

Solidaridad



A N N U A L R E P O R T

2016-17

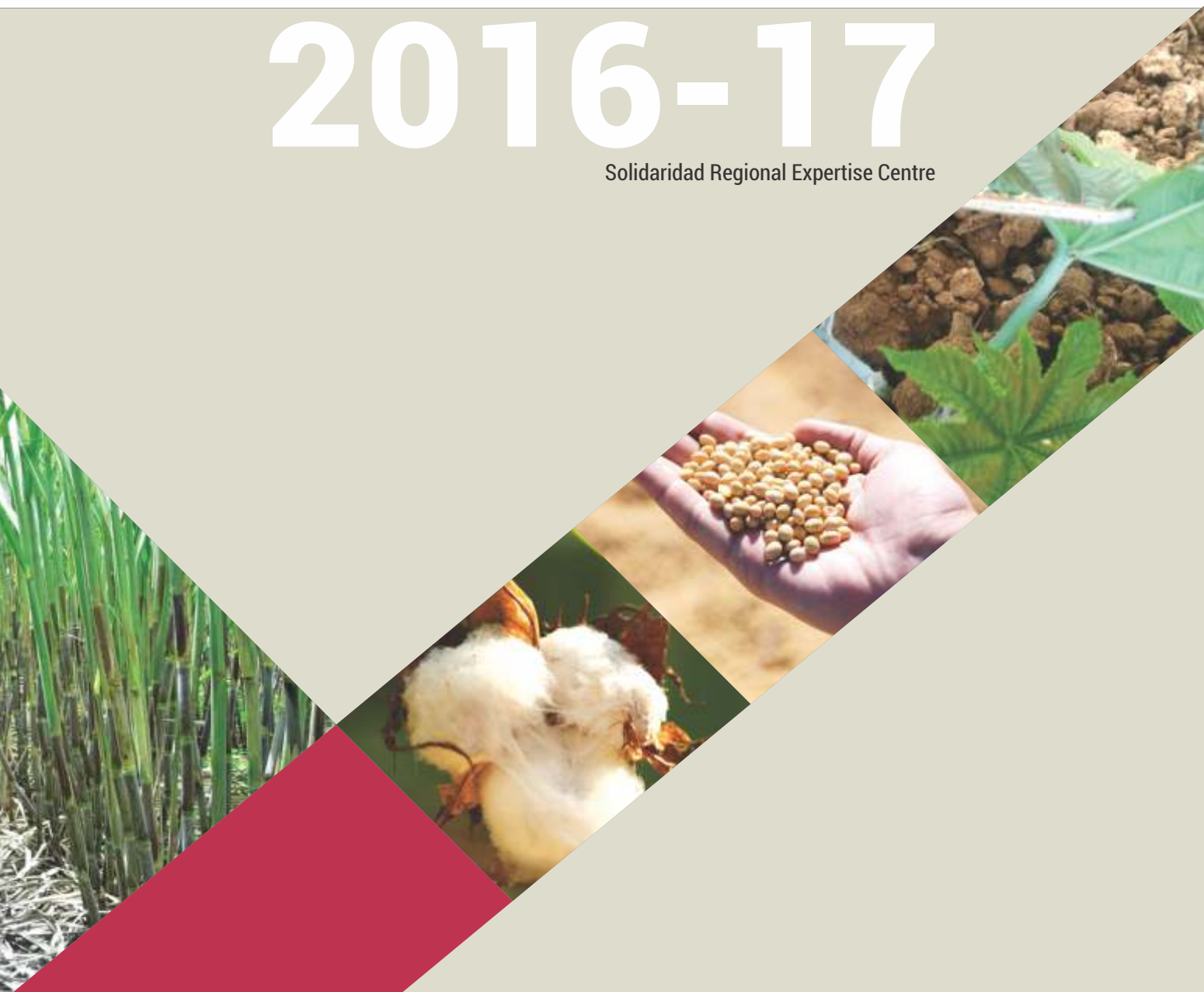
Solidaridad Regional Expertise Centre



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2016-17







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TARGETED AREAS OF PROJECT IMPLEMENTATION IN INDIA 2016-17



Project Title	Commodity/ Water Project	Project Working Areas (States)	Year (Start)
India Tea Sustainability Programme	 Tea	Assam, Tamil Nadu, Kerala, West Bengal	April 2012
Water Efficiency and Sustainability in Agri Supply Chains	 Sugarcane	Tamil Nadu	January 2014
Water Efficiency and Sustainability in Agri Supply Chains	 Soy	Madhya Pradesh, Maharashtra, Rajasthan	January 2014
Water Efficiency and Sustainability in Agri Supply Chains	 Cotton	Madhya Pradesh, Andhra Pradesh, Gujarat, Karnataka, Tamil Nadu, Odisha	January 2014
Water Efficiency and Sustainability in Agri Supply Chains	 Tea	Nilgiri District Tamil Nadu	January 2014
Diagnostic Study of Kanpur Cluster	 Leather	Kanpur, Uttar Pradesh	2015-2016

CONTENTS

Foreword	1
About Solidaridad Regional Expertise Centre (SREC)	2
Mission & Vision	4
Strategies & Core Values	5
Summary	6
Trustea Programme	8
Gap Assessments	10
Castor	11
Human Resource	16
Financial Statement 2016-17	18







FOREWORD

Solidaridad seeks to align its strategy with the Indian Government strategy of improving the agricultural landscape of India.

This year was marked by several significant projects, initiatives and changes. SREC also completed an eventful five year of the tea programme. Trustea, the local Indian standard for tea production achieved a new height as the largest tea code in a country with more than 371.3 million kilos of tea verified. Solidaridad field team trained and supported 350,142 workers of which 195,117 are women with improved social, agronomical and environmental practices. Solidaridad also trained 25,565 smallholders for producing tea as per the Indian best practices. Most of the smallholders were able to benefit from increased yields and quality leading to improved livelihood.

Our latest interventions in castor aims to help Indian smallholder castor farmers, towards improving their livelihoods by helping them to optimize their yield and reduce the impact on environment.

Solidaridad's strategy is embedded in the local reality. It addresses the environmental, economic and social challenges of smallholders by building their capacities to work on improving their production and management systems, including safe and healthy labour practices. We have made a lot of progress but there is still a lot of work to be done.

Our approach is driven by a focussed approach:

- Avoid land degradation and reclaim degraded land for agriculture.
- Water efficiency in agriculture at the demand side through more crop per drop approach and reuse of black water for irrigation.
- Improve the smallholders' competitiveness in an ecologically and economically sustainable way to produce more with less.

With this report, we are inviting you to take a first-hand look at SREC's work during 2016-17 and to learn more about the trends and drivers of our work and on how we are supporting smallholder farmers to be more competitive and to come out of the cycle of poverty.

Dr. Shatadru Chattopadhyay
Managing Trustee

It gives me great pleasure once again to introduce the Annual Report of Solidaridad Regional Expertise Centre for 2016-17 which sets out, for our stakeholders and the general public, our achievements over the last year and our future plans.

This has been a fruitful year for SREC. Our interventions have expanded significantly over the last twelve months and we have made a number of particularly notable achievements. Major projects that we recently embarked on are progressing very satisfactorily and many new opportunities are opening up for us. We face a very exciting future.

Albeit not without challenges. Food, feed, fibre and bio-fuels from agriculture are on an ever increasing demand putting huge pressure on land and water resources. Due to smaller land size, unorganised nature of farming, reduced availability of water for agriculture, rapidly degrading farmland and impacts of climate change is making agriculture a less desirable option for farmers and the upcoming generation.

Smallholders are totally unorganised and since most of the technologies are tailor-made for large farming systems, they find it difficult both financially as well as technically to apply modern technologies. Therefore, the smallholders are unable to improve their yield and agronomical practices and enhance their social and environmental practices. These smallholders requires biggest support to increase their competitiveness in order to ensure food security of our country. Therefore, Solidaridad focuses on smallholder agriculture and supports the farmers to improve product quality, productivity and their social and environmental performance.

We also have to look at engaging more with the Government, to support effective agricultural policy implementation both at central as well as state level.



ABOUT SOLIDARIDAD REGIONAL EXPERTISE CENTRE (SREC)

Solidaridad Regional Expertise Centre (SREC) was established as a Charitable Trust in December 2008, registered under the Indian Registration Act, 1908 and 80 G & 12 AA of The Income Tax Act, 1961. SREC is managed by a Board of Trustees.



OBJECTIVES

The objectives for which Solidaridad Regional Expertise Centre (SREC) is established are:

- India specific sustainable programme in the field of agriculture
- Improve water efficiency
- Improve productivity of agriculture and livelihood of the farming community
- Manage the environment around agricultural ecosystems
- Work together with smallholders, workers, local authorities, private sector and research institutes as a catalyst to create a safer workplace, access to clean water and health care.



MISSION

Solidaridad seeks to combat structural poverty through sustainable agriculture and trade. Solidaridad's mission is based on the following convictions:

- There is only one Earth, and it is our task to look after it for future generations.
- Poverty is degrading and should be eradicated from India.
- The balance between 'growth' and 'distribution' can only be preserved if the poor themselves are agents of development.

VISION

Sustainable production in agriculture and industry, combined with sustainable trade will make a significant contribution to combat poverty and in preserving people's environment, in the context of a global economy.



STRATEGIES

The increasing demand for food, feed, fibre and fuel has created a paradox. On one hand rising food prices lead to challenges for large number of people in the rural areas; on the other hand, the pressure it is creating on the land to meet the demand, threatens the biodiversity and carbon rich natural landscapes. Major Indian businesses and global multinationals have heeded the call by Solidaridad among others to take responsibility and be part of the solution rather than a part of the problem.

As agricultural productivity growth does not match demand growth, increasing areas of natural habitat and volumes of irrigation water are used to meet this demand, to a point where critical biodiversity, water and environmental regulation thresholds are exceeded, as documented in the UN Millennium Ecosystems assessment. At the same time, 75% of the world's poor live on farms that have extremely low productivity due to a combination of lack of access to inputs, poor planting material and/or environmental degradation. Moreover, there are issues such as limited or no access to markets due to logistical or quality constraints. Better farming is key in reducing poverty and providing access to health and education for rural populations, as well as curbing migration to overcrowded cities. In many cases, crop yields and livestock densities can be increased using existing and proven technology while reducing environmental impact and external inputs. In this way, efficiency gains will improve income while avoiding expansion and degradation.

Solidaridad believes that the necessary changes need to be driven by a collaboration between NGOs, market players and Government.

CORE VALUES

- We believe in creating win-win solutions for sustainable development through cooperation and partnership between CSOs, Government and businesses.
- A balanced approach towards social, economic and environmental aspects so that needs of both present and future generations are safeguarded.
- We take a value chain approach from producer to the consumer helping to integrate sustainable practices in agricultural farms and factories.
- We create support for sustainable economic development, especially among citizens and consumers in global North and South.
- We value integrity, honesty, openness, personal excellence, constructive self-criticism, continual self-improvement, and mutual respect within our organisation.

A close-up photograph of a tea plant, showing several green, spiky seed pods (bracts) and a few long, slender leaves. The background is a soft, out-of-focus brownish-green.

SUMMARY

2016-17 has been a fruitful year for SREC and our interventions have expanded significantly making a number of particularly notable achievements. This year was marked by several significant projects, initiatives and changes. SREC also completed an eventful five year of the tea programme “trustea”.

trustea, the India sustainable tea programme is an ambitious initiative to develop and implement a sustainability code for the Indian domestic tea market. The programme is led by the Tea Board of India funded by Tata Global Beverages Limited and Hindustan Unilever Limited. Solidaridad Regional Expertise Centre (SREC) is the lead implementing partner.

The trustea programme has developed a set of guidelines on good agronomical practices, health practices, environmental practices and food safety practices for Indian tea producers and workers. SREC has set up three farm support centres operating from its field offices in Tinsukia (Assam), Coonoor (Tamil Nadu) and Dooars (West Bengal).

In the year 2016-17, trustea certified 371.3 Million Kg of tea, 412 tea estate and BLF marks (315 factories),

350,142 workers covered through certified estates of which 195,117 are female workers. 222,026.5 Ha area is covered under trustea certification. Over 42000 Small Tea Growers were covered through training around demo plots and Bought leaf factories undertaking trustea implementation. 25565 smallholders and 5264 women smallholders are certified under the trustea code.

SREC conducted 200 fresh gap assessments during the year. Cumulatively, SREC completed 560 Gap assessments since the start of the programme. The SREC field teams made more than 2150 visits to the producers to provide handholding support during the year 2016 and there has been lot of infrastructure, system improvisation and policy development work in the estates due to trustea implementation.

There have been four collective refreshers training events (two each in North and South India) of trustea officers during the period under review where 144 trustea officers participated. SREC has been providing farm level training using demo-plot methodology to supplement the trainings specially training of Small Tea Growers. More than 61 such trainings have been conducted during the year. More than 40000 smallholders have received farm diaries and training to fill the same.

SREC's latest interventions in castor aims to help the Indian castor smallholders, towards improving their livelihoods by helping them to optimize their yield and reduce the impact on environment.

01 TRUSTEA PROGRAMME



Introduction

The trustea India Tea programme formally launched since 2013 seeks to facilitate a locally developed and owned Indian tea code. The main objective is to develop a meaningful, cost effective code that is practical to implement in the Indian realities, at the same time it shall not compromise on globally accepted core sustainability principles. The programme seeks to sustainably transform 400 million kg of tea, targeting 500+ factories and estates, 400,000 tea plantation workers and 32,000 smallholders. Hindustan Unilever, Tata Global Beverages and IDH– the Sustainable Trade Initiative, funds the programme and Solidaridad is the lead implementing agency along with Ethical Tea Partnership (ETP). The ETP is working for the 15% of the programme targets. The prominent international tea standard, Rainforest Alliance, is involved as technical advisor.

During the period under review key achievements and issues were as follows:

On Farm

- 371.3 Million Kg of trustea certified tea available
- 412 tea estate and BLF marks (315 factories) were trustea certified
- 350,142 workers covered through certified estates of which 195,117 are female workers
- 641 gap assessments of Estates, BLFs and out grower's groups were conducted against the trustea code version - 2.0
- 222,026.5 Ha area covered under trustea certification
- Over 42000 Small Tea Growers were covered through training around demo plots and Bought leaf factories undertaking trustea implementation; 25565 smallholders are trustea certified
- 5264 women smallholders are certified under the trustea Code





Off Farm

- **Auditors' Training:** 5th training programme for the auditor's working for the Certifications Bodies (CBs) empanelled with trustea secretariat was organized from 27th-29th January at Tollygunge Club, Kolkata.
- **Trustea Registration:** After several rounds of discussion and legal advices funders agreed that Limited by Guarantee (LBG) Company is indeed better suited to the trustea requirements. The draft Memorandum of Association (MoA) and Article of Association (AoA) has been circulated to the funders for final consensus and approval. Also, letters to invite Directors on the proposed board of trustea has also been issued by Solidaridad to IDH for further coordination with the programme funders and key stakeholders. The process of registration would start as soon as the list of the Directors from all organisations that will participate in the governance is received.
- **Trustea and RA Cross Compliance:** A benchmarking exercise of trustea and RA was conducted in 2014-15 to know the common control points between both codes so that a more cost efficient system can be established for producers to be able to cross comply. However, the RA code version – 4 is being consulted and the same shall be effective from 2017; hence it was agreed in the TPC that a fresh benchmarking exercise, if needed shall be done at a later date.
- **Trustea Internal Audit:** 138 verified entities were due for the internal audit as on December 2016 of which; 128 units have completed the internal audit and submitted reports to the concerned CBs.
- **Trustea Website:** The trustea web site was revised to make it more lively and up to date with respect to contents and related news items as recommended by the trustea team (MoM).
- **Chain of Custody (CoC):** M/s Centeas Technologies commenced the work on 2nd May 2016 to develop the CoC from the pluckers' hands till the exit gate of the factory and are expected to complete the task of making the system go live and hand over the system by 7th March 2017.
- **Surveillance/Control Auditing:** In compliance with the decision taken by the TPC at its meeting held on 8th April 2016, the secretariat initiated necessary follow up action to complete the System Assurance Audit of ten trustea verified organisations by end of June 2016. All the CBs had been briefed and they were advised to depute one of their auditors to join the System Assurance Audit programme as observers. Audits were carried out from 17th to 24th June 2016 in four units each in Assam and North Bengal and two in South India. The outcome of the SAA was presented to the tPC at its meeting held in Kolkata on 13th July 2016. The summary of shortcomings that have emerged from the SAA have been communicated to all the verified units, Farm Support Centres and the Certification Bodies; two units were de-certified through the SAAs.

02

GAP ASSESSMENTS



The year 2016 started with an aim to deliver 173 million kilograms of tea as trustea certified. In order to achieve this large target a large number of estates and BLFs were targeted for the Gap Assessment and repeated follow ups and subsequently put on the corrective action plan by the Field Teams from Solidaridad and ETP; with the help of respective commercial partners.

200 fresh Gap assessments were conducted during the year (160 by Solidaridad and 40 by ETP). Cumulatively, Solidaridad completed 560 and ETP 81 Gap assessments since the start of the programme. About 495 million KGs of Gap assessed volume (including Gap assessed during November & December 2016) was available for conversion to final verified status during the year 2016; of which 144 million was achieved.

The region-wise carry forward of gap assessed entities from Solidaridad are as follows:

Region	Total CF Gap Assessments to 2017 (as on 31 Dec 2017)	
	Marks	Volume
Assam Estate	77	54.81
Assam BLF	77	72.7
Dooars Estate	49	42.72
Dooars BLF	37	49.372
South India Estate	11	13.1
South India BLFs	20	20.88
Total	271	253.582

Compliance Support to the Producers

Solidaridad Farm Support Centres (FSC) provided compliance support to the estates, BLFs and smallholders in Tinsukia, Coonoor and Dooars. There have been repeated requests from entities under corrective action plan to visit their facilities and confirm the accurateness of their implementation. On an average an established estate requires 3-4 visits while a BLF require around 6-7 visits before it could be ready for the final verification. The FSC teams during the year 2016 have made more than 2150 visits to the producers to provide handholding support. The purpose of such support is to monitor progress made by the estates in meeting the areas of non-conformities with the trustea code. As has also been pointed out in previous reports, budgetary allocation by the estates is a single most important factor determining the speed of improvement - particularly if there are capital expenditure requirements.

There has been lot of infrastructure, system improvisation and policy development work in the estates due to trustea implementation leading to the final verification.



CASTOR 03

India is the world's largest producer of castor seeds (*Ricinus communis* L.) and meets most of the global demand for castor oil. India produces 1.2-1.5 million tons of castor seed annually accounting for more than 80% of the entire global production. Castor farming in India is done by numerous smallholders, mostly family farms. Especially on this level, the supply chain of castor oil shows sustainability challenges (social, health, safety and environmental risks). Castor oil is used for a variety of applications in several industries, e.g. coatings and paints, pharma, lubricants, engineering plastics, crop protection and personal and home care. The Castor programme strives to facilitate castor farmers to adopt sustainable package of agricultural and its related practices. The programme aims to certify 3000 farmers in four districts of Gujarat namely; Sabarkantha, Banskantha, Mehsana and Patan.

The goals of the programme are:

1. To improve productivity and sustainability in the castor supply chain in India, notably in Gujarat thereby enhancing economic self-sufficiency and livelihoods of smallholder farmers.
2. Develop sustainability principles for castor production which will guide and further allow the castor farmers to offer certified sustainable castor in the global market.

The objectives of the programme are:

1. The adoption of better farming methods;
2. To improve the farmers' and workers' income;
3. To have a better and more protected environment;
4. To ensure better living conditions for the farmers and workers

It is envisioned that the compliance with the sustainability standards will not only improve competitiveness among the castor farms but will also facilitate them in achieving compliance with national regulations and international sustainability standards in a step-wise approach.

Performance

The first year in the programme oversaw the development of sustainability castor principles which is designed to evaluate the social, economic, agronomic and environmental performance of the Indian castor farmers, both smallholders and large farmers. Intensive farmer engagement was conducted for adoption of the good agricultural practices.

Various stakeholder consultations were held during the first year between the industry players, University experts and farmers.

The field team also conducted Gap assessments against the Code and its principles post which corrective action plan was developed and the same was implemented. The Gap Assessments ensure preparedness of the farmer groups for the external audits by empanelled Certifying Bodies which will result in certified castor production against the developed sustainability principles.

In continuation to the field activities and sustainability principles development, a number of activities such as capacity building of the team and farmers alike, auditor's training, development of communication material for the programme etc. were undertaken.

Activities

The following activities were planned and implemented in the first year:

A. Baseline Study:

A market research company was engaged to carry out an independent third party baseline survey for the project. The survey was conducted among 1000 castor farmers in all the four districts in which the project is being rolled out namely Banskantha, Mehsana, Sabarkantha and Patan.

The survey was carried out to get understanding on the farmer practices followed for growing castor from pre planting stage till harvesting. This also involved checking farmer awareness and usage of agri inputs like seeds, fertilisers, pesticide etc. The survey also took into account the socio economic background and demographics of the farmer.

KEY BASELINE FINDINGS

- All the farmers take one crop of castor in a year. Castor is basically taken as a kharif crop. Sowing of the crop mostly starts in July second week or August first week.
- Most of the castor farmers use mechanization in castor farming.
- Poor access to high yielding certified seed variety is the main problem of castor farming.
- Dairy is a major source of alternate income in the area.
- Accessibility to the health facility is an issue.

B. Development of Sustainable Castor Principles:

The Castor Sustainability Principles are supported by a multi-stakeholder round table called the Castor Steering Committee -an informal assembly of key Indian castor industry stakeholders committed to working together to enhance the accountability and credibility of the castor programme specifically. The aim to improve the livelihood of castor farmers and contracted workers by supporting them to optimize yield and reduce environmental impact. The Castor Steering Committee is constituted of members from Jayant Agro, BASF and Arkema & Solidaridad.

Castor Sustainability Principles:

- | | |
|--|--|
| <ul style="list-style-type: none">• Governance and management system• Seeds and planting material• Soil and water management• Nutrition management• Ecological balance and Integrated Pest management• Safe use of crop protection products | <ul style="list-style-type: none">• Workers welfare and safety• Waste and pollution management• Bio-diversity management• Energy management• Post-harvest management practices |
|--|--|

All the aspects of the sustainability principles and best practices are provided in an easy to use implementation guide for the units which adopt it.

C. Training and Capacity Building of Farmers:

The farmers received training through an intensive engagement process. Trainings were provided to lead farmers and general farmers alike by the castor expert and the field staff. A continuous facilitation was provided to the farmers wherein farmer groups were trained in various aspects of castor farming with various training tools. The programmes were conducted for farmer groups in villages and demonstrations were also held in field to facilitate the farmers. Farmer training programme focused on compliance with sustainability principles related to crop protection methods, usage of personal protective equipment during pesticide use, waste management, storage of chemicals etc.



The achievement of the training programme is represented as below:

Programme Activities	Performance
Number of villages covered in Y1	17
Number of training sessions conducted	33
Total enrolled farmers in Y1	1592
Total Farmers trained in Y1	1019

D. Stakeholder Engagement

Multi stakeholder discussions took place as part of the programme at all levels. Various farmer groups had interactions with the industry and university experts.

The lead farmers' training sessions were conducted where more than 40 lead farmers were taken at the university campus. Training on various castor sustainable practices like seed selection, soil management, irrigation management, disease management along with field visits were part of the training programme.

E. Gap Assessments:

Gap Assessments were carried out for 1019 farmers across 17 villages to assess their compliance with the sustainability principles which led to the identification of following challenges in conforming to the sustainability principles:

- About 60% of farmer do not keep their ownership records with them.
- Majority of farmers do not keep the bills of purchase of agricultural inputs such as seeds, planting material, fertilizers etc.
- Storage of Crop Protection Products (CPP) is not as per the standards. Most of the farmers store the CPP containers at home and use the empty containers for domestic use. The storage area is not well ventilated.
- Safe disposal of wastes such as empty containers for pesticides, chemical fertilizers etc. is not conducted properly.

Post the Gap audits, the field staff have developed and implemented a Corrective Action Plan to address the challenges identified during the assessments. The farmers who did not comply with the sustainability principles were given training wherever applicable.

F. Auditors' Training, Learning and Exchange Programme:

An Auditor's training and learning event was organized with participation from Certification Bodies, Solidaridad implementation team, and representation from the BASF. It involved exchange of ideas and experiences of field team.



Three Certifying Bodies namely Control Union, Indocert and SGS were invited to the auditor's training programme. Of these Indocert and SGS were empanelled in the programme as third party Certifying Bodies. The workshop was aimed at understanding sustainability principles and to comprehend its various aspects. These aspects involve not only the quantitative principles of the principles but also require an auditor to interpret the principles qualitatively.





G. Pilot Audits:

Consultivo, a management advisory and consulting firm was engaged to conduct pilot gap assessments of castor farms based on castor sustainability principles. This was carried out in seven villages of North Gujarat by auditors. The Audit was carried out in 41 farms out of total of 419 farms. The square root formula was adopted for arriving at the sample size for this audit.

H. Conclusion:

As the global demand of oil is reducing its important to differentiate the product, engaging with the programme will not only create that difference for the farmers who will be certified by the empaneled bodies but will also ensure better livelihoods & increase in income and productivity.

However, the implementation team needs to ensure better quality seeds & its availability, ensuring farmers adopt better farm practice.

04

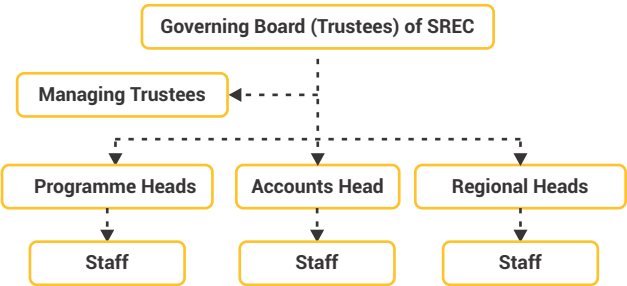
HUMAN
RESOURCE



Organizational Structure and Governance

Solidaridad in India is called Solidaridad Regional Expertise Centre (SREC). SREC is a NGO registered under the Indian Registration Act, 1908. The Certificate has been issued by Sub Registrar of Janakpuri, New Delhi under Section 60 of the Act with the registration number 17474 in additional Book No. 4 Volume No. 12384 on pages 113 to 126 on 18th December 2008.

SREC satisfies the conditions of u/s 80G of the Income Tax Act of 1961 and is also registered under Section 12A of the Income Tax Act of 1961.



Human Resource Staffing and Management

SREC has a well-defined Human Resource (HR) policy which attempts to document prevalent organizational practices and norms in a standardized format for user-friendly reference. The HR policy contains the key policies, goals, benefits and expectations of SREC and other information an employee will need in the course of seeking employment to the organization.

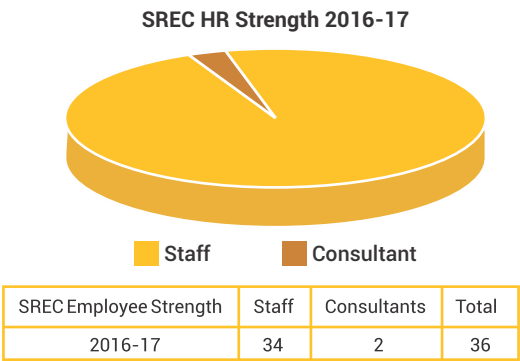
The emphasis is on:

- Devising a system that would result in an organizational climate conducive to developing the potential of human resources and providing opportunities for fulfilment
- Facilitating the implementation of human resource policies and practices in a clear and sensitive manner to enable the achievement of the mission of SREC
- Building an enduring foundation for professional relationships in the organization and ensuring continuity through the creation of a ready point of reference
- Ensuring that SREC continues to be an exciting, happy, secure and satisfying place for each and every one of us to work in and grow

SREC believes the development of people is the prime responsibility of the organization and if an environment is created where individual can develop their competencies, people can and will do their best.

SERC values the individual needs of staff and commits to providing an environment that facilitates a work and life balance. It would be our constant endeavour to explore alternatives in the ways of working - ones that embrace and harmonize all the important areas of our lives.

In order to be transparent and credible, SREC has in place a strong anti-corruption policy. SREC is guided by a well-articulated code of conduct book, which is handed over to each employee at the time of joining, Any corrupt practice by its staff is dealt with as per disciplinary measures provided in the HR Policy and if it is by a partner, appropriate steps are taken - from bilateral discussions to legal remedies.



SREC IS ISO 9001 -2008 CERTIFIED

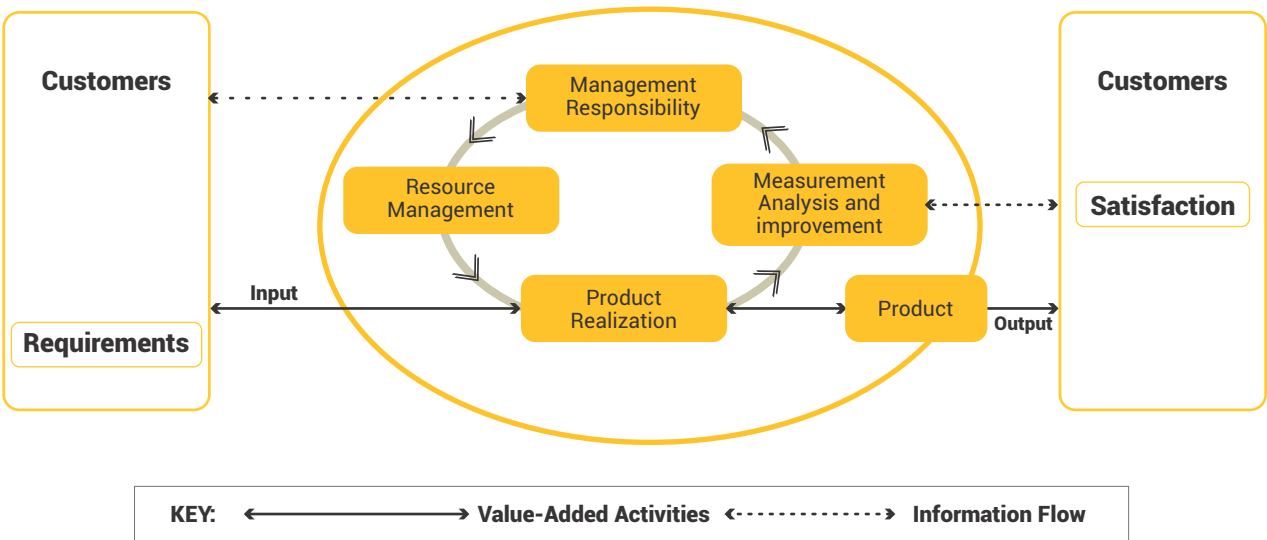
SREC has been certified under ISO 9001 -2008, since 9th September 2009, The purpose of the certification is to follow a globally accepted quality management of work, in order to:

- Demonstrate our ability to consistently provide services that meet the relevant statutory and regulatory requirements of donors and beneficiaries.
- Enhance donors' and beneficiaries' satisfaction through effective application of the system, including processes for continual improvement of the system with the assurance of conformity to donor and application statutory and regulatory requirement.



Decision Making Processes In SREC

Continual Improvement of the Quality Management System



Programmes are developed in SREC as per the following:

1. The programme team under supervision of Managing Trustee develops Multi-Annual Strategy Plans (MASPs) within India.
2. These MASP's are in line with local priorities and in conformity with Government plans.
3. The MASP is then placed for consultation before the Board of trustees and inputs are collected.
4. The MASP serves as the basis for the preparation of Annual Plans by the Managing Trustee, which are again deliberated and approved by the Board of Trustees.
5. The overall responsibility of managing and implementing the programmes and projects in line with MASP lies with the managing Trustee. The Managing Trustee further delegates this function to programme coordinators.
6. Each commodity has a coordinator or manager assigned in SREC who is overall responsible for the project implementation.
7. Each of the projects is registered by the Programme Support Officer (PSO) in the SREC under the overall supervision of the Manager - Accounts and Administration, who, along with the PSO, registers the project in a project database where a unique number is given to the project. With this number, the PSO makes a digital file where all the important documents of the project are saved. Each digital project folder is required to have at least the following elements:
 - Partner Assessment Form
 - Project Description and Project Contract
 - Payment Requests and Payment Records
 - Progress Reports and Evaluations
 - Working Documents
8. Every month a monthly staff meeting is organized in SREC to evaluate and discuss the progress of various programmes, and if necessary, corrective measures are taken. The key outcomes of the monthly meetings are documented and preserved in hard and soft copies. An annual overall report along with audited financial statement is prepared as well.

05 FINANCIAL STATEMENT 2016-17



Statements of Financial Position

	As at 31 st March 2015	As at 31 st March 2016	As at 31 st March 2017
Funds & Liabilities			
- Trust Fund	10,000	10,000	10,000
- Capital Fund (Represented by Fixed Assets)	4,873,639	4,369,380	3,611,709
- Restricted Fund	28,930,884	431,547	506,139
- General Fund	6,285,206	8,219,158	2,864,486
- Current Liabilities & Provisions	1,885,989	1,814,371	1,453,150
	41,985,718	14,844,456	8,445,484
Property & Assets			
- Fixed Assets			
Gross Block	6,915,940	7,946,085	8,207,227
Less: Accumulated Depreciation	2,042,301	3,576,705	4,595,518
Net Block	4,873,639	4,369,380	3,611,709
- Current Assets and Loans & Advances			
Cash & Bank Balances	33,460,990	3,433,468	240,162
Other Current Assets	213,590	4,331,850	3,562,312
Loans & Advances	3,437,499	2,709,758	1,031,301
	41,985,718	14,844,456	8,445,484

Donors

Hindustan Unilever Limited(HUL) (1st Phase)
Tata Global Beverages Limited (1st Phase)
Jayant Agro Organics Limited

Purpose

To implement the Project on "India Domestic Sustainable Tea"
To implement the Project on "India Domestic Sustainable Tea"
Sustainable Castor Initiative "Pragati"



FINANCIAL STATEMENT 2016-17

Statements of Activities

	Financial Year 2014-15	Financial Year 2015-16	Financial Year 2016-17
Revenues			
Restricted Income (Grants & Donations)	48,664,237	52,072,547	23,897,917
Unrestricted Income			
Overhead Support	1,978,910	2,320,180	1,032,924
Interest from Bank	788,759	374,158	237,460
Others	1,331,537	743,287	1,923,062
	52,763,443	55,510,172	27,091,363
Expenses			
Programme Related Expenses	45,405,014	52,937,385	30,096,857
Management & General Expenses	971,395	706,031	2,349,179
Total Expenses	46,376,409	53,643,416	32,446,036
Surplus/(Deficit) for the year	6,387,034	1,866,756	(5,354,673)
Earmarked Grants & Donations	(48,664,237)	-	-
Expenses out of Earmarked Grants	45,073,349	-	-
Unutilised balance of restricted grant transferred to general fund	2,792,652		
Transferred to Capital Fund	-	96,169	-
Changes in Net Assets	5,588,798	1,962,925	(5,354,673)

Extract of Independent auditors' report of the trustees of the Solidaridad Regional Expertise Centre

In our opinion and to the best of our information and according to the explanation given to us, the financial statements give the information so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- In the case of the Balance sheet, of the state of affairs of the trust as at 31st March 2017 and
- In the case of the Statement of Income and Expenditure, of the excess of expenditure over income for the period from 1st April, 2016 to 31st March, 2017.

For Dhingra & Juneja

Chartered Accountants

Firm Registration Number : **018799N**

Vikas Dhingra

(Partner)

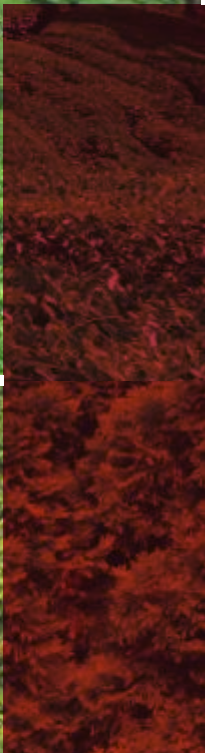
Membership No. 099604

Date : 1st September 2017

Place : New Delhi









Solidaridad

Solidaridad Regional Expertise Centre

A-5, First Floor, Shankar Garden,
Main Najafgarh Road, Vikaspuri,
New Delhi – 110 018