	85,77,91,256	53,76,55,377
Note - 10		
Income from Other Sources		
Interest on saving account	12,05,122	2,39,215
Interest on fixed deposits	2,95,80,067	2,10,38,807
Interest on Income Tax Refund	2,27,477	-
Total	3,10,12,666	2,12,78,022

Particulars	As at 31st March, 2017	As at 31st March, 2016
	Amount in Rs	Amount in Rs
Note - 11		
Application of funds towards object of Trust		
Educational	1,12,84,338	2,52,59,212
Medical Relief	-	15,69,316
Other Charitable Objects	64,39,44,745	48,33,78,548
Impact Assessment Fees	69,10,764	28,98,103
Financial Audit Fees	49,41,818	43,16,953
Program Travelling Expenses	15,90,134	9,35,874
Total	66,86,71,799	51,83,58,006
Note - 12		
Depreciation and amortisation		
For the year on Intangible Assets as per Note 6	12,296	7,782
Total	12,296	7,782
Note - 13		
Other Expenses		
Legal & Professional Fees	64,55,416	26,04,179
Travelling Expenses	15,94,989	21,44,895
Audit Fees		
For Statutory Audit	4,02,500	2,02,015
For Other Matters	-	47,424
Other Misc. Expenses	48,12,970	27,03,637
Total	1,32,65,874	77,02,150

	Note - 14	
	Other Explanatory Information	
A	Commitments & Contingent Liabilities	
i	The Trust has committed to disburse Rs.232.81 Crores (Previous year Rs. 166.74 Crores) to various agencies for undertaking various projects approved by the Trust. The said commitment is in excess of the Corpus of the Trust. The Trust expects to receive sufficient donations / grants to meet the said commitments.	
ii	Estimated amount of contracts remaining to be executed on Capital Account and not provided for (net of advances) amounting to Rs. 28,52,000/-	
B	Deputation cost includes variable pay of Rs.28,43,332/- for FY 2015-16	
C	Related Party Disclosures	
i	Names of the related party and nature of relationship as identified by the Trust are as follows	
	Axis Bank Limited	Settlor
	Axis Asset Management Company Limited	Subsidiary of Settlor
	Axis Capital Limited	Subsidiary of Settlor
	Axis Finance Limited	Subsidiary of Settlor
	Axis Securities Limited	Subsidiary of Settlor
	Axis Trustees Services Limited	Subsidiary of Settlor
ii	Transaction with above parties:	
		31-Mar-17
		31-Mar-16
	Donations and Grants received during the year:	
	Settlor	78,10,10,769
	Subsidiary of Settlor	6,22,50,787
	Interest received during the year on FD/SB accounts from a Bank- Settlor	3,07,85,189
	Fixed Deposits placed with Banks during the year- Settlor	170,51,25,047
	Fixed Deposits matured/withdrawn from the Banks during the year- Settlor	162,69,10,587
	Balances with Banks as on 31st March- with Settlor	55,05,54,549
	Fixed Deposits with Banks as on 31st March-Settlor	33,97,31,460
E	The previous year's figures have been regrouped/rearranged wherever necessary.	

For HARIBHAKTI & CO. LLP
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For and on behalf of the Board of Trustees

Sumant Sakhardande
Partner
Membership No. 034828
Place : Mumbai
Date : 15 June 2017

K. Anil Kumar
Executive Trustee
& CEO
Place : Mumbai
Date : 15 June 2017

Rajesh Kumar Dahiya
Trustee





AXIS BANK FOUNDATION

Foundation Office
'Axis House', C-2, Wadia International Centre,
Pandurang Budhkar Marg,
Worli, Mumbai – 400 025
Tel. No.: 022-24252525/43252525
Fax No.:022-24251800