

# oikos Case Writing Competition 2017 Social Entrepreneurship Track

## 1<sup>st</sup> Prize

### ***Dharani: Nurturing the earth, fostering farmers' livelihoods***

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## **Nurturing the earth, fostering farmers' livelihoods: *The Dharani model of collective entrepreneurship promoted by Timbaktu Collective***

### **Abstract**

Timbaktu Collective is a non-profit organization in southern India, working for the sustainable development of rural communities with an emphasis on ecological principles and social harmony. One of the core areas of its work is with small farmers in the region who remained marginalized in a fiercely competitive market dominated by large players. Inspired by its success with organic farming and in collectivizing rural people Timbaktu Collective promoted a business enterprise for procuring, processing and marketing the organic produce of farmer-members in the district of Anantapuramu.

In 2008, *Dharani Farming and Mutually Aided Co-operative Society Limited* (Dharani) was started as a farmer owned, cooperative enterprise that procures and sells the members' organic produce. This case discusses how Dharani not only developed external markets for small farmers' organic produce but also articulated an ethical model of local production, distribution and consumption. For nearly a decade, Timbaktu Collective and Dharani have worked together to increase membership in the cooperative from only 70 in less than a dozen villages to 1800 in 35 villages in 2015. Dharani recorded net profit of over Rs 15 lakh in 2014-15, despite repeated droughts in 2014 and 2015. Besides financial benefits to members, land fertility had also improved substantially: acreage of certified organic land had grown from 80 acres in 2005 to 7500 acres in 2015. With a network of 246 retailers, bulk buyers and direct consumers, Dharani's brand of products, "Timbaktu Organic" had also been firmly established in 40 towns and cities of South India

But Dharani's operations had to expand significantly if they had to benefit all the farmer-members of the cooperative. For this Dharani has to (1) increase procurement of farmers' organic produce from the current level of 300 tons to 1500 tons, (2) increase value of the procurement from Rs 1 crore to Rs 5 crore and (3) increase net profits from Rs 24 lakh to Rs 50 lakh. *How could Dharani continue its growth as a business enterprise while remaining a socially responsible and ecologically sensitive, farmer-owned cooperative?*

## Case

### 1. Introduction

It was another beautiful morning in “Timbaktu“, a rural abode located in Anantapuramu district in the South Indian state of Andhra Pradesh. Mary Vattamattam and Bablu Ganguly stood atop a hill and looked at the vast stretch of lush, green land they helped rejuvenate. They knew that this day was noteworthy in their life together in Timbaktu. The previous day had marked the conclusion of three days of festivities in Timbaktu. Over 8,000 people from all over India and beyond had joined the couple in the 25th anniversary celebrations of the founding of *Timbaktu Collective*, a not-for-profit development organization they founded with their friend John D’Souza (Exhibit 1).

In 1990, Mary, Bablu and John had decided boldly to purchase 32 acres of barren land in a chronically drought prone region and regenerate it. Calling this land “Timbaktu” they then registered *Timbaktu Collective* as a community-centric organization to help “rural communities take control of their own lives, govern themselves and live in social and gender harmony while maintaining a sustainable lifestyle”<sup>1</sup>. The couple began with an experiment to revive the surrounding hilly terrain, its flora and fauna. In 1992, they began working with the local families in Anantapuramu - under two programs – *Chiguru*<sup>2</sup> (to address needs of children) and *Swasakthi*<sup>3</sup> (financial empowerment of women). In 1997, the Collective started experimenting with organic farming on the dry lands in Timbaktu. Inspired to create a holistic outreach covering human lives and environmental sustainability, the Collective launched several other programs - for rural self-governance, for differently abled people, for community management of natural resources and to create livelihood opportunities for the landless (Exhibit 2). Each program saw people coming together as cooperatives because collectivization strengthened their shared capacity to engage with and overcome their common challenges.

As Timbaktu Collective (henceforth, TC) continued its work with the communities, Mary and Bablu realized that the small farmers in the region remained marginalized in a fiercely competitive market dominated by large players. It was at this point that TC, a non-profit organization, decided to promote a for-profit business enterprise for procuring, processing and marketing the organic produce of farmer-members in Anantapuramu.

In 2008, TC established *Dharani Farming and Mutually Aided Co-operative Society Limited* (henceforth, Dharani<sup>4</sup>) as a farmer owned, cooperative enterprise that procures and sells the members’

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<sup>1</sup> Vision, Mission, Philosophy –Timbaktu Collective: <http://www.timbaktu.org/about-us/vision-mission-philosophy/>

<sup>2</sup> Chiguru – Timbaktu Collective: <http://www.timbaktu.org/our-programmes/childrens-programme-chiguru/>

<sup>3</sup> Swasakthi – Timbaktu Collective: <http://www.timbaktu.org/our-programmes/swasakthi/>

<sup>4</sup> The cooperative is formally registered as “Dharani Vyavasaya Mariu Marketing Paraspara Sahayaka Sahakara Sangham Ltd” under Andhra Pradesh Mutually Aided Co-operative Societies Act 1995. The word “Dharani” in the local language *Telugu* means “Earth”.

organic produce. TC works as the promoter agency, helping farmers move towards organic agricultural practices, and Dharani helps those farmers with the post-production processes. Dharani directly connects farmers to the external market through a range of organic value added products under the brand name “Timbaktu Organic”.

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Mary and Bablu had won several awards and recognitions over the past three decades; but they had special reasons to celebrate that day (Exhibit 3). From a lone couple working on barren land, the number of staff in TC had now risen to 80, Dharani had a committed team of 50 staff and there were dedicated staff working in the other cooperatives that TC promoted. Together, they had helped rebuild the lives and livelihoods of at least 20,000 marginalized families in 172 villages in four *mandals* (administrative units) in the district of Anantapuramu<sup>5</sup>.

Mary and Bablu were particularly happy with the performance of Dharani. Since its launch, membership in the cooperative had increased from only 70 in less than a dozen villages to 1800 in 35 villages in 2015. It broke even in 2011-12, within three years of its launch. Dharani recorded net profit of over Rs. 15 lakh in 2014-15, despite repeated droughts in 2014 and 2015<sup>6</sup>. The cooperative had performed even better in 2015-16 achieving total revenues of Rs. 2.04 crores, a growth of 18% over the previous year and earning a net profit of Rs. 5.22 lakh. Dharani’s board of directors had decided to celebrate this success by declaring a collective patronage bonus of Rs. 3.68 lakh to the farmer-members and Rs. 62,670 as incentives to the daily wage labourers<sup>7</sup>. Besides financial benefits to members, land fertility had also improved substantially: acreage of certified organic land had grown from 80 acres in 2005 to 7500 acres in 2015<sup>8</sup>. With a network of 246 retailers, bulk buyers and direct consumers, Dharani’s brand of products, “Timbaktu Organic” has also been firmly established in 40 towns and cities of South India<sup>9</sup>.

In less than a decade, Dharani had not only developed external markets for small farmers’ organic produce but also articulated a profitable cooperative model of social entrepreneurship that contributed to sustainable development in the region. Mary and Bablu were proud of pioneering a business enterprise based on natural resource management that offered a credible alternative to poor farmers. But the couple realized that Dharani now needed a blueprint to scale its impact in a sustainable manner. *How could Dharani continue its growth as a business enterprise while remaining a socially responsible and ecologically sensitive, farmer-owned cooperative?*

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<sup>5</sup> Timbaktu Collective Annual Report 2015-16: <http://www.timbaktu.org/wp-content/uploads/2016/10/TC-AR-2015-16-e-Flyer.pdf>

<sup>6</sup> The entire Anantapuramu district was declared drought hit in October 2016 too, "245 Mandals Declared Drought-Hit" - *The Hindu* (2016). <http://www.thehindu.com/todays-paper/245-mandals-declared-drought-hit/article15660249.ece>

<sup>7</sup> Timbaktu Collective Annual Report 2015-16. Op. cit.

<sup>8</sup> Timbaktu Collective (2015). *Letter to friends*

<sup>9</sup> Presentation by Dharani (2016)

## 2. Background

### 2.1 Anantapuramu: Barren lands and shattered economies

The south Indian district of Anantapuramu lies in an arid, rain shadow region of India (Exhibit 4) making it the second lowest rainfall receiving district in the country<sup>10</sup>. The district does not have perennial rivers or adequate ground water but more than 60%<sup>11</sup> of the population is primarily engaged in agriculture with around 95%<sup>12</sup> of them marginalized, small or medium farmers<sup>13</sup>. Efforts taken by the state government are mostly technology driven and capital intensive which not all marginal farmers can afford. Due to these harsh conditions, Anantapuramu gained notoriety for being one of the most drought prone districts in India<sup>14</sup> and reports hundreds of farmer suicides with frightening regularity<sup>15</sup>.

Agricultural distress and lack of other employment opportunities led farmers to cultivate water-intensive, non-food crops in the hope of better incomes. This led to the exploitation of groundwater, diversion of agricultural land for non-agricultural purposes and an increase in the use of chemicals in agriculture. But these changes in production activities were not adequately supported with post-production activities, particularly in market linkages. Thus the rural economy in Anantapuramu has been largely unfavourable to farmers. But the situation was not always so bleak.

Anantapuramu traces its history to one of the most powerful kingdoms in the Indian peninsula - the Vijayanagara Kingdom<sup>16</sup>. Despite scanty rainfall, farmers had traditionally practiced rain-fed agriculture by raising food crops such as cereals, pulses and millets in a mixed cropping system of agriculture<sup>17</sup>. This agriculture system used minimal external inputs which retained soil fertility. These practices were also strengthened by community management of natural resources.

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<sup>10</sup> Deccan Chronicle (2016). *Anantapur drought due to location*

<http://www.deccanchronicle.com/nation/current-affairs/190516/anantapur-drought-due-to-location.html>

<sup>11</sup> Timbaktu Collective (2016). *Revitalising Agrarian Economy and Livelihoods*. Report of meeting held on March 18-19, 2016

<sup>12</sup> Shylaja R. Rao, and K. N. Vineeth (2016). *Scaling up Agro-Ecological Production Systems among Small-Holders for Sustainable Livelihoods - A study of the Anantapuramu District*

<sup>13</sup> As per the Government of India's classification of land holdings, large farmers own more than 5 hectares, medium farmers own 2 to 5 hectares, small and marginal farmers own less than 2 hectares, <http://dolr.nic.in/dolr/mpr/mastercodes/sizeofholdingcodes.pdf>

<sup>14</sup> Rukmani. R, and Manjula. M (2009). *Designing Rural Technology Delivery Systems for Mitigating Agricultural Distress: A study of Anantapur District:*

[http://www.psa.gov.in/sites/default/files/12723828131\\_StudyofAnantapur.pdf](http://www.psa.gov.in/sites/default/files/12723828131_StudyofAnantapur.pdf)

<sup>15</sup> Rakesh Reddy V.K. (2015). Agrarian crisis: Anantapur registers 150 suicides. *The Hindu - Business Line:* <http://www.thehindu.com/news/national/andhra-pradesh/agrarian-crisis-anantapur-registers-150-suicides/article8015557.ece>

<sup>16</sup> Government of Andhra Pradesh. *History of Vijayanagar:* <http://www.ap.gov.in/about-ap/history/vijayanagar/>

<sup>17</sup> There are several varieties of millets in India: jowar (great millet), ragi (finger millet), korra (foxtail millet), arke (kodo millet) and sama (little millet). Millets are free of gluten unlike rice and wheat and have low

In the 1960s, the Green Revolution contributed to increased yields in agriculture through the use of improved agronomic technology and agro-chemical inputs. The promise of high yields and increased profits made farmers replace mixed cropping systems with mono-cropping of commercial crops like groundnut. Today, about 71% of the cropped area in Anantapuramu is under groundnut cultivation and only about 15% under food crops, with the area under millets coming down by over 90%<sup>18</sup>. The Green Revolution did provide temporary financial respite to farmers but unrestrained fertilizer usage and extended mono-cropping resulted in high fluctuations in crop yield, creating an impending calamity for the marginalized farmers.

## 2.2 Timbaktu Collective: a journey to revitalize the village economy

Mary Vattamattam and Bablu Ganguly had previously worked together with other developmental activists in Anantapuramu. Working and living with farmers in the region, they realized that social change can be initiated only by rediscovering the forgotten links between humans and nature<sup>19</sup>. After they registered<sup>20</sup> Timbaktu Collective as a non-profit organization in 1990, Bablu and Mary moved to Timbaktu along with their three children in 1992.

When the family moved to Timbaktu, Bablu recalls that “the most crucial thing we learnt was that this land needed healing because it was so traumatized... nothing growing, no animals... Slowly, we came to understand that we need to also start protecting the hills. We began to understand the relationship between forest and agriculture, that without forests you cannot really have agriculture. Agriculture is the art of living with nature... you look after the land, you give it love, you affectionately call her *Bhumata*<sup>21</sup>... But the Mother has to be looked after, Mother needs to be nurtured, Mother has to be given the pride of one’s life!”<sup>22</sup>. The members of the Timbaktu community followed the principles of *permaculture*<sup>23</sup> and “*do-nothing farming*”<sup>24</sup> to regenerate the surrounding natural environment. Within five years of their eco-restoration activities, the number of plant species had increased from 23 to 320. Today, the number of bird species visiting Timbaktu has risen from 40 to about 240<sup>25</sup> (Exhibit 5).

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glycemic index. Millets can grow in dry lands and land with poor soil quality, requiring much less water than rice and wheat.

<sup>18</sup> Rukmani. R, and Manjula. M (2009). Op. cit.

<sup>19</sup> Our Beginnings – The Timbaktu Collective: <http://www.timbaktu.org/our-beginnings/>.

<sup>20</sup> Timbaktu Collective is registered under India’s *Societies Registration Act XXI of 1860*

<sup>21</sup> Bhumata is the Telugu word for “Mother Earth”

<sup>22</sup> *Timbaktu*. (2013). [film] New Delhi: Black Ticket Films.

<sup>23</sup> Graham Bell (2016). *Bruce Charles 'Bill' Mollison 1928-2016*:

<https://www.permaculture.co.uk/news/14748871427497/bruce-charles-bill-mollison-1928-2016>

<sup>24</sup> Larry Korn. *The One-Straw Revolution*: [http://www.onestrawrevolution.net/One\\_Straw\\_Revolution/One-Straw\\_Revolution.html](http://www.onestrawrevolution.net/One_Straw_Revolution/One-Straw_Revolution.html)

<sup>25</sup> Timbaktu – The Timbaktu Collective: <http://www.timbaktu.org/our-programmes/timbaktu/ecology/>

The early ecological experiments of Mary and Bablu made Timbaktu a meeting place for the local villagers to come, share and exchange stories about the land and the community. In 1992, TC started its project - *Swasakthi* - a program for women to collectively tackle financial indebtedness and dependency. Women were encouraged to form groups of 30 members to regularly save amounts as small as Rs. 10, creating an alternate banking system to earn interest on savings and to borrow at low-interest rates<sup>26</sup>.

An early analysis of the loan utilization patterns of the members of *Swasakthi* revealed that a bulk of the women's expenditure was agriculture related. TC realized that increasing costs of agricultural production and diminishing returns had created a crisis situation for the marginalized families. Around the same time, the organic farming demonstration plots in Timbaktu started showing encouraging results. The visible success of organic agricultural practices on the rejuvenated hilly terrain of Timbaktu aroused the curiosity of the women-farmers, inspiring them to also experiment with organic farming on their farms. Thus, TC began an organic agriculture programme for the farmers in the region.

### **2.3 Dharani: The collective entrepreneurship model of Timbaktu Collective**

In 1999, TC launched a project called "Seeds of Hope". The project encouraged farmers to return to organic agriculture by planting native crops (like millets) using community practices of natural resource management. By 2005, 350 farmers from 8 villages had agreed to implement organic farming on at least 3 acres per farming household<sup>27</sup>. By this time, TC had also networked with several ecologically minded individuals and civil society organizations who provided much needed technical inputs and financial support at the initial stages (Exhibits 6 and 20).

As the project expanded further the women's cooperative *Adisakthi*,<sup>28</sup> in 2005, provided seed capital of Rs. 0.5 lakh for establishing a business unit to buy and sell the farmers' produce. It was soon decided that an autonomous producer owned business enterprise would help farmers to compete better in the organic food market. In April 2008, *Dharani* was registered as a producer owned enterprise, with organic farmers as its shareholders and directors. Dharani's primary focus was to help farmers tackle the following challenges:

- (i) unavailability of credit and increased indebtedness
- (ii) exploitative practices of private traders and local mill owners
- (iii) increased exposure to market risk and varying trade policies
- (iv) no access to a growing organic food market

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<sup>26</sup> The Swasakthi program led to the promotion of four cooperative societies that were organized into a federation of cooperatives called *Mahasakthi*. As of March 2015, Mahasakthi Federation had 18,640 women members with a total capital base of Rs. 138 million: <http://www.timbaktu.org/our-programmes/swasakthi/>

<sup>27</sup> Timbaktu Collective (2006). *Investing in Timbaktu Organic*.

<sup>28</sup> Adisakthi was the first alternative banking cooperative established by Timbaktu Collective in 1994



To deal with the above challenges, Dharani and TC had to constantly develop a series of institutional and operational innovations in the way agri-business was practiced in Anantapuramu.

### **3. Innovations in Dharani's social enterprise model of agri-business**

#### **3.1 Organizational: Transparent and participatory governance**

Dharani's management structure follows a bottom-up system to enable farmers' collective involvement across the enterprise. At the village level, farmers are organized under *Sanghas* (farmer clubs) each with a membership of 25-30 farmers. There may be more than one Sangha in a given village depending on the number of cooperative members. In every Sangha, there are 5-6 *Brindams* (groups) each consisting of 3-4 farmers. Members of a Brindam own farming lands located geographically close to one another. Brindam members are responsible for assisting and ensuring the organic integrity of each other's lands. Every Sangha has two elected leaders (one male and one female) who manage the Sangha with the help of the village volunteer. The volunteer is chosen by members of the Sangha and is paid for recording the organic status of the farms, financial transactions and for coordinating with the TC team for extending other services to members<sup>29</sup>. Dharani is essentially a federation of these Sanghas. To ensure equal representation from Sanghas of all villages, the 35 member-villages (as of March 2015) are divided into 12 constituencies with three villages representing each.

At the topmost level, Dharani has a Board of Directors consisting of 12 elected farmer-directors. The 12 directors are elected by the Sangha leaders who, in turn, are elected by member farmers in each constituency. The Board also has two nominated members, the Chief Executive Officer (CEO) and the Chairperson of TC. The CEO executes the decisions of the Board and manages the overall administration of Dharani. The term of the Board lasts three years after which elections are conducted to elect new representatives (Exhibit 7).

The Board meets every month to review the reports of the previous month's activities and finances submitted by representatives of Dharani's operational team. Based on these inputs, the Board collectively approves the budget proposals and other related decisions for the current month<sup>30</sup>.

An Annual *Mahasabha* (General Body Meeting) is held once a year to enable all farmer-members to review and approve the annual financial statements. The Mahasabha also presents an opportunity for members to participate in discussing the future plans of the enterprise. The occasion also serves to reward best performances among farmers and staff members of Dharani (Exhibit 8).

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<sup>29</sup> Ashish Kothari (2014). *Very Much on the Map: the Timbaktu Collective*: [http://www.vikalpsangam.org/static/media/uploads/Vikalp%20Sangam%20Case%20Studies/timbaktu\\_collective\\_casestudy\\_ak.pdf](http://www.vikalpsangam.org/static/media/uploads/Vikalp%20Sangam%20Case%20Studies/timbaktu_collective_casestudy_ak.pdf)

<sup>30</sup> Dharani (2011). *Investors' Report*. Dharani FaM Coop Ltd.

These transparent and participatory processes have encouraged the farmer-members to not just reap the profits of the business but also to take collective responsibility for managing their enterprise.

### **3.2 Pre-production & production: Farmer field schools and extension services**

The most important service provided to Dharani's members is another institutional innovation: farmer field schools. These "schools" help in the re-education of farmers to learn organic agricultural practices. A dedicated team of field cadres engage with the farmer Sanghas by: providing round the clock extension support; conducting peer learning between farmers; organizing regular training during the agricultural season; planning for procurement before the cropping season; and supporting with the Participatory Guarantee System (PGS) certification process<sup>31</sup> (Exhibit 9).

It was the success of the farmer field schools' implementation of PGS that led the International Federation of Organic Agriculture Movements (IFOAM) to invite TC as one of the first members of the PGS Organic Council of India<sup>32</sup>. The PGS certification of farmers and their produce was formally approved as a quality assurance initiative by the Government of India<sup>33</sup>, paving the way for Dharani's products to be marketed as 'certified organic'. Besides PGS India and IFOAM, Dharani has also benefited from several other national and international agricultural networks in strengthening its sustainable agriculture operations (Exhibit 6 and 20).

G. Nallappa, a farmer, summarizes the services of field cadres: "Just the way a teacher teaches children... they sit with us and together we examine our fields... analyse which crops should be grown, identify the nature of pests... and the kind of (natural) pesticide to be used"<sup>34</sup>.

TC also supports participating farmers with native seeds and provides natural inputs (biomass, natural pesticides, etc.) to enhance soil fertility<sup>35</sup>. Farmers are also supported in purchasing local, sturdy cattle breeds such as the *Hallikar* whose dung and urine are key ingredients in the preparation of organic fertilizers and pesticides. The *Hallikar* cattle also provide draught power in agricultural production and milk for household consumption, thus re-establishing a link between agriculture, livestock and farmer households<sup>36</sup>.

### **3.3 Post-production: Premium benefits and incentives to members and staff**

Before the advent of Dharani, farmers in Anantapuramu had to personally transport their produce to

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<sup>31</sup> Timbaktu Collective *Annual Report 2014-15*: <http://www.timbaktu.org/wp-content/uploads/2015/11/AR-2014-15.pdf>

<sup>32</sup> *PGS Organic Council | PGS Organic India*: <http://www.pgsorganic.in/pgs-organic-council/>

<sup>33</sup> *Participatory Guarantee System for India*: [http://www.pgsindia-ncof.gov.in/pgs\\_india.aspx](http://www.pgsindia-ncof.gov.in/pgs_india.aspx)

<sup>34</sup> *Timbaktu*. (2013). [film]. Op. cit..

<sup>35</sup> *Organic Farming – The Timbaktu Collective*: <http://www.timbaktu.org/our-programmes/timbaktu/organic-farming/>

<sup>36</sup> In 2014-15, 87 farmers were helped to purchase 174 *Hallikar* cattle. In 2015-16, 423 more farmers were assisted.

the local *mandi* (market). At the market, the local traders weighed the produce and bought the produce at a unilaterally decided price. Having already paid for transportation of their produce the farmers had no choice but to sell to the local traders, irrespective of whether it was profitable or not.

But Dharani changed this purchase procedure and restored control to the producers. Firstly, Dharani's directors discuss with the Sangha leaders and fix the procurement price before every cropping season. This price is at a premium, generally 15- 25% higher than the market price. Secondly, the produce is weighed by the farmer-members themselves, enabling them to verify the weights (Exhibit 10). Thirdly, the produce is purchased by Dharani at the farm gate so that the farmers can save on transportation expenses<sup>37</sup>. These benefits offered to Dharani's members are in addition to the extension services offered by TC. Dharani also offers bonus to the farmer-members, the staff members and the daily wage labourers who work at Dharani's processing plants. The board of directors decides the quantum of bonus depending on the net profits earned every year (Exhibit 11).

However, providing a premium price to the farmer-members poses a continuing challenge to Dharani. The resources for paying the premium are obtained via TC and paid out as part of the sustainable agriculture program funded by TC's donors. *How long could Dharani rely on this source of funding?*

### **3.4 Handling & processing: Opportunities for increasing employment**

Processing organic produce (especially millets) is labour intensive and contributes to the local economy. With increase in Dharani's membership and procurement every year, there is a corresponding increase in demand for space, time and equipment for processing the produce. The number of daily wage labourers who work in Dharani's processing units has increased steadily over the years, thus providing employment opportunities to many (Exhibit 12).

Along with manual processing, Dharani also uses technology for processing and producing value added products. However, it only adopts technology that does not affect the organic nature of the produce. For example, Dharani produces groundnut oil by "cold pressing" unlike the industrial refining techniques which require chemicals for extraction and preservation. On the other hand, Dharani incorporates technology for quality control like using grading meshes and mechanical roasting for groundnuts (Exhibit 13).

In 2007, Dharani established its first storage and processing unit at its field office in Chennekothapalli village. This unit had a storage capacity of 100 tons of produce and space for processing operations. With increase in annual procurement and demand for greater processing capacity, Dharani constructed processing units in Roddam and Ramagiri *mandals* in 2015 to store and process 300 tons of farmer produce. In addition, mini-processing units were set up in nine villages. These efforts have enhanced

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<sup>37</sup> Dharani – The Timbaktu Collective: <http://www.timbaktu.org/our-programmes/rural-enterprise/dharani/>

Dharani's processing capacities and assisted in the decentralization of services to farmer members<sup>38</sup>.

### **3.5 Ethical marketing: Ensuring value to the consumer and the producer**

The visible face of Dharani's work is the brand "Timbaktu Organic"<sup>39</sup> under which the farmers' produce marketed (Exhibit 14). The brand is primarily targeted at local markets in the Anantapuramu region. But Dharani's participation in organic fairs, bazaars and food festivals led to an expansion of the brand, both in urban and rural areas (Exhibit 15). Dharani began focusing on better customer engagement practices paying attention to different customer categories while remaining true to Dharani's principles.

Dharani established product development procedures for different customer segments; all products are tested for shelf-life, taste and other features before introduction in the market (Exhibit 16). While millet products constitute the bulk of its portfolio Dharani's products have penetrated into the "Ready to cook" and "Ready to eat" segments. Sales have been driven largely by "customer pull" due to its quality assurance and relatively lower prices. Timbaktu Organic products also gained international recognition in 2014 when Dharani participated in the International Terra Madre food festival in Turin, Italy.

Products which do not receive sufficient patronage are dropped and new products continue to be tested and developed for the market. In 2014-15, five products were dropped while 15 new products were being tested for introduction to the market (Exhibit 17). While value added products contribute only 12% of total sales (in 2014), they provide the visible face of Dharani's work with farmers and provide a constant engagement with the investors and friends of the Timbaktu community<sup>40</sup>.

As a member of the Fair Climate Network<sup>41</sup>, TC encouraged Dharani to develop an ethical marketing model. This involved reducing the number of food miles involved in transporting its products. So Timbaktu Organic products are marketed only within a 350 km radius, even though there is demand elsewhere. Therefore, Dharani's products are sold only in southern and parts of central India (Exhibit 18). But in 2015, Dharani started shipping its products to customers in other parts of India via its online shopping platform<sup>42</sup>. Equally important for its marketing has been through its social media platforms – a Facebook page<sup>43</sup> and a blog<sup>44</sup> – in addition to regular updates on its website.

Despite its success in the urban markets, the "Timbaktu Organic" brand is still a fledgling in the organic foods market in terms of annual turnover – Dharani's turnover is still in lakhs while the

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<sup>38</sup> Timbaktu Collective - Annual Report 2014-15. Op. cit.

<sup>39</sup> *Timbaktu Organic – Food for the Soul*: <http://timbaktu-organic.org/>

<sup>40</sup> Timbaktu Collective - Annual Report 2014-15. Op. cit.

<sup>41</sup> Fair Climate Network - The Core Group: <https://www.fairclimate.com/members/coregroup.aspx>

<sup>42</sup> Products – Timbaktu Organic: <http://timbaktu-organic.org/index.php/shop/>

<sup>43</sup> <https://www.facebook.com/TimbaktuCollective/>

<sup>44</sup> <http://tc-ckp.blogspot.in/>

leading players deal in crores of rupees. *Should Dharani aim to compete with other organic brands for greater market share?* (Exhibit 19)

### **3.6 Financing operations: Socially responsible investments and investors**

As mentioned earlier, Dharani was established with seed capital from a women's cooperative. But Dharani raised its initial funds through equity contribution from the farmer members, who contributed Rs. 33 lakh towards the enterprise<sup>45</sup>. Besides this, TC decided to seek funding from ethical investors in the form of "socially responsible investments"<sup>46</sup>.

The basis of this investment model is that "development that is financially sustainable, ecologically sound and socially conscious, can be triggered only if, the investors behind the venture encourage such a triple bottom line focus." By inviting investors to seek both financial returns and social good as early as 2006, Dharani became one of the earliest promoters of "socially responsible investments" in India. Dharani continues to seek social investments from ethical investors in 2015-16, though it now offers higher returns (6% to 8% per annum on simple interest basis). It was these low-interest loans from ethical investors that enabled Dharani to start earning profits quickly. Dharani itself performs the role of an ethical investor by offering low-interest loans to members for farming related expenses<sup>47</sup>.

### **3.7 Networking and alliance building: collaborating for social impact**

From the early days when TC was established, the founders had realized that scaling impact would require a combination of creativity, hardwork and research. But in addition to these crucial factors, they had to also learn about the key players in the ecosystem, particularly those who could not only support them financially but also with timely advice and appropriate inputs. Their early success was rewarded with internationally renowned fellowships such as Ashoka (1993-94). This also provided a strong supportive network which has helped TC till now. In 2013, Bablu Ganguly was invited as one of the keynote speakers at Ashoka's India Future Forum.

TC also participates actively in several other networks. As mentioned earlier, its role in PGS India and IFOAM has strengthened its association with other partners working in sustainable agriculture. Additionally, TC is part of ecological and climate conscious national networks such as Fair Climate Network, Revitalizing Rainfed Agriculture (RRA) network in India and global networks such as the Global Ecovillage Network and Carbon Market Watch.

The support TC and Dharani get from donor support is also critical. Apart from financial support, international donors have helped TC promote its values, cooperatives and products internationally. Bablu Ganguly has been invited to speak at various international universities and conferences. Dharani

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<sup>45</sup>Timbaktu Collective (2006). *Investing in Timbaktu Organic*.

<sup>46</sup>Rajni Bakshi (2005). *Mindful markets*: <http://www.indiatogether.org/markets-op-ed>

<sup>47</sup>Timbaktu Collective (2015). *Letter to friends*

also makes use of these opportunities by participating in international events as mentioned earlier.

Apart from marketing events such as participations in food fairs and cooking demonstrations, TC and Dharani also have grand events to engage with its supporters and other stakeholders. Its biggest annual event is the *Paryavarna Parasa*, a two day event organized to celebrate World Environment Day. Besides this event, TC also organizes workshops to present and review its impact in consultation with external consultants, donors and academics along with the farmer-directors and staff.

TC and Dharani's rising success in such a short span of time should thus also be attributed to its ability to capitalize on the support extended by philanthropic organizations, academic inputs and its partnerships with regional and international civil society networks (Exhibit 20).

#### **4. Scaling up sustainably: The road ahead for Dharani**

Within less than a decade in operation, Dharani has proved that a social enterprise owned collectively by farmers can be profitable. The extensive efforts to expand the marketing base and to increase the range of value added products has yielded results as seen in Dharani's profits in 2014-15 (Exhibit 21).

Dharani has also demonstrated a strong commitment to the Sustainable Development Goals (SDGs)<sup>48</sup>. The enterprise has had a strong gender empowerment aspect in its commitment for meeting the SDG goals: end poverty (SDG 1); achieve food security, improved nutrition and sustainable agriculture (SDG 2); achieving gender equality (SDG 5); and promoting inclusive, sustainable economic growth, and productive employment (SDG 8). Also of significance is Dharani's emphasis on sustainable consumption and production patterns (SDG 12) and their work on eliminating external inputs, promoting seed sovereignty, and encouraging less water consumption and building up of bio-mass to enable farming communities cope with climate change risks (SDGs 13 & 15) (Exhibit 22).

Dharani was surely poised for growth (Exhibit 23) and Sathish Kumar, the current CEO had huge plans for Dharani's expansion in the coming two years. He and Dharani's directors were hoping to (1) increase procurement of farmers' organic produce from the current level of 300 tons to 1500 tons (2) increase value of the procurement from Rs 1 crore to Rs 5 crore and (3) increase net profits from Rs 24 lakh to Rs 50 lakh. *But what were the challenges ahead of them?*

##### **4.1 Access to institutional credit**

Sathish Kumar had earlier discussed with Mary and Bablu if it was time for Dharani to seek funding from formal institutional sources. Dharani raised most of its working capital requirements through social investments, loans from friends and other cooperatives promoted by TC. In 2014-15, Dharani

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<sup>48</sup> UNDP – Sustainable Development Goals: <http://www.undp.org/content/undp/en/home/sustainable-development-goals.html>

raised Rs. 15 lakh from various cooperatives, but was able to procure only from 364 members though there were 1,672 certified organic members (Exhibit 24). In 2015-16, friends of the Timbaktu community provided Rs. 15 lakh and 65 employees of the Collective together provided Rs. 64.7 lakh as a loan to the cooperative.

Banks were open to supporting cooperatives like Dharani, but they were restrained by strict guidelines for sanctioning loans. For instance, one rule stipulates that the borrower institution had to be located ‘within 50 kms’ of the nearest bank branch. But Dharani is located in Chennethapalli village on the national highway, 200 kms away from the bank branch! How could Dharani raise institutional credit in such scenarios? *Was it time to seek more sustainable sources of funding like banks and other financial institutions? Or should Dharani continue to rely on social investments alone?*

#### **4.2 Challenges in human resource management**

All the operating and administrative expenses of Dharani were managed through its own revenues. But TC continues to play a key role in Dharani’s operations: for identifying suitable candidates to lead Dharani, extending financial support for purchase of assets and also paying a part of the CEO’s salary.

Further, TC staffs worked closely with the Dharani team for adding new farmer members to Dharani, increasing production capacity, improving efficiency in production and processing, and increasing sales of Timbaktu Organic products. But at times, the staffs find themselves stretched in supporting increased operations and targets. Dharani also faces the challenge of finding personnel with knowledge of business administration, sales and distribution.

*How much longer could TC play the role of Dharani’s promoter? How could Dharani train the staff to develop the skills to independently manage Dharani’s finances and operations? How should TC strengthen its human resource capital by strengthening its network with allies and donors?*

#### **4.3 Increasing processing capacity and access to markets**

Dharani was expecting a production of 3000 tons among its members in the coming two years. There were no public storage facilities available within 50 km radius nor was there any warehouse financing available. The enterprise would have to significantly increase storage and processing capacity by 10 times of present capacity. *How could they increase their capacity to procure all the farmers’ produce?*

Erratic power supply in the rural areas was also hampering the processing operations. The three processing units that Dharani set up were not running to full capacity. *How could they increase and sustain their capacity operations when there was 2-4 hours of power cut every day in the year?*

The demand for Timbaktu Organic products in the urban markets was increasing rapidly. Enhanced demand and processing capacity meant that Dharani would require an investment of Rs. 5 crore over the next two years, only for its “ready to eat” and “ready to cook” products. In keeping with its vision,



Timbaktu Organic products continue to be marketed only within a 350 km radius. *But was this principle restricting Dharani's growth and expansion plans for the next two years? Should they start expanding beyond the current markets, even if it meant an increased carbon footprint for Dharani?*

## 5. Conclusion: Guardians of the Earth

Mary and Bablu had invited Sathish to discuss Dharani's expansion plans. They were seated in front of the couple's house built out of adobe bricks. Sathish sat with them sipping a cup of millet *payasam* (porridge). "I now understand what Gandhiji meant by us being guardians of the earth," said Bablu. By blending principles of agro-ecology, traditional wisdom and business enterprise, Timbaktu Collective and Dharani had proved to be "guardians" of a social enterprise in a challenging market. Bablu wondered aloud, "Yet, the question remains... have we been able to make any difference in the lives of the rural people with whom we decided to live and work. I do not know." But he continued, "Yet, I am optimistic, as I know that all that we have done has been done in a sacred manner and in celebration. This, to me, is already an end in itself."<sup>49</sup>

In his few months as CEO of Dharani, Sathish had often reflected on Timbaktu Collective's by-line "Life - we celebrate you". Listening to Bablu now, he understood the deep significance of the diverse and unique ways in which Dharani had made a difference to the rural community in Anantpuramu. Yet, as he looked at the setting sun he wondered: *what kind of holistic business strategy could help Dharani ensure its long-term sustainability in a self-sufficient and socially responsible manner?*

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<sup>49</sup> *Timbaktu*. (2013). [film]. Op. cit.



### Exhibit 1: Profile of Timbaktu Collective's founders



C.K. Ganguly was born and brought up in Bombay and Bangalore. Inspired by the people's movements in India in the 1970s he moved to the villages of Andhra Pradesh in early 1978. Since then he has been involved with human rights issues (especially economic, social, cultural and environmental) of agricultural labourers, marginal peasants, women and children.



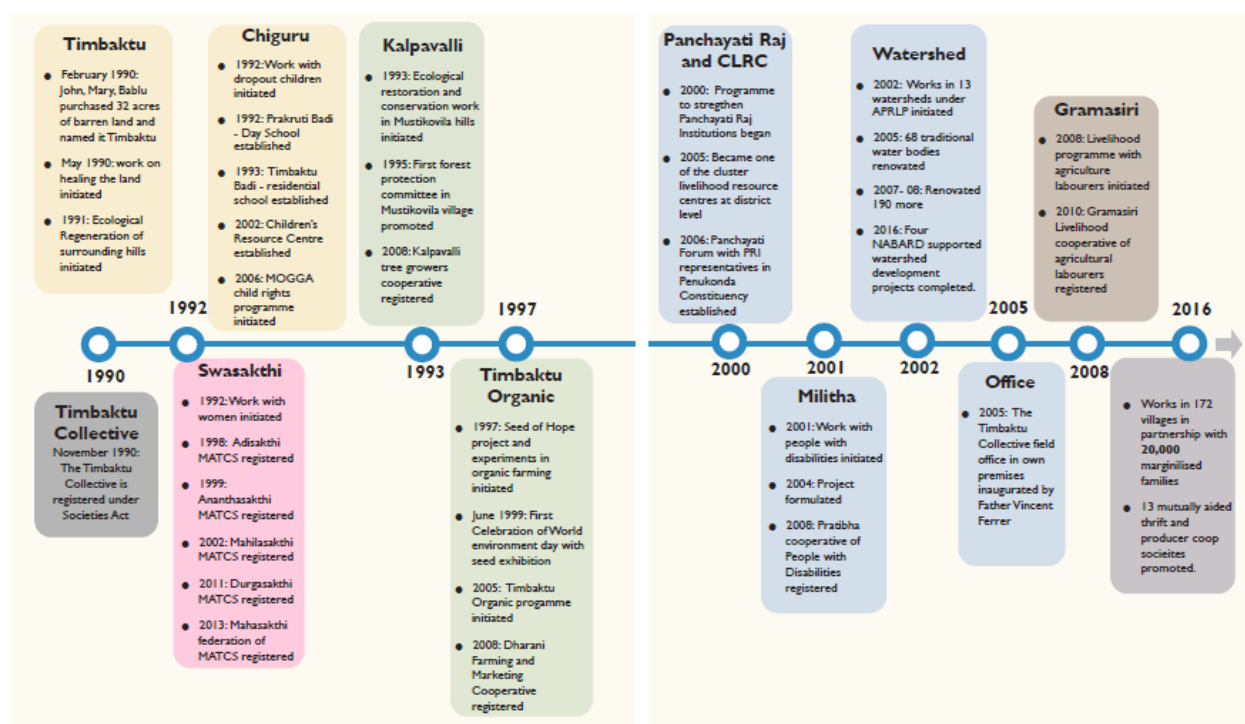
Mary, a social worker from Kerala, has played a key role in the promotion of four cooperatives of rural women, and their federation with a membership of over 20,000. She also co-founded *Mahila Aikya Vedika* (District Women's Forum-Anantapur), and helped the formation of cooperatives for landless agricultural labourers.



John D'Souza is an Information, Education and Communications professional who along with media professionals and social activists founded the Centre for Education and Documentation, which he has been leading for nearly four decades. John has also been closely associated with Mary and Bablu since 1982, and was involved in founding the Timbaktu Collective.

Source: [timbaktu.org](http://timbaktu.org)

### Exhibit 2: 25 Years of The Timbaktu Collective



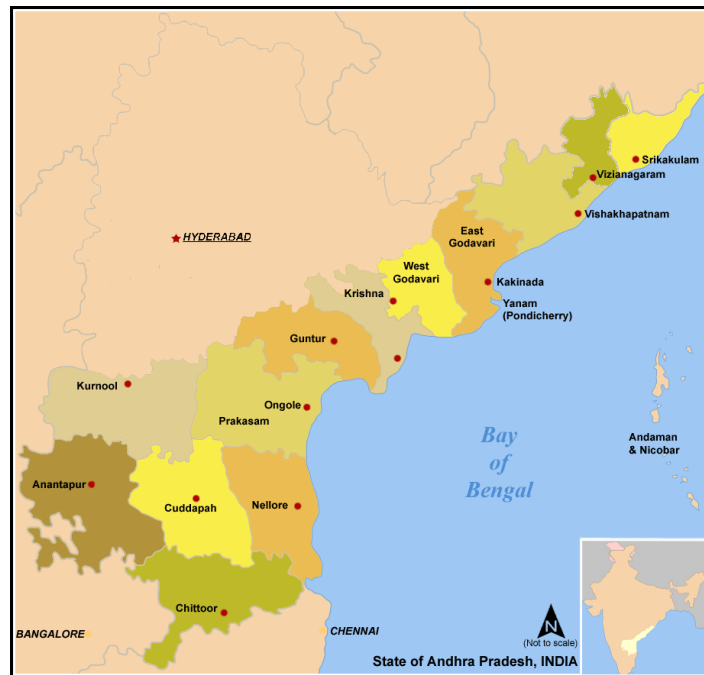
Source: Timbaktu Collective Annual Report 2015-16

### Exhibit 3: Awards and recognition for Mary and Bablu

| Year    | Award   |
|---------|---|
| 1991/92 | Smile Fellowship                                    |
| 1993/94 | Ashoka Fellowship                                   |
| 1995    | Oxfam Fellowship                                    |
| 2001    | Acharya Vinobha Bhave National Volunteer Award      |
| 2005    | Couple of the Year Award – THE WEEK magazine        |
| 2010    | Woman of the Year Award – VANITHA magazine          |
| 2012    | Breed Saviour Award                                 |
| 2012    | CNN-IBN Real Heroes Award                           |
| 2012    | State Biodiversity Award                            |
| 2014    | One World Award from Rapunzel & IFOAM International |
| 2014    | All time Grassroots Woman - Women Economic Forum    |

Source: timbaktu.org

**Exhibit 4: Map of Andhra Pradesh with Anantapuramu District (formerly known as Anantapur)**



Source: Wikimedia Commons

**Exhibit 5: Timbaktu in 1990 (left) and today (right)**



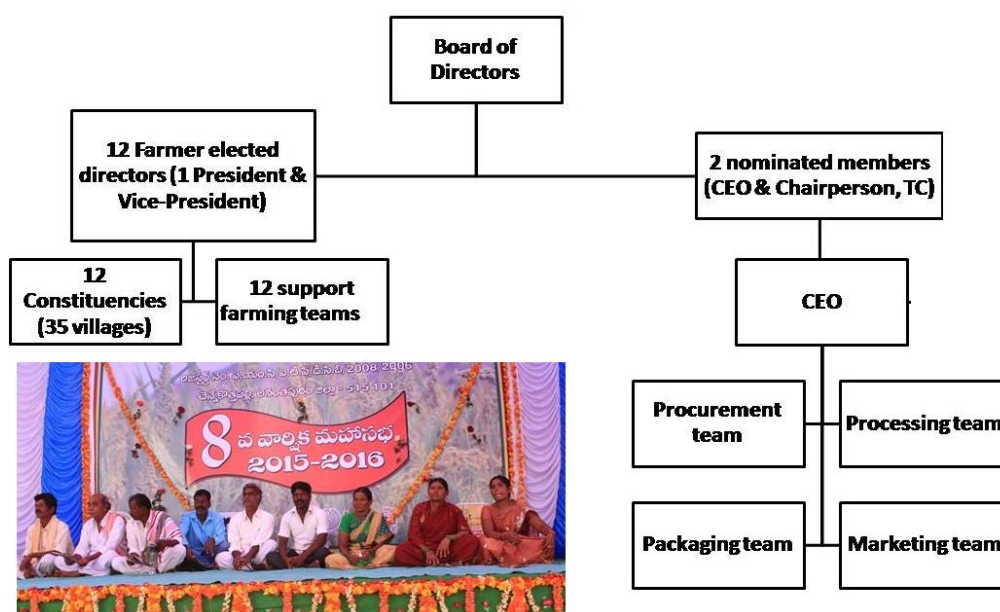
Source: timbaktu-organic.org

**Exhibit 6: Some of the institutional donors and partners working with TC over the years**

| International partners |                                |             | Regional partners |                          |              |
|------------------------|--------------------------------|-------------|-------------------|--------------------------|--------------|
|                        | Organization                   | Country     |                   | Organization             | City         |
| 1                      | ABILIS                         | Finland     | 1                 | AFPRO                    | New Delhi    |
| 2                      | Asha for Education             | USA & UK    | 2                 | CWS                      | Hyderabad    |
| 3                      | ASW                            | Germany     | 3                 | Decision Graphics        | Hyderabad    |
| 4                      | BILANCE                        | Netherlands | 4                 | DPAP                     | Anantapuramu |
| 5                      | BfdW                           | Germany     | 5                 | DRDA                     | Anantapuramu |
| 6                      | BMZ                            | Germany     | 6                 | HIDF                     | Bangalore    |
| 7                      | CAA                            | Australia   | 7                 | IGSSS                    | New Delhi    |
| 8                      | CEBEMO                         | Netherlands | 8                 | ION Foundation           | Mumbai       |
| 9                      | CORDAID                        | Netherlands | 9                 | LAYA                     | Visakapatnam |
| 10                     | DDP                            | UK          | 10                | Options & Solutions      | Bangalore    |
| 11                     | EED                            | Germany     | 11                | RDT                      | Anantapuramu |
| 12                     | ICCO                           | Netherlands | 12                | SDTT                     | Mumbai       |
| 13                     | Kadoorie Charitable Foundation | Hong Kong   | 13                | SEDT                     | Anantapuramu |
| 14                     | KZE                            | Germany     | 14                | SPA Education Foundation | Mumbai       |
| 15                     | Lilly Foundation               | USA         | 15                | SPWD                     | New Delhi    |
| 16                     | NABARD                         | Hyderabad   | 16                | WASSAN                   | Hyderabad    |
| 17                     | OXFAM                          | UK          |                   |                          |              |
| 18                     | SDC                            | Switzerland |                   |                          |              |
| 19                     | Somneed                        | Japan       |                   |                          |              |
| 20                     | TdH                            | Germany     |                   |                          |              |

Source: <http://www.timbaktu.org/about-us/donors-partners/>

**Exhibit 7: Organizational structure of Dharani**



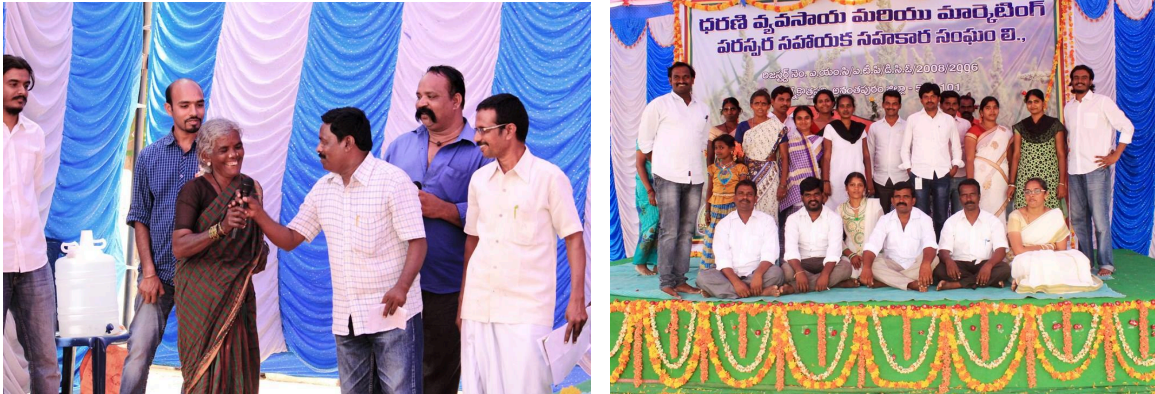
Source: Dharani investor reports 2010-11, 2011-12 (Inset: Some of Dharani's farmer-directors)



**Exhibit 8: 8<sup>th</sup> Annual Mahasabha (General Body Meeting) held in 2016**



Presenting the finances (left) and approving the audit statements by voice vote (right)



Felicitating Mallakka, the member with highest yield of organic millets in 2015-16 (left) and the staff of the Timbaktu Organic team (right) *Source: Timbaktu Collective Facebook page*

**Exhibit 9: Sangha members preparing Jeevamrutham, an organic preparation**



*Source: Timbaktu Organic Investors' Report 2006*

**Exhibit 10: Sangha member weighing the organic produce of Dharani members**



Source: Dharani Investors' Report 2010-11

**Exhibit 11: Patronage and bonus to members and staffs**

| Year    | Patronage bonus to farmers (in thousand rupees) | Incentives to staff (in thousand rupees) | Incentives to daily wage labourers (in thousand rupees) |
|---------|---|--|---|
| 2012-13 | 283.87  | 108.0                                    | -   |
| 2013-14 | 394.98  | 96.0                                     | 59.14   |
| 2014-15 | 557.0   | 124.0                                    | 66.2  |

Source: Compiled from Timbaktu Collective Annual Reports

**Exhibit 12: Role of daily wage labourers**

| Year    | Number of labour days contributed by women |
|---------|--|
| 2011-12 | 2448                                       |
| 2012-13 | 4585                                       |
| 2013-14 | 5914                                       |
| 2014-15 | 9125 (both men and women)                  |

Source: Compiled from TC Annual Reports and Dharani investor reports



**Exhibit 13: Manual processing (left) and machine processing of groundnut oil (right)**



*Source: Authors' personal collection*

**Exhibit 14: Timbaktu Organic Logo**



**Exhibit 15: A Food demonstration expo (left) and at a food fair (right) in Bengaluru**



*Source: Timbaktu Collective Facebook page*

**Exhibit 16: Product portfolio from Timbaktu Organic**

| MILLETS         | RICE & SEMOLINA  | PULSES & NUTS | OIL & BUTTER  | READY MIXES     | MUNCHIE S    | HONEY          |
|-----------------|------------------|---------------|---------------|-----------------|--------------|----------------|
| Foxtail Millet  | Brown Paddy Rice | Cow Peas      | Groundnut Oil | Pongal Mixes    | Muruku       | Rock Bee Honey |
| Finger Millet   | Red Paddy Rice   | Groundnuts    | Butter        | Dosa Mixes      | Savoury Nuts |                |
| Little Millet   | Millet Rice      | Green Gram    |               | Payasam Mixes   | Mixtures     |                |
| Proso Millet    | Semolinas        | Horse Gram    |               | Upma Mixes      | Sweetmeats   |                |
| Great Millet    |                  | Red Gram      |               | Laddu Mixes     |              |                |
| Barnyard Millet |                  |               |               | Malts           |              |                |
| Kodo Millet     |                  |               |               | Malted Flour    |              |                |
| Pearl Millet    |                  |               |               | Chutney Powders |              |                |

Source: [timbaktu-organic.org](http://timbaktu-organic.org)

**Exhibit 17: Some of Timbaktu Organic’s recent products**



Varieties of millets (left) and peanut snacks (right)



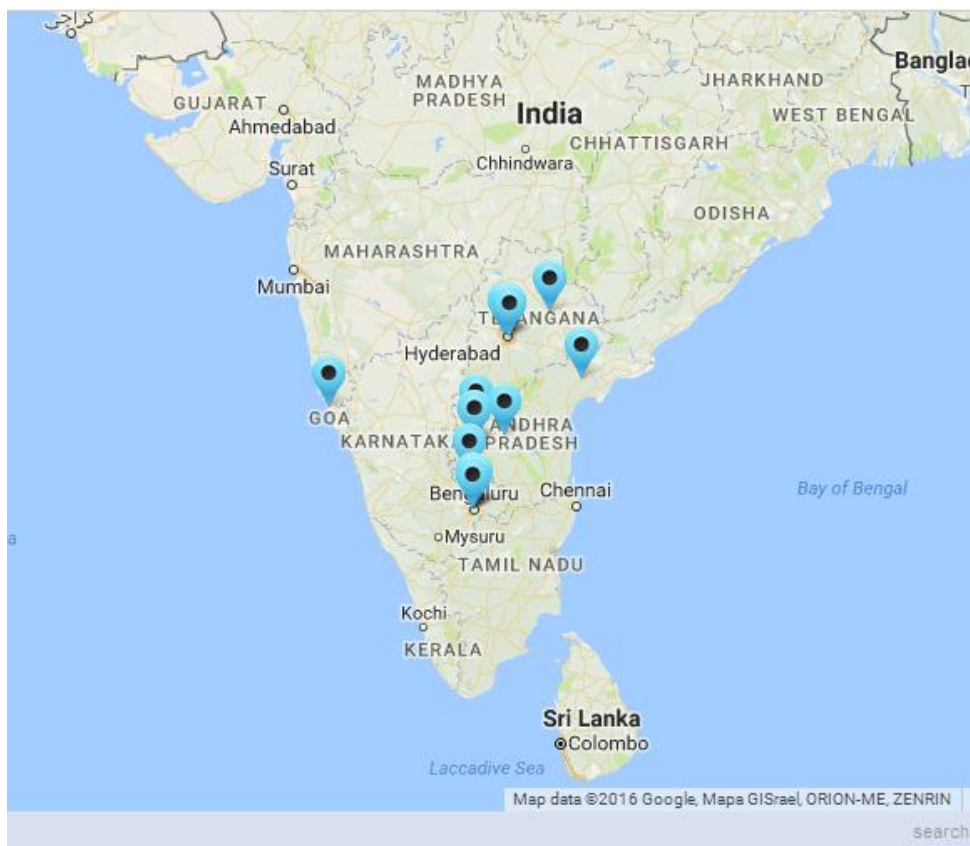
Cold compressed groundnut oil (left) and booklet of recipes (right)

Source: [Timbaktu Collective Facebook page](#)



**Exhibit 18: Map of retail outlets selling Timbaktu Organic products in India.**

All outlets are located within 350 km (~200 miles) from Anantapuramu



Source: [timbaktu-organic.org](http://timbaktu-organic.org)

**Exhibit 19: Leading organic food companies in India in 2012 (by turnover)**

| Company                 | Turnover (in Crore Rupees) |
|-------------------------|----------------------------|
| Organic India           | 175                        |
| Conscious Foods         | 120                        |
| Ecofarms                | 85                         |
| Morarka "Down to earth" | 75                         |
| 24 letter mantra        | 65                         |
| Navdanya                | 25                         |
| Fab India               | 20                         |
| Pristine Foods          | 15                         |
| Suminter organics       | 15                         |

Source: *Indian organic foods market (YES Bank, 2012)*

**Exhibit 20: Networking and Alliance Building by Dharani**

| Stakeholder groups (Allies)                  | Benefit to Dharani  | Examples   |
|--|---|--|
| Expert farmers                               | Knowledge about sustainable agriculture practices   | Mr. Narayana Reddy (Karnataka state)                                 |
| Philanthropic foundations                    | Supports TC's operations which in turn supports Dharani   | EED / Brot für die Welt – Germany                                    |
| Social enterprise forums and fellowships     | Provides financial support, advisory services and inclusion in an international network of social entrepreneurs | Ashoka – India   |
| Social investors (Friends of Timbaktu)       | Friends who provide interest free loans and advisory support  | Individuals, Rang De   |
| Organic farming and ecological organizations | Technical inputs and networking support   | Organic Farming Association of India (OFAI), PGS Organic             |
| Civil society organizations & networks       | Promotes Dharani by advocacy  | Kalpavriksh, Vikalp Sangam   |
| Government organizations                     | Can support Dharani through its policies  | State departments of Agriculture & Forestry, National Green Tribunal |
| Academics and researchers                    | Support by documenting for evaluation and expansion   | Students and faculty from management institutes in India             |
| Media persons                                | Increase awareness about Dharani for greater brand-building through films, news reports, etc.                   | Black Ticket films, Outlook magazine                                 |

**Some benefits of Dharani's alliances** *[Compiled from TC reports and Facebook page]*

| Time/Year           | Event   | Description  | Participants/ Target audience  |
|---------------------|---|--|--|
| Annual              | Paryavarana Parasa                            | International Environment Day celebrations on June 5th & 6th, every year     | People of Anantapuramu, friends, tourists, general visitors  |
| Jan, Apr, Jul & Oct | Visitor days                                  | Three days of field visits and talks during the 2nd/3rd weekends             | General visitors   |
| Annual              | Dharani Mahasabha                             | General Body Meeting for all farmer members of Dharani                       | Farmer-members, directors, staff. Other guest welcome to join as observers   |
| December 2012       | Workshop on TC's Organic Agriculture Program  | Reviewing and presenting the organic agriculture program's impact            | Farmer-members, external evaluators, donors, friends, researchers and civil society participants                                 |
| March 2016          | Revitalising agrarian economy and livelihoods | Conference to present and discuss achievements & status of TC's cooperatives | Farmers, agricultural labourers, political leaders, teachers, doctors, lawyers, researchers, NGO representatives, students, etc. |

**Some networking events organized by TC** *[Compiled from TC reports and Facebook page]*

**Exhibit 21: Financial overview of Dharani's growth**

| Year    | Revenue from sales<br>(in Rs.) | Direct expenses<br>(in Rs.) | Gross Profit<br>(in Rs.) | Indirect<br>expenses<br>(in Rs.) | Net Profit<br>(in Rs.) |
|---------|--------------------------------|-----------------------------|--------------------------|----------------------------------|------------------------|
| 2007-08 | 3,049,010                      | 2,719,378                   | 329,632                  | 489,645                          | (160,014)              |
| 2008-09 | 1,611,635                      | 1,308,754                   | 302,881                  | 358,369                          | (55,489)               |
| 2009-10 | 3,305,125                      | 2,832,663                   | 472,462                  | 474,259                          | (1,797)                |
| 2010-11 | 4,167,461                      | 2,945,844                   | 1,221,617                | 1,174,905                        | 46,712                 |
| 2011-12 | 5,678,862                      | 4,233,623                   | 1,445,239                | 1,222,893                        | 222,346                |
| 2012-13 | 9,807,085                      | 1,256,152                   | 1,699,733                | 1,819,292                        | 7,024                  |
| 2013-14 | 13,152,264                     | 2,203,502                   | 2,356,273                | 2,446,805                        | 120,156                |
| 2014-15 | 17,725,547                     | 3,137,782                   | 4,472,673                | 3,067,764                        | 1,548,156              |

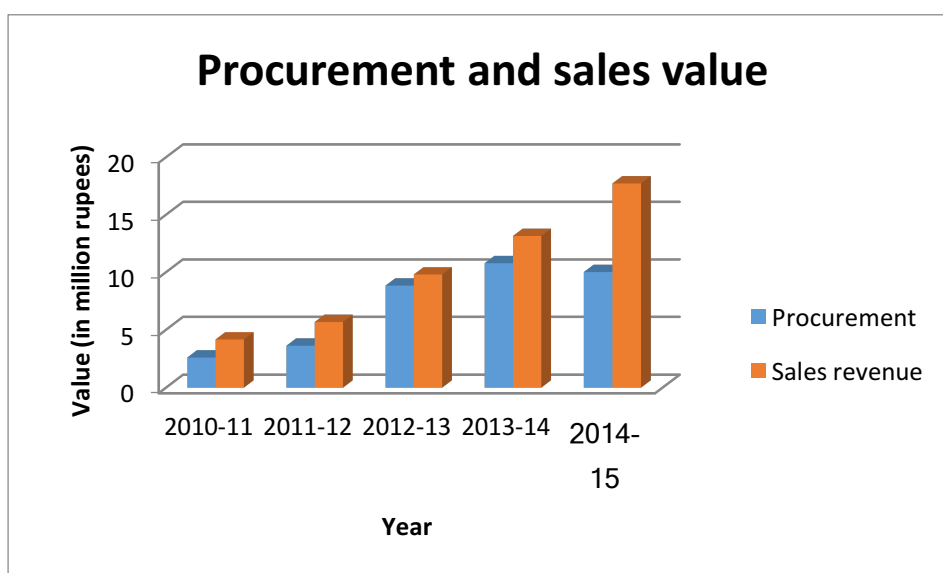
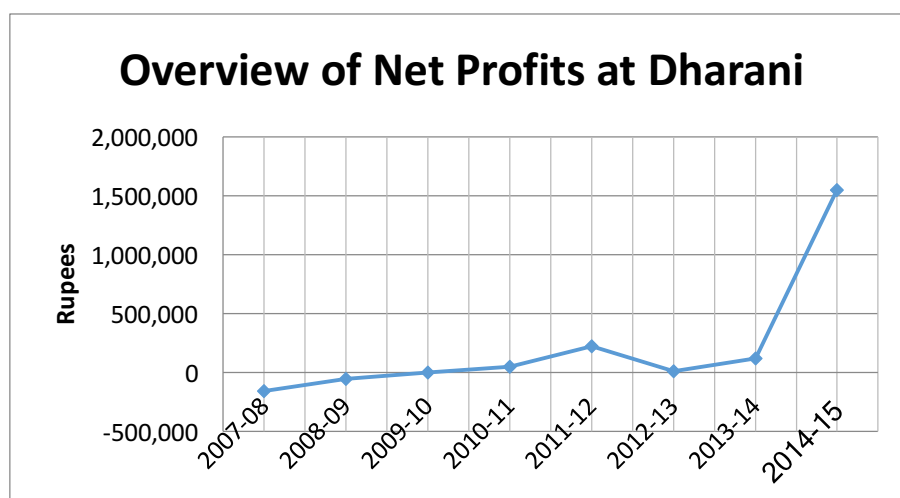
Source: Compiled from TC Annual Reports and Dharani investor reports

**Exhibit 22: Dharani and TC's commitment to UNDP's Sustainable Development Goals**

The following table indicates the SDGs to which Dharani is committed to (in green) and relevant to its social entrepreneurial activity.

| SDG | Description  |
|-----|--|
| 1   | End poverty in all its forms everywhere  |
| 2   | End hunger, achieve food security and improved nutrition and promote sustainable agriculture   |
| 3   | Ensure healthy lives and promote well-being for all at all ages  |
| 4   | Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all   |
| 5   | Achieve gender equality and empower all women and girls  |
| 6   | Ensure availability and sustainable management of water and sanitation for all   |
| 7   | Ensure access to affordable, reliable, sustainable and modern energy for all   |
| 8   | Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all   |
| 9   | Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation  |
| 10  | Reduce inequality within and among countries   |
| 11  | Make cities and human settlements inclusive, safe, resilient and sustainable   |
| 12  | Ensure sustainable consumption and production patterns   |
| 13  | Take urgent action to combat climate change and its impacts  |
| 14  | Conserve and sustainably use the oceans, seas and marine resources for sustainable development   |
| 15  | Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss |
| 16  | Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels            |
| 17  | Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development   |

Source: <http://www.undp.org/content/undp/en/home/sustainable-development-goals.html>

**Exhibit 23: Overview of profits and revenue at Dharani**

Source: Compiled from TC and Dharani investor reports (refer Exhibits 21 & 24)

**Exhibit 24: Overview of Dharani membership and procurement**

| Year    | Total number of farmer-members | Number of farmer-members procured from | Number of villages procured from | Amount of produce procured (in metric tons) | Value of procurement (in million rupees) |
|---------|--------------------------------|--|----------------------------------|---|--|
| 2010-11 | 1050                           | 70                                     | -                                | -   | 2.60                                     |
| 2011-12 | -                              | 114                                    | 20                               | 139.37                                      | 3.62                                     |
| 2012-13 | 1046                           | 222                                    | 26                               | 245.23                                      | 8.83                                     |
| 2013-14 | 1800                           | 336                                    | 32                               | 361   | 10.78                                    |
| 2014-15 | 1800                           | 364                                    | 32                               | 303   | ~ 10.01                                  |

Source: Compiled from TC Annual Reports and Dharani investor reports